



**MINISTRY OF SOCIAL  
DEVELOPMENT**

TE MANATŪ WHAKAHIATO ORA

19 OCT 2016



Dear 

On 22 August 2016 you emailed the Ministry requesting, under the Official Information Act 1982, information regarding benefits and grants for the past three years.

For clarity I will address each of your questions in turn:

- *How many clients received the Unsupported Child's Benefit and how many clients received the Orphans Benefit each year for the past 3 years?*
  - *How many of these clients had their application declined a) more than once; b) more than five times?*
- *Of those receiving an Unsupported Child's Benefit or Orphans Benefit how many were also receiving other benefits each year for the past 3 years. Please provide a breakdown including the Unemployment Benefit, the Carers Benefit, Sickness Related Benefits, Invalid's Benefit, Widow's Benefit, Emergency Benefit, NZ Superannuation and Veteran's Pension.*
  - *How many of these clients had their application declined a) more than once; b) more than five times?*
- *Of those receiving the Unsupported Child's Benefit or Orphans Benefit how many were receiving no pension or main benefit, each year for the past 3 years.*
  - *How many of these clients had their application declined a) more than once; b) more than five times?*

Unsupported Child's Benefit (UCB) provides income support to the caregiver of a child or young person whose parents are unable to care for or support them. It is a non-taxable benefit that is not affected by the income and assets of the caregiver. Eligibility for an Unsupported Child's Benefit requires evidence of a family breakdown and a care arrangement expected to last for a minimum of twelve months. Further information about the Unsupported Child's Benefit is available on Work and Income's website at: [www.workandincome.govt.nz/products/a-z-benefits/unsupported-childs-benefit.html](http://www.workandincome.govt.nz/products/a-z-benefits/unsupported-childs-benefit.html).

Orphan's Benefit (OB) provides income support to the caregiver of a child or young person whose parents have died or cannot be found, or cannot look after them because they have a long term illness or incapacity. It is a non-taxable benefit that is not affected by the income and assets of the caregiver. Eligibility for Orphan's Benefit requires a care arrangement expected to last for a minimum of twelve months.

Further information about the Orphan's Benefit is available on Work and Income's website at: [www.workandincome.govt.nz/products/a-z-benefits/orphans-benefit.html](http://www.workandincome.govt.nz/products/a-z-benefits/orphans-benefit.html).

You asked that the information about those receiving Unsupported Child's Benefit or the Orphan's Benefit to be broken down by receipt of other benefits including the Unemployment Benefit, the Carers Benefit, Sickness Related Benefits, and Invalid's Benefit. You may be aware that in 2013, the third stage of Welfare Reform changed New Zealand's welfare system to one that better recognises and supports people's work potential. It focuses on what people can do to achieve a better future for themselves and their families.

Three new benefits replaced most of the previous benefits:

- Jobseeker Support - for people who can usually look or prepare for work. It also includes people who can only work part-time or cannot look for work at that time, for example because they have a health condition, injury or disability.
- Sole Parent Support - for sole parents with dependent children under 14 who can look or prepare for part-time work.
- Supported Living Payment - for people who have, or care for someone with, a health condition, injury or disability that severely limits their ability to work on a long-term basis.

As such, the breakdown of other benefits received by those receiving or applying for the Unsupported Child's Benefit or Orphan's Benefit includes Jobseeker Support, Sole Parent Support and Supported Living Payment rather than Unemployment Benefit, the Carers Benefit, Sickness Related Benefits and Invalid's Benefit as specified in your request.

The Ministry collects data about the number of applications for each benefit that are declined. This is a count of the number of decline events, not of clients. The Ministry is unable to provide you with the data for clients in receipt of the Unsupported Child's Benefit or the Orphan's Benefit who had previously had their applications declined, nor for the number of clients who had their application declined more than once and more than five times, as the Ministry does not collate the data in this way. In order to provide you with this information Ministry staff would have to manually review thousands of applications. As such your request for this information is refused under section 18(f) of the Official Information Act. The greater public interest is in the effective and efficient administration of the public service.

I have considered whether the Ministry would be able to respond to your request given extra time, or the ability to charge for the information requested. I have concluded that, in either case, the Ministry's ability to undertake its work would still be prejudiced.

You will find enclosed the following three tables:

- Table one shows the number of caregivers in receipt of the Unsupported Child's Benefit (UCB) and the Orphan's Benefit (OB) broken down by those in receipt of each main benefit and those who are not in receipt of a main benefit, as at end June, for the previous three years.

- Table two shows the number of Unsupported Child's Benefit and Orphan's Benefit declines broken down by primary main benefit receipt and those who are not in receipt of a main benefit, for the previous three financial years.
- Table three shows the number of Unsupported Child's Benefit and Orphan's Benefit grants, broken down by primary main benefit receipt and those who are not in receipt of a main benefit, for the previous three financial years.
- *What is the total expenditure on Unsupported Child and Orphans Benefits each year for the past 3 years?*

You will find enclosed table four which shows the total expenditure on Unsupported Child's Benefit and on Orphan's Benefit for the previous three financial years

- *Since January 2014, how many Establishment Grants have been paid and what is the total amount of the grants that have been paid? What is the minimum, maximum and the average amount of grants that have been paid out since January 2014?*

The Establishment Grant for Unsupported Child's Benefit or Orphan's Benefit is a one-off payment to carers to help with the costs when a child first comes into their care, such as for bedding and clothing. The grant is a once only set amount of \$350 dollars for each child. The Grant is paid automatically when the caregiver comes onto Orphan's Benefit or Unsupported Child's Benefit. Further information about the Establishment grant is available on the Work and Income website at: [www.workandincome.govt.nz/products/a-z-benefits/establishment-grant.html](http://www.workandincome.govt.nz/products/a-z-benefits/establishment-grant.html).

There were 7,997 Establishment Grants between January 2014 and June 2016.

The total amount of expenditure on Establishment Grants has been \$2,935,000 since January 2014, (rounded to the nearest thousand dollars).

- *Since January 2014, how many School and Year Start Up Payments have applied each year for the payments. I understand people apply in January. Of those who have applied each year, how many are accepted?*
- *How many clients have received this payment more than once?*

The School and Year Start-up Payment is a yearly payment available to carers who are receiving Unsupported Child's Benefit or Orphan's Benefit and helps with the costs that mostly happen at the beginning of the year, in particular pre-school and school-related costs, such as clothing, school fees and stationery. The caregiver needs to apply for the payment. Further information about the School and Year Start-up Payment is available on the Work and Income website at: [www.workandincome.govt.nz/products/a-z-benefits/school-and-year-start-up-payment.html](http://www.workandincome.govt.nz/products/a-z-benefits/school-and-year-start-up-payment.html).

There have been 29,303 School and Year Start up Payments made between January 2014 and June 2016.

The number of applications declined is not something that the Ministry can report on because of the way in which the School and Year Start-Up Payment is processed: The Payment is granted automatically if the application criteria is met and it then proceeds to be processed and paid. In order to provide you with the number of

applications declined, Ministry staff would have to manually review all the applications. As such I refuse your request under section 18(f) of the Official Information Act. The greater public interest is in the effective and efficient administration of the public service.

I have considered whether the Ministry would be able to respond to your request given extra time, or the ability to charge for the information requested. I have concluded that, in either case, the Ministry's ability to undertake its work would still be prejudiced.

- *What is the minimum, maximum and the average amount of School and Year Start Up Payments that have been paid out each year since January 2014?*

The School and Year Start up Payment for Orphan's Benefit and Unsupported Child's Benefit is a set amount of: \$400 for children under 5 years; \$450 for children aged 5 to 9 years; \$500 for children aged 10 to 13 years; \$550 for children aged over 14 years.

These rates have been current since 2015. In 2014, the rates were: \$250 for children under 5 years; \$300 for children aged 5 to 9 years; \$350 for children aged 10 to 13 years; \$400 for children aged over 14 years.

- *Please detail what these payments have been used for.*

The Ministry does not require any receipts or quotes to grant the School and Year Start-up Payment. However, it is expected that the payment will go towards covering the child's school-related costs, or costs arising at the start of the year.

As such this part of your request is refused under section 18(g) of the Official Information Act as this information is not held by the Ministry and I have no grounds to believe that the information is held by another department or Minister of the Crown or organisation.

- *How many people have applied for money from the Extraordinary Care Fund since it was established in 2014?*
- *How many people have applied each time the fund opens?*
- *What is the total amount paid out for each intake?*

The Extraordinary Care Fund (ECF) provides discretionary grants to carers receiving the Unsupported Child's Benefit or the Orphan's Benefit for children in their care who are either experiencing difficulties that significantly impact on their development or who are showing promise in a particular area. Carers can receive one grant per child of up to \$2,000 each financial year.

There are three funding rounds each financial year, in which applications can be submitted and then assessed by an Extraordinary Care Fund Expert Panel. The first round in 2016/17 has recently concluded. This round was the sixth round since the Extraordinary Care Fund was introduced in 2014.

A total of 2,133 applications have been received since the ECF was introduced. Of these 1807 applications (75 per cent) were either approved for the full amount or partially paid and 326 applications (24 per cent) were declined due to applications

not meeting the criteria. Examples of the reasons for applications being declined include:

- Some applicants had already received funding in the current financial year
- The request was for something outside the Extraordinary Care Fund criteria for instance overseas travel or school fees.
- The application form was incomplete and there was not enough information provided with the application for a decision to be made.

A total of \$2,214,909 has been paid through the Extraordinary Care Fund to Orphan's Benefit and Unsupported Child's Benefit caregivers for children in their care since September 2014.

You will find enclosed tables five and six.

- Table five shows the number of applications to the Extraordinary Care Fund and the amount paid each funding round, broken down by the categories experiencing difficulties and showing promise.
- Table six shows the number of applications approved and declined for each funding round.
- *Please detail what the fund has been used for.*

Details of what each fund has been used for is held in each individual application. In order to provide you with this level of detail, Ministry staff would have to manually review all the granted applications. As such I refuse your request under section 18(f) of the Official Information Act. The greater public interest is in the effective and efficient administration of the public service.

I have considered whether the Ministry would be able to respond to your request given extra time, or the ability to charge for the information requested. I have concluded that, in either case, the Ministry's ability to undertake its work would still be prejudiced.

However, the Ministry is able to provide some examples of the common types of payments; for children experiencing difficulties, examples of payments that were made include:

- extra tutoring (not funded through the Ministry of Education) because of long-term absence from school or performing below the national standard
- technology such as iPads and notebooks to help improve the child's learning
- orthodontic work (not funded by the Ministry of Health) that would lessen difficulties faced by the child
- courses and activities to improve the child's ability to learn where they have learning difficulties
- private counselling that can not be funded through another agency.

For children who showed promise in specific areas, examples of payments that were made include:

- covering costs to attend national regional sports tournaments
- private tuition such as music lessons where the child was assessed as progressing well beyond their peers.

The principles and purposes of the Official Information Act 1982 under which you made your request are:

- to create greater openness and transparency about the plans, work and activities of the Government,
- to increase the ability of the public to participate in the making and administration of our laws and policies and
- to lead to greater accountability in the conduct of public affairs.

This Ministry fully supports those principles and purposes. The Ministry therefore intends to make the information contained in this letter and attached documents available to the wider public after ten working days. The Ministry will do this by publishing this letter and attachments on the Ministry of Social Development's website. Your personal details will be deleted and the Ministry will not publish any information that would identify you as the person who requested the information.

If you wish to discuss this response with us, please feel free to contact [OIA\\_Requests@msd.govt.nz](mailto:OIA_Requests@msd.govt.nz).

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](http://www.ombudsman.parliament.nz) or 0800 802 602.

Yours sincerely



Ruth Bound  
**Deputy Chief Executive Service Delivery**

**Table one: Unsupported Child's Benefit and Orphan's Benefit caregivers by primary benefit receipt as at the end of June 2014 – 2016.**

	Benefit	As at the end of June		
		2014	2015	2016
<b>Orphan's Benefit</b>	Jobseeker Support related	28	41	35
	New Zealand Superannuation and Veteran's Pension	45	44	45
	No Benefit	150	141	144
	Non-beneficiary assistance	12	7	14
	Other	9	S	S
	Supported Living Payment related	16	S	S
	Sole Parent Support	32	24	20
<b>Unsupported Child's Benefit</b>	Jobseeker Support related	804	868	988
	New Zealand Superannuation and Veteran's Pension	1,261	1,333	1,458
	No Benefit	4,417	4,551	4,830
	Non-beneficiary assistance	388	427	494
	Other	165	139	128
	Supported Living Payment related	846	880	926
	Sole Parent Support	728	678	680
<b>Total</b>		<b>8,901</b>	<b>9,152</b>	<b>9,781</b>

**Table two: Unsupported Child's Benefit and Orphan's Benefit caregiver declines by primary benefit receipt by financial year 2014 – 2016.**

	Benefit	As at the end of June		
		2014	2015	2016
<b>Orphan's Benefit</b>	Jobseeker Support related	10	S	S
	New Zealand Superannuation and Veteran's Pension	7	S	9
	No Benefit	28	21	22
	Non-beneficiary assistance	S	S	S
	Other	S	0	S
	Supported Living Payment related	S	8	5
	Sole Parent Support	S	S	7
<b>Unsupported Child's Benefit</b>	Jobseeker Support related	136	134	127
	New Zealand Superannuation and Veteran's Pension	102	126	105
	No Benefit	492	443	408
	Non-beneficiary assistance	71	70	57
	Other	30	7	8
	Supported Living Payment related	91	89	78
	Sole Parent Support	202	170	137
<b>Total</b>		<b>1,179</b>	<b>1,080</b>	<b>970</b>

Notes for tables 1-3:

- For UCB and OB grants and declines this is a count of declines, not a count of clients. A client may have more than one grant or decline in a period.
- The benefit category 'Other' includes: Emergency Benefit, Emergency Maintenance Allowance, Youth Payment, Young Parent Payment, Jobseeker Support Student Hardship, as well as pre-welfare reform benefits: Sickness Benefit, Sickness Benefit Hardship.
- 'S' represents a suppressed cell to protect clients privacy

**Table three: Unsupported Child's Benefit and Orphan's Benefit caregiver grants by primary benefit receipt by financial year 2014 – 2016.**

	Benefit	As at the end of June		
		2014	2015	2016
<b>Orphan's Benefit</b>	Jobseeker Support related	9	15	16
	New Zealand Superannuation and Veteran's Pension	14	10	10
	No Benefit	39	41	49
	Non-beneficiary assistance	6	S	S
	Other	S	0	S
	Supported Living Payment related	S	S	5
	Sole Parent Support	12	11	8
<b>Unsupported Child's Benefit</b>	Jobseeker Support related	289	333	378
	New Zealand Superannuation and Veteran's Pension	233	274	332
	No Benefit	1,344	1,353	1,490
	Non-beneficiary assistance	167	153	177
	Other	69	34	21
	Supported Living Payment related	192	198	236
	Sole Parent Support	353	375	350
<b>Total</b>		<b>2,735</b>	<b>2,807</b>	<b>3,076</b>

Notes for tables 1-3:

- For UCB and OB grants and declines this is a count of declines, not a count of clients. A client may have more than one grant or decline in a period.
- The benefit category 'Other' includes: Emergency Benefit, Emergency Maintenance Allowance, Youth Payment, Young Parent Payment, Jobseeker Support Student Hardship, as well as pre-welfare reform benefits: Sickness Benefit, Sickness Benefit Hardship.
- 'S' represents a suppressed cell to protect clients privacy

**Table four: Total expenditure on Unsupported Child's Benefit and Orphan's Benefit from the previous three financial years.**

Financial year	OB	UCB	Total
<b>2013/14</b>	\$3,988,215	\$118,565,164	<b>\$122,553,379</b>
<b>2014/15</b>	\$3,948,011	\$128,986,718	<b>\$132,934,729</b>
<b>2015/16</b>	\$4,124,398	\$139,767,767	<b>\$143,892,165</b>

Notes for table 3:

- These figures include both regular and adhoc payments. In some instances, adhoc payments can be large sums relating to historical entitlements.



**Table five: The number of applications and the amount paid for the Extraordinary Care Fund broken down by criteria and funding round.**

Funding Round	Number of applications				Amount paid			
	Experiencing difficulties	Showing promise	Both criteria	Total	Experiencing difficulties	Showing promise	Both criteria	Total
1: Aug/Sept 2014	256	106	12	<b>374</b>	\$262,133.37	\$83,925.87	\$18,630.24	<b>\$364,689.48</b>
2: Jan/Feb 2015	212	72	5	<b>289</b>	\$236,820.53	\$60,795.49	\$5,102.46	<b>\$302,718.48</b>
3: May/June 2015	542	115	14	<b>671</b>	\$17,610.26	\$112,658.60	\$627,197.76	<b>\$757,466.62</b>
4: Sept/Oct 2015	159	49	9	<b>217</b>	\$164,741.34	\$46,591.24	\$9,919.97	<b>\$221,252.55</b>
5: Jan/Feb 2016	194	70	17	<b>281</b>	\$191,416.79	\$59,046.27	\$18,224.47	<b>\$268,687.53</b>
6: May/ June 2016 (to date)	203	98	0	<b>301</b>	\$207,345.72	\$92,748.21	\$0.00	<b>\$300,093.93</b>
<b>Total</b>	<b>1566</b>	<b>510</b>	<b>57</b>	<b>2133</b>	<b>\$1,080,068.01</b>	<b>\$455,765.68</b>	<b>\$679,074.90</b>	<b>\$2,214,908.59</b>

**Table six: Applications to the Extraordinary Care Fund broken down by outcome.**

Funding Round	Applications approved	Applications declined	Total applications
1: Aug/Sept 2014	316	58	<b>374</b>
2: Jan/Feb 2015	248	41	<b>289</b>
3: May/June 2015	611	60	<b>671</b>
4: Sept/Oct 2015	203	14	<b>217</b>
5: Jan/Feb 2016	202	79	<b>281</b>
6: May/ June 2016 (to date)	227	74	<b>301</b>
<b>Total</b>	<b>1807</b>	<b>326</b>	<b>2133</b>

Notes for table 5 and 6:

- Applicants can request to have their applications reconsidered.