MINISTRY OF SOCIAL DEVELOPMENT
TE MANATŪ WHAKAHIATO ORA

8 July 2026

Tēnā koe

Official Information Act request

Thank you for your email of 2 June 2026, requesting information about Temporary Additional Support (TAS).

I have considered your request under the Official Information Act 1982 (the Act). Please find my decision on your request set out below.

1. *The total number of TAS applications received by the Ministry, broken down by:*
    - *Applicants receiving a main benefit*
    - *Applicants not receiving a main benefit*
2. *For applicants not receiving a main benefit:*
    - *The number of applications approved*
    - *The number of applications declined*
    - *The reasons recorded for declined applications, where available*
3. *The average weekly amount of Temporary Additional Support granted to applicants not receiving a main benefit, broken down by year.*
4. *The most common expense categories, hardship categories, or other recorded reasons for applying for Temporary Additional Support among applicants not receiving a main benefit, broken down by year where available.*
5. *The total amount of Temporary Additional Support paid to applicants not receiving a main benefit, broken down by year.*
6. *A regional breakdown of Temporary Additional Support applications from applicants not receiving a main benefit, where available.*

I refer you to the attached **Appendix** which provides the following tables in response to the above parts of your request:

- **Table 1:** Number of Temporary Additional Support applications granted and declined between 1 January 2020 and 31 May 2026 by year, benefit type and region.

- **Table 2:** Number of Temporary Additional Support applications declined between 1 January 2020 and 31 May 2026 by year, decline reason and selected benefit type.
- **Table 3:** Total weekly amount and average weekly amount for Temporary Additional Support as at selected month ends between December 2020 and May 2026 by benefit type.
- **Table 4:** Number of Temporary Additional Support allowable costs as at selected month end between December 2020 and May 2026 by cost category and benefit type.

TAS reapplications due between 30 March and 30 September 2020 were extended by six months in 2020, therefore a number of clients were not required to reapply for TAS.

Please note, for Table 2, case managers must select the closest available reason code from a predefined list at their discretion. The selected reason code may not fully reflect the client's actual situation.

Please also note, the Ministry is unable to provide a more detailed breakdown than that supplied in Table 4.

Where a client is already receiving the maximum Accommodation Supplement (AS) and the maximum Disability Allowance (DA), they may still have essential costs that exceed their income. In these situations, the client may have an entitlement to TAS. As the initial application is made via AS and DA supplementary payment process, there are no additional cost codes attributed to the remainder of the costs covered by TAS. There are, however, cost codes attributed to some accommodation payments and some health and disability costs when applied for directly under TAS and can be provided.

7. *Copies of any reports, briefings, memos, advice, dashboards, or other internal analysis produced since 2020 relating to:*
    - *trends in Temporary Additional Support applications from people not receiving a main benefit*
    - *drivers of demand for Temporary Additional Support*
    - *cost-of-living pressures affecting Temporary Additional Support uptake*

I have identified two reports in scope of this part of your request.

I am refusing the report REP/26/3/197 *TAS – Budget 2026 formula change initiative and additional savings* - in full under section 18(d) of the Act on the basis that the information requested will soon be publicly available. This information will be published as soon as possible this year.

Please see enclosed a copy of REP/24/8/828 – *Options to reduce Temporary Additional Support expenditure and receipt* with this letter. You will note information has been withheld in this report under the following sections:

- Section 9(2)(h) of the Act in order to maintain legal professional privilege. The greater public interest is in ensuring that government agencies can continue to obtain confidential legal advice.
- Section 9(2)(f)(iv) of the Act to maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by

Ministers of the Crown and officials. The release of this information is likely to prejudice the ability of government to consider advice, and the wider public interest of effective government would not be served.

- Section 9(2)(g)(i) of the Act to protect the effective conduct of public affairs through the free and frank expression of opinions. I believe the greater public interest is in the ability of individuals to express opinions in the course of their duty.

You may be interested in the additional savings from Budget 2025 initiative 'Automated-Decision-Making remediation' due to an update to the expected reduction of TAS. You can find this information at the following link: www.msd.govt.nz/about-msd-and-our-work/newsroom/budget/2026/index.html.

I have also identified an analysis report, titled *Findings from the Temporary Additional Support Campaign (2018)* which you may find helpful. You can find this report at the following link: www.msd.govt.nz/documents/about-msd-and-our-work/publications-resources/evaluation/findings-from-tas-campaign/findings-from-the-tas-campaign-2018-.pdf.

I will be publishing this decision letter, with your personal details deleted, on the Ministry's website in due course.

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 my decision on your request, you have the right to seek an investigation and review by the Ombudsman. Information about how to make a complaint is available at www.ombudsman.parliament.nz or 0800 802 602.

Ngā mihi nui

pp.

Anna Graham
General Manager
Ministerial and Executive Services

Report

MINISTRY OF SOCIAL DEVELOPMENT
TE MANATŪ WHAKAHIATO ORA

Date:	11 September 2024	**Security Level:**	IN CONFIDENCE
To:	Hon Louise Upston, Minister for Social Development and Employment		
File Reference:	REP/24/9/828		

Options to reduce Temporary Additional Support expenditure and receipt

Purpose of the report

1 This report responds to your request for advice on what work would be required to reduce expenditure and/or the number of clients receiving Temporary Additional Support (TAS).

Executive summary

2 TAS is a third-tier hardship assistance payment paid out weekly for up to 13-weeks as a last resort when a client does not have the required chargeable income (according to a formula) to meet their essential living costs. As of the end of July 2024, 100,173 clients were receiving TAS, an increase of 9.9 percent from the end of July 2023.

3 There are a variety of options to reduce expenditure and/or the number of clients receiving TAS, depending on your objectives. This includes work currently underway that is projected to reduce TAS expenditure such as automated decision-making remediation for TAS, and the counting of all boarder contributions for housing subsidies.

4 The Ministry of Social Development (MSD) considers that other short-term options are also available to reduce expenditure, such as changes to allowable costs and formula assessment. However, changes such as these would not address the systemic drivers behind the ongoing increase in TAS expenditure/receipt, for example, high housing costs.

5 s9(2)(f)(iv) [redacted]

The Aurora Centre, 56 The Terrace, PO Box 1556, Wellington
– Telephone 04-916 3300 – Facsimile 04-918 0099

s9(2)(f)(iv) [redacted] We could provide you with further advice on changes to TAS alongside advice on wider changes to hardship assistance in 2025, to enable you to take cost-savings proposals into Budget 2026.

Recommended actions

It is recommended that you:

1 **note** that as of the end of July 2024, 100,173 clients were receiving Temporary Additional Support (TAS), an increase of 9.9 percent from the end of July 2023

2 **note** there is existing work underway, including remediating the use of automated decision-making in the granting of TAS and the Budget 2024 initiative to assess housing contributions from all boarders, that is expected to result in decreases in expenditure on TAS

3 **note** that depending on your objectives, there are a variety of other approaches that could be taken to reduce TAS expenditure

4 **note** that taking a short-term approach to reducing the number of clients receiving TAS is unlikely to address the systemic drivers of the increase in TAS numbers

5 **agree** to receive further advice in 2025, in time for preparation for Budget 2026, on changes to TAS alongside advice on wider changes to hardship assistance that could reduce costs, to enable consideration of proposals for Budget 2026.

need earlier than B26

AGREE / DISAGREE

11/09/2024

Alice Fitzgerald
Acting Policy Manager, Income Support
Ministry of Social Development

Date

20240923

Hon Louise Upston
Minister for Social Development and Employment

Date

Background

6 On 6 August 2024, you requested that Ministry of Social Development (MSD) officials provide you with advice on options to 'slow down or stop' Temporary Additional Support (TAS). We have interpreted this as options to reduce the expenditure on and/or the number of clients receiving TAS. We know that you have also s9(2)(f)(iv) [redacted] s9(2)(f)(iv) [redacted]

7 At this time, we have not explored option to stop TAS altogether as this payment is intended to provide last-resort assistance to those in financial hardship, and therefore, removing it would mean a fundamental shift to the intent and settings of the welfare system. Removing TAS would involve substantial changes to primary legislation and subsequent flow-on changes to secondary legislation. s9(2)(g)(i) [redacted] s9(2)(g)(i) [redacted]

8 TAS was established on 1 April 2006 to replace Special Benefit.[1] TAS is a third-tier hardship assistance payment paid out weekly for up to 13 weeks as a last resort when a client does not have the required chargeable income to meet specific ongoing costs (allowable costs).

9 Allowable costs can include costs related to accommodation, employment, health and disability costs, and essential household items. Since July 2023, formula assessed child support liability can also be included as an allowable cost for TAS (this change was introduced as part of the implementation of the Child Support (Pass On) Acts Amendment Act 2023).

10 A client's disposable income (chargeable income less allowable costs) is compared with standard costs to determine whether a deficiency exists (see Appendix 1). The result of this calculation is then compared to the applicable upper limit for TAS for that client. If the income deficiency is below the applicable upper limit, this is the amount of TAS that the client will receive. If it is above the limit, the client will receive equal to this limit unless they have excess disability costs, in which case the rate payable also includes up to the first $100 of their excess disability costs and 30 percent thereafter.[2] This is known as the disability exception amount.

[1] There are currently 464 grandparented clients receiving Special Benefit as of the end of July 2024.
[2] The disability costs considered for TAS are those not covered by Disability Allowance.

11 Clients receiving TAS are required to take necessary steps to obtain financial assistance from all other sources to reduce their costs (e.g., applying for public transport concessions using their Community Services Card, or asking family members for help). They are also required to take reasonable steps to reduce their costs (e.g., purchasing lower-cost essentials, or consolidating debt to reduce cost) and increase their chargeable income, (e.g., getting into part- or full-time paid work, or increasing their work hours). If clients fail to take these necessary and reasonable steps, staff could either refuse to grant TAS or grant TAS at a reduced rate.

12 On expiry, a client must reapply for this assistance if they are still unable to meet their allowable costs. However, as of the end of December 2023, data shows that 79 percent of clients were receiving TAS for longer than the current expiry period of 13 weeks, likely to due underlying drivers such as high housing costs.

13 At the end of July 2024, 100,173 MSD clients were receiving TAS. This represents an increase of 9.9 percent or 9,054 clients from the end of July 2023.

Reductions in TAS expenditure and/or receipt could be achieved in a variety of ways

14 Depending on your objectives, there are a variety of ways to reduce TAS expenditure and/or receipt. These include some existing work that is underway, which if implemented, is forecasted to achieve cost savings on TAS.

The recommended automated decision-making remediation option for TAS is forecast to achieve a 1.5 percent reduction in the number of clients receiving TAS

15 TAS has been identified as one of the four automated decision-making (ADM) processes used by MSD that are the highest priority for remediation.

16 s9(2)(h) [redacted]

17 We recently provided you with advice on addressing the ADM remediation issue [REP/24/8/723 refers]. In that advice, we recommended that an MSD staff member is inserted into the current automated process, with that staff member checking the automated formula calculation, and making the ultimate decision on whether to grant TAS. This means there would be more opportunities for staff to check, duly supported by operational guidance,

whether clients have taken all necessary and reasonable steps to reduce their costs and increase their chargeable income where possible.

18 Modelling has indicated that this change would be expected to result in a 1.5 percent reduction of the number of people receiving TAS as people will likely choose not to reapply due to increased time and checks involved. This change is forecasted to result in Benefit or Related Expenses savings of $41.82 million over five years.

The Budget 2024 savings initiative to adjust how boarder contributions are considered for MSD assistance is also projected to reduce TAS expenditure

19 As part of Budget 2024, Cabinet agreed to count the housing contribution for all boarders in the assessment of housing subsidies from 1 April 2026.

20 For the purpose of this initiative, both TAS and Special Benefit are considered housing subsidies, and as such, housing contributions from all boarders will now be considered when determining the rate of assistance payable.

21 Currently only profit (based on a calculation) from housing contributions beyond the first two boarders in a household are counted and charged as income. Changes to the way that we assess boarder contributions (i.e., changes to the definition of allowable accommodation costs for people who have boarders) would prevent flow-on to TAS.

22 This is projected to result in a reduction in TAS and Special Benefit expenditure of $63.35 million over the years 2025/2026 to 2027/2028. This is due to reductions in allowable accommodation costs, and any related changes to the amount of income being considered, when assessing the rate of assistance payable.

Some other options are also available...

23 In addition to the work underway, MSD considers that there are some other options also available that could potentially be implemented, such as changes to allowable costs and formula assessment, and considering a limit for TAS receipt. However, these changes, as outlined below, have a short-term focus and would not address the underlying drivers behind the ongoing increase in TAS expenditure/receipt, particularly high accommodation costs.

Considering changes to categories for allowable costs

24 MSD could potentially consider changes to the categories of allowable costs that TAS can be paid for. Allowable costs, as defined for TAS, are regular, essential, and unavoidable expenses that are ongoing and cannot be reduced, for example, hire purchase agreements for washing machines or

refrigerators, or for car repayments where the car is required for work. The current broad categories of allowable costs include:

- essential household items
- employment-related costs
- accommodation costs
- health and disability costs
- formula assessed child support costs.

25 As an example, MSD could consider reversing the inclusion of formula assessed child support liability as an allowable cost for TAS, which came into effect from 1 July 2023 onwards (as part of the Child Support (Pass On) Acts Amendment Act 2023 changes).

26 For context, liable parents paying formula assessed child support, who also receive a main benefit or pension, are required to have their child support directly deducted from their benefit payment and paid to Inland Revenue. At the time of the child support changes, it was considered that this liability had the attributes of a regular, essential, and unavoidable cost, and as such was conceptually suitable for inclusion as an allowable cost for TAS and Special Benefit. However, MSD's policy had previously excluded personal liabilities such as those related to child support payments from allowable costs.

27 In the first month following the implementation of this change, 1,905 MSD clients had formula assessed child support liability included as an allowable cost for their TAS. This has risen to 6,744 as of April 2024.

28 Over the period to April 2024, the inclusion of formula assessed child support liability as an allowable cost for TAS has resulted in these clients receiving a median of $22.10 more a week, with 600 more clients being eligible for TAS, and an estimated additional expenditure of $6 million.

29 Amending the Social Security Regulations 2018 to remove formula assessed child support liability from being included as an allowable cost for TAS would reverse this trend. However, as formula assessment liability is legally required to be paid, the impact of this change would be that some liable parents with formula assessed child support will lose eligibility to TAS or receive insufficient TAS support to provide them financial stability. This could disrupt sustainable payment of child support and reduce the amount of child support provided to the receiving carer. Further, late or underpaid child support liability would subject the liable parent to accruing debt and penalties, further exacerbating the liable parent's financial position.

Adjusting the formula and upper limit changes

30 A further reduction in TAS expenditure could be achieved by adjusting the formula used to determine whether the applicant has an income deficit or reducing the maximum amount of TAS payable.

31 Adjustments to these parameters would require amendments to be made to the Social Security Regulations 2018.

Considering a limit for TAS receipt

32 Another option could be to consider limiting the maximum number of times a client can reapply for TAS once their original TAS grant has expired, or the total number of weeks a client can receive TAS for.

33 Currently, no such limit exists and clients can reapply if they still need help with their regular essential living costs and have already received TAS for the maximum 13-week period. This option would also require legislative amendments.

s9(2)(f)(iv)

[redacted]

s9(2)(f)(iv) [redacted]

We propose to provide you with advice on changes to TAS in 2025, in time for preparation for Budget 2026, in the context of broader cost savings

41 Further work on options to reduce TAS expenditure would require significant policy, legislative, operational, and IT changes to implement. Any amendments needed to primary legislation are also expected to take a significant period of time to achieve.

42 s9(2)(f)(iv) [redacted]

43 This would allow MSD to provide you with advice after decisions are taken about the AS.

44 MSD does not currently have capacity to progress this work earlier, i.e., for Budget 2025 while also progressing your other current priorities for the welfare system. s9(2)(f)(iv) [redacted] s9(2)(f)(iv) [redacted]

[3] Currently, weekly accommodation costs must exceed $32.38 to be included in TAS (as of 1 April 2024).

means we propose to align advice on changes with timing for Budget 2026. If you do wish to progress further work in this area sooner, this would involve trade-offs with your other current priorities.

Next steps

45 We are available to discuss the various options available to reduce TAS expenditure with you, and the scope of advice to be provided in 2025, in preparation for Budget 2026.

Author: Jack Flude, Senior Policy Analyst, Income Support

Responsible manager: Alice Fitzgerald, Acting Policy Manager, Income Support

Appendix 1

Disposable income and upper limit for Temporary Additional Support

Disposable income

For Temporary Additional Support (TAS), the disposable income is calculated by subtracting clients' allowable costs from their chargeable income. For clients receiving a main benefit, their standard costs (the proportion of living costs that the client is expected to meet from their benefit or income) are equal to the sum of 70 percent of the net rate of main benefit (before any income reduction or other deduction) payable to the client and their partner (if any), and 70 percent of their family tax credit before any income reduction or other deduction.

For clients not receiving a main benefit, their standard costs are equal to 70 percent of the net rate of Jobseeker Support (before any income reduction or other deduction) that would be payable to the client and their partner (if any) as if they qualified for Jobseeker Support, and family tax credit (before any income reduction or other deduction) payable for 'any children' to the client or their partner according to the client's family circumstances.

Upper limit

For beneficiaries, the upper limit for TAS is 30 percent of the full net rate of main benefit payable to the client and their partner (if any). For non-beneficiaries, this upper limit is 30 percent of the appropriate net rate of Jobseeker Support for the client and their partner (if any), except for certain refugees, protected persons or residence applicants.