

3 0 JUL 2018

Dear	

On 3 July 2018, you emailed the Ministry requesting, under the Official Information Act 1982, information indicating that people on benefits who have their Accommodation Supplement increased are having their Temporary Additional Support reduced. On 6 July 2018, you refined your request to be for the following information:

 How many beneficiaries are experiencing a reduction to their Temporary Additional Support due to the Families Package Accommodation Supplement increase?

The Families Package is designed to provide targeted social assistance to improve incomes for low and middle income families with children, and to reduce child poverty.

Under the Families Package, which came into effect on 1 April 2018, about 135,000 clients were entitled to an increase in their Accommodation Supplement (AS).

Temporary Additional Support (TAS) is a non-taxable supplementary assistance that can be paid for a maximum of 13 weeks. It is paid as a last resort to help clients with their regular essential living costs that cannot be met from their chargeable income and other resources.

Further information about TAS including how TAS is calculated is available at: <a href="https://www.workandincome.govt.nz/map/income-support/extra-help/temporary-additional-support/introduction.html">www.workandincome.govt.nz/map/income-support/extra-help/temporary-additional-support/introduction.html</a>

I can advise you that 46,282 clients experienced a reduction to their TAS due to the AS increase, as part of the 1 April 2018 Families Package changes. This includes clients in receipt of a main benefit, New Zealand Superannuation, Veterans Pension and Non Beneficiary Assistance.

TAS is often paid to help people cover their high accommodation costs if they are already getting the maximum amount of AS. If you get TAS and your AS payment goes up, in most cases your TAS payment will go down. This is because more of your accommodation costs will be covered by your increased AS.

It is important to note that the majority of benefits administered by the Ministry are adjusted on 1 April each year through the Annual General Adjustment. At that time, a TAS review is completed based on any changes to all assistance a client receives. This means that the decrease to a client's TAS may not be solely due to an increase to AS.

A very small number of clients' payments may reduce overall because of their particular circumstances. A transitional assistance payment is available to these clients to cover the difference and is available until the clients income increases for up to 12 months.

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 available to the wider public shortly. The Ministry will do this by publishing this letter 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.

If you are not satisfied with this response concerning the Families Package AS increase, you have the right to seek an investigation and review by the Ombudsman. make a complaint Information about how to is available www.ombudsman.parliament.nz or 0800 802 602.

Yours sincerely

Dwina Dickinson

Group General Manager, Client Service Support