

10 March 2025

s 9(2)(a)

Dear s 9(2)(a)

Thank you for your email of 11 February 2025 to Kāinga Ora – Homes and Communities, requesting the following information under the Official Information Act 1982 (the Act):

- Does KO have an age breakdown of the debt outstanding and at what stage is it written off. Eg How much of that \$21 m was 60-90 days past due. How much was written off?
- 2. How much of the \$5.5m that you've brought the debt down by, represents folks moving out or or lease cancellation?

In response to your first question, we can advise that due to the way rent payments are tracked in our system, we do not age debt in the same way you requested. However, we do record the length of time tenants have been behind on their rent, with half of all Kāinga Ora tenants with rent debt having been behind on their rent for less than one year.

Kāinga Ora does not routinely write off debt for current tenants. When a tenant falls behind on their rent, we contact them early and work closely with them to develop a plan to help get them back on track with their rent payments.

While most tenants work with us to address their rent arrears, in a small number of situations, tenants consistently choose not to pay their rent or refuse to work with us. In those situations where we have exhausted all options to address the debt, we can and will apply to the Tenancy Tribunal to end the tenancy.

Length of time tenants have been in rent debt\*

| Age of rent debt in years | Number of tenants | Percentage of total |
|---------------------------|-------------------|---------------------|
| 0-1                       | 3,820             | 50%                 |
| 1-2                       | 1,044             | 14%                 |
| 2-3                       | 962               | 13%                 |
| 3-5                       | 1,233             | 16%                 |
| 5+                        | 520               | 7%                  |
| Grand total               | 7,579             | 100%                |

<sup>\*</sup>as at 26 January 2025.

In response to your second question, as you are aware, total rent debt owed by current Kāinga Ora tenants peaked at \$21.6 million in January 2024 and decreased to \$16.2 million by January 2025 – a total decrease of \$5.43 million.

Over this period, approximately \$5.2 million of rent debt was repaid by Kāinga Ora tenants. In addition to this, total rent debt reduced by a further \$4.2 million as tenancies were ended, both by Kāinga Ora and by the tenant giving notice. Alongside this, approximately \$4 million of new rent debt was accumulated by current tenants. This reconciles to a net reduction of total rent debt of \$5.4 million within the period.

You can read about our new approach to rent debt on our website at <a href="https://kaingaora.govt.nz/en">https://kaingaora.govt.nz/en</a> NZ/about-us/our-role-as-a-landlord/our-approach-to-rent-debt/

You have the right to seek an investigation and review by the Ombudsman of this response. Information about how to make a complaint is available at www.ombudsman.parliament.nz or Freephone 0800 802 602.

Please note that Kāinga Ora proactively releases our responses to official information requests where possible. Our response to your request may be published at <a href="https://kaingaora.govt.nz/publications/official-information-requests/">https://kaingaora.govt.nz/publications/official-information-requests/</a> with your personal information removed.

Yours sincerely

Nick Maling

**General Manager National Services**