MINISTRY OF SOCIAL DEVELOPMENT
TE MANATŪ WHAKAHIATO ORA

9 July 2026

Tēnā koe

Official Information Act request

Thank you for your email of 14 June 2026, requesting information about legislative and policy settings for child support and main benefits, including Unsupported Child's Benefit.

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

> *1. When child support is passed on the receiving parent who is also a beneficiary, it is considered income against their benefit. Does this reduce their entitlements as a result and if so how? Please provide a couple of examples where this is the case.*

Child support payments received by a person are counted as income which can impact their eligibility to income-tested assistance and the rate of assistance payable to them. A client on Jobseeker Support benefit, for example, can receive income of up to $160 gross a week, before it will impact the rate of this benefit. You can find more detailed information about how child support impacts assistance, and in which circumstances people will need to declare their child support income to the Ministry of Social Development (the Ministry) and where Inland Revenue will share this information, at the following link: www.workandincome.govt.nz/on-a-benefit/tell-us/income/child-support.html

There are also estimation tables on the Work and Income website that illustrate how much will be deducted from a person's benefits based on the type of benefit a person receives and how much total income (e.g. child support and wages combined) a person receives: www.workandincome.govt.nz/on-a-benefit/tell-us/income/deduction-tables/index.html.

Please refer to these additional publicly available resources on the Ministry's Map website relating to Child Support Income:

- *Introduction:* www.workandincome.govt.nz/map/income-support/core-policy/income/types-of-income/child-support-income/introduction.html
- *Automated income charging rules:* www.workandincome.govt.nz/map/income-support/core-policy/income/types-of-income/child-support-income/automated-income-charging-rules.html

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

Manual income charging rules: www.workandincome.govt.nz/map/income-support/core-policy/income/types-of-income/child-support-income/manual-income-charging-rules.html.

This income charge may result in a reduction of the amount of a client's benefit depending on the amount received and benefit type.

For the following benefits any income over $160.00 per weeks is charged against the benefit. The formula depends on the benefit that they are on:

- *Jobseeker Support – Charging income:* www.workandincome.govt.nz/map/income-support/main-benefits/jobseeker-support/charging-income-01.html
- *Sole Parent Support – Charging income:* www.workandincome.govt.nz/map/income-support/main-benefits/sole-parent-support/charging-income-01.html
- *Supported Living Payment – Charging income*: www.workandincome.govt.nz/map/income-support/main-benefits/supported-living-payment/charging-income-01.html.

For the following benefits the beneficiary can receive up to $284.70 before it will affect their benefit. Any income over this is charged at $1.00 for every dollar up to $334.70 for single beneficiaries and $0.50 for every dollar up to $384.70 for beneficiaries in a couple.

- *Youth Payment – Charging income:* www.workandincome.govt.nz/map/youth-service/youth-payment/charging-income-01.html
- *Young Parent Payment – Charging income:* www.workandincome.govt.nz/map/youth-service/young-parent-payment/charging-income-01.html.

For those receiving Emergency Benefit, the appropriate income charge for the analogous benefit is used.

If a person is receiving a benefit this income will not be counted towards the income limit for supplements such as Accommodation Supplement and Disability Allowance.

However, if a client is receiving Accommodation Supplement and/or Disability Allowance as a non-beneficiary it will count towards the income limit and may result in a reduction for Accommodation Supplement:

- *Disability Allowance – Income test:* www.workandincome.govt.nz/map/income-support/extra-help/disability-allowance/income-test-01.html
- *Accommodation Supplement - Chargeable income - non-beneficiaries:* www.workandincome.govt.nz/map/income-support/extra-help/accommodation-supplement/chargeable-income-non-beneficiaries-01.html
- *Accommodation Supplement - Income - non-beneficiaries:* www.workandincome.govt.nz/map/income-support/extra-help/accommodation-supplement/income-non-beneficiaries-01.html

- *Accommodation Supplement - Income cut-out points for non-beneficiaries (current):* www.workandincome.govt.nz/map/deskfile/extra-help-information/accommodation-supplement-tables/income-cut-out-points-for-non-beneficiaries-curren.html.

2. What is MSDs legislative justification for including the incomes of new partners and spouses when determining benefit entitlement and eligibility? Is this due to contribution the new partner's or spouse's income makes in reducing the household expenses? Can you give some examples of the types of expenses you consider they are contributing toward if this is the case?

The type of payment that you receive from the Ministry and how much you receive depends on things like whether you are in a relationship and if you have dependent children. These dependencies relate to a person's unit of entitlement.

The unit of entitlement impacts a variety of settings, such as benefit rates (as benefit categories are based on relationship status), income and abatement thresholds, obligations and sanctions, and income charging principles. This reflects the principle that families / people in a relationship are financially interdependent (pooling their incomes and assets together) and that they should provide reciprocal support and responsibility for the individuals within the family/relationship. For example, income and asset limits are jointly assessed. This ensures that families use their own resources before looking to the state for financial assistance, helping to ensure that income support is appropriately targeted to those without other means of support.

Legislative references:

- Section 8 of the Social Security Act 2018 authorises the Ministry to make a determination to regard two people as a party for benefit purposes when they have entered into a de facto relationship, marriage or civil union. This ensures consistency of the treatment of couples in the nature of marriage across the welfare system, as this applies across all main benefits providing a primary income stream for recipients.
- There are many legislative references in the Social Security Act 2018 that determine when a dependent child may be regarded as a person's child and obligations for people in relation to this. For example, Section 31 for the purposes of the Sole Parent Support benefit.

3. With regards to the Unsupport Child Beneft and Orphan Benefit, can you please provide a list of what costs are taken into consideration when paying these benefits to carers? Also:

The Orphan's Benefit (OB) and Unsupported Child's Benefit (UCB) do not involve income or asset testing of the caregiver. The OB/UCB is available to caregivers of children who cannot be cared for by their parents due to death, incapacitation, or family breakdown.

3a. Whats the overarching objective of both of these benefits?

OB/UCB provide support to the caregiver of a child whose parents cannot support them. Payments are intended to be used for the benefit of the child, including the child's maintenance and education. For more information, please see sections 45 to 48 of the Social Security Act 2018, at the following link: www.legislation.govt.nz/act/public/2018/32/en/latest/#LMS5961.

3b. What financial support is available in addition to these benefits for recipients of these benefits (e.g. school fees, clothing, medical, birthdays etc.) and how much are these and how often are they paid out?

Caregivers who qualify for OB/UCB may get additional financial assistance when specific qualifications are met. This includes Clothing Allowance, Establishment Grant, Extraordinary Care Fund, Holiday Allowance and Birthday Allowance, and School and Year Start-up Payment. More information can be found here: www.workandincome.govt.nz/map/income-support/extra-help/orphans-benefit-and-unsupported-childs-benefit-products/index.html.

If a child has ongoing costs arising from a disability which is likely to last at least six months, the caregiver may qualify for a Child Disability Allowance. This has separate eligibility criteria to OB/UCB and is income-tested based on the caregiver's circumstances. More information can be found here: www.workandincome.govt.nz/map/income-support/extra-help/child-disability-allowance/introduction.html.

Question 3c. Does MSD work off a minimum cost of raising a child to determine how much the Unsupported Child and Orphan benefits are?

The OB/UCB are paid at the same level as the Caregiver Allowance, which is paid by Oranga Tamariki to caregivers caring for children in State care. The Caregiver Allowance covers board, personal items and pocket money.

Question 3d. Does MSD consider that the minimum amount paid out for these two beenfits is sifficient to meet the financial needs of raising the child?

There is a statutory requirement to adjust the OB/UCB from 1 April each year to reflect changes in inflation and the average wage. This is consistent with annual adjustments made to other types of benefits and any changes to that process are decisions made by Cabinet and the Government of the day.

Please note that the Ministry is not obliged to form an opinion or create information to answer an official information request, therefore the part of this question that asks whether the Ministry considers that the minimum amount paid is sufficient will not be responded to.

Question 3e. Are these benefts paid per child or is there a reducing scale depending on the number of children involved in each care situation?

The benefits are paid per child. There is no reducing scale.

Question 3f. Does the age of the child determine the level of benefit or is the level of benefit the same regardless of age?

The age of the child can affect the rate of UCB and related products, such as a clothing allowance. Further information is publicly available on the Ministry's Map website, we are providing the relevant Map links here:

- *Orphan's Benefit and Unsupported Child's Benefit (current):* www.workandincome.govt.nz/map/deskfile/main-benefits-rates/orphans-benefit-and-unsupported-childs-benefit-cur.html

- *Clothing Allowance rates (current):* www.workandincome.govt.nz/map/deskfile/extra-help-information/orphans-benefit-and-unsupported-childs-benefit-tables/clothing-allowance-current-01.html
- *Holiday Allowance and Birthday Allowance rates (current):* www.workandincome.govt.nz/map/deskfile/extra-help-information/orphans-benefit-and-unsupported-childs-benefit-tables/holiday-allowance-and-birthday-allowance-current-01.html
- *Establishment Grant:* www.workandincome.govt.nz/map/income-support/main-benefits/orphans-benefit-and-unsupported-childs-benefit/establishment-grant.html
- *School and Year Start-up Payment rates (current):* www.workandincome.govt.nz/map/deskfile/extra-help-information/orphans-benefit-and-unsupported-childs-benefit-tables/school-and-year-start-up-payment-current-01.html
- *Extraordinary Care Fund Payment:* www.workandincome.govt.nz/map/income-support/extra-help/orphans-benefit-and-unsupported-childs-benefit-products/extraordinary-care-fund/payment.html.

Question 4. How are the costs of raising a child accounted for in relation to Temporary Additional Support? Does the age of the child impact the final calculation for TAS? What factors/costs are taken into account by MSD during this process, if any?

Temporary Additional Support (TAS) is a weekly payment to help those who cannot meet their regular essential living costs from their income or other resources. TAS uses a formula to calculate whether there is a deficiency between a person's income and costs. Only costs that are ongoing, unavoidable, and essential for their family's daily living may be claimed.

The costs of raising a child may be considered in so far as a child is part of the applicant's family unit and the costs are considered essential household items, health and disability costs, accommodation, and child support costs. For example, net costs of essential childcare or formula assessed Child Support liability (until 1 April 2027).

Please note that from 1 April 2027, the formula that assesses child support liability will no longer be an allowable cost for TAS or Special Benefit (SPB), this change resets the TAS and SPB policy intent back to their introduction where personal liabilities were not covered (including court fines and debts such as child support debt).

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