

Children and caregivers supported by the Orphan's Benefit and Unsupported Child's Benefit

An analysis of administrative data

The Oranga Tamariki Evidence Centre works to build the evidence base that helps us better understand wellbeing and what works to improve outcomes for New Zealand's children, young people and their whānau.

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Executive Summary

This report presents an analysis of the Orphan's Benefit (OB) and Unsupported Child's Benefit (UCB) using benefit unit record data from the Ministry of Social Development (MSD) combined with Oranga Tamariki data. The aim is to provide insights into the characteristics of children and caregivers supported by OB/UCB, as well as trends and changes between 2013 and 2023. Caution is advised when interpreting or drawing conclusions from this report due to data limitations and potential unexplored factors.

Some key findings include:

An overview of children and caregivers supported by OB/UCB over the past decade

- The number of children and caregivers supported by OB/UCB has steadily increased over time, but with minimal changes since 2021.
- On average, each OB/UCB caregiver was looking after 1.5 children supported by OB/UCB over the past decade.
- There were more children entering OB/UCB arrangement than exiting, but the difference has become small since 2021.
- The number of caregivers starting to receive OB/UCB was higher than the number exiting OB/UCB, but with more caregivers exiting than starting since 2022.
- There have been increases in the number of granted OB/UCB applications over the past ten years.

Who were the children that were supported by OB/UCB in 2023?

- Most children newly entering an OB/UCB arrangement were identified as Māori.
- A slightly higher proportion of children newly entering an OB/UCB arrangement were female.
- The average age of children starting OB/UCB was 6.7 years, while the average age exiting OB/UCB was 13.3 years.
- More than half of the children were related to their OB/UCB caregiver.
- Most children starting on OB/UCB were entering OB/UCB for the first time.
- Most children had some level of interaction with Oranga Tamariki prior to starting OB/UCB.

Who were the caregivers receiving OB/UCB in 2023?

- Around half of the caregivers receiving OB/UCB were in the regions of Auckland Metro, Bay of Plenty, and Waikato.
- Just over half of the OB/UCB caregivers were identified as Māori.
- Most primary OB/UCB caregivers were female.
- Most new OB/UCB caregivers were aged 30-59.

How long do children stay in OB/UCB arrangements?

- As at June 2023, the average length of stay for children in their current OB/UCB arrangements was 4.4 years.
- The average duration of OB/UCB arrangements has increased over the past decade.
- Since 2017, children with New Zealand European/Other caregivers have tended to stay longer in OB/UCB arrangements compared to children with caregivers of other ethnicities.
- Among children who exited OB/UCB arrangements in 2023, children with non-family caregivers stayed longer in their previous OB/UCB arrangement than those with family caregivers.

What happens to children after leaving OB/UCB arrangements?

- Most children had no recorded interaction with Oranga Tamariki or OB/UCB within a year of exiting their OB/UCB arrangements.
- Approximately four percent of children entered into Oranga Tamariki care within a year after exiting OB/UCB.

What types of payments or benefits are available to support OB/UCB caregivers and children in their care?

- In addition to OB/UCB, take up of other payments to support children in OB/UCB arrangements have been increasing over the past decade.
- A quarter of the OB/UCB caregivers were receiving a Disability Allowance and/or Child Disability Allowance as of 2023.
- Half of the OB/UCB caregivers were on a main benefit.
- Financial assistance is available if caregivers are going through hardship¹.

¹ Income and asset tested financial assistance is available for people who are in hardship and have immediate and essential needs for emergency or essential items or services. OB/UCB caregivers could access the hardship assistance if they meet the eligibility criteria. More information is contained on page 23 of this report.

Background

Introduction

Oranga Tamariki – The Ministry for Children (Oranga Tamariki) and the Ministry of Social Development (MSD) provide support to caregivers in the care system who care for children and young people who cannot be cared for by their parents. The Orphan's Benefit (OB) and Unsupported Child's Benefit (UCB) are weekly payments, administered by Work and Income, for caregivers supporting a child or young person (18 years old or younger), whose parents:

- have died, cannot be found, or cannot look after them because they have a serious long-term health condition or incapacity (OB).
- cannot care for them because of a family breakdown, which was likely to last for at least 12 months² (UCB).

The purpose of this report is to analyse the characteristics of children and caregivers supported by OB/UCB, as well as trends and changes over the past decade.

Methodology

The datasets analysed in this report comprise benefit unit record data from MSD and care and protection data from Oranga Tamariki.

It is important to note that these datasets have limitations, and not all OB/UCB related information was available. Additionally, results from these datasets may differ from MSD official statistics due to various factors, such as the data development process and business rules for reporting.

Caution is advised when interpreting or drawing conclusions from this report due to data limitations and potential unexplored factors.

Notes about the report

- The term 'OB/UCB caregiver' is used for ease of reference throughout the report to refer to all caregivers receiving the OB or UCB.
- The terms of 'OB/UCB children' or 'children supported by OB/UCB' are used to refer to children and young people who are cared for by these OB/UCB caregivers.
- The OB/UCB dataset used for analysis was extracted on 4 September 2023, covering records up to 30 June 2023.
- Yearly data is based on either snapshots (e.g., as at 30 June each year) or totals for the year.

² This '12-month rule' was removed as a requirement in July 2021.

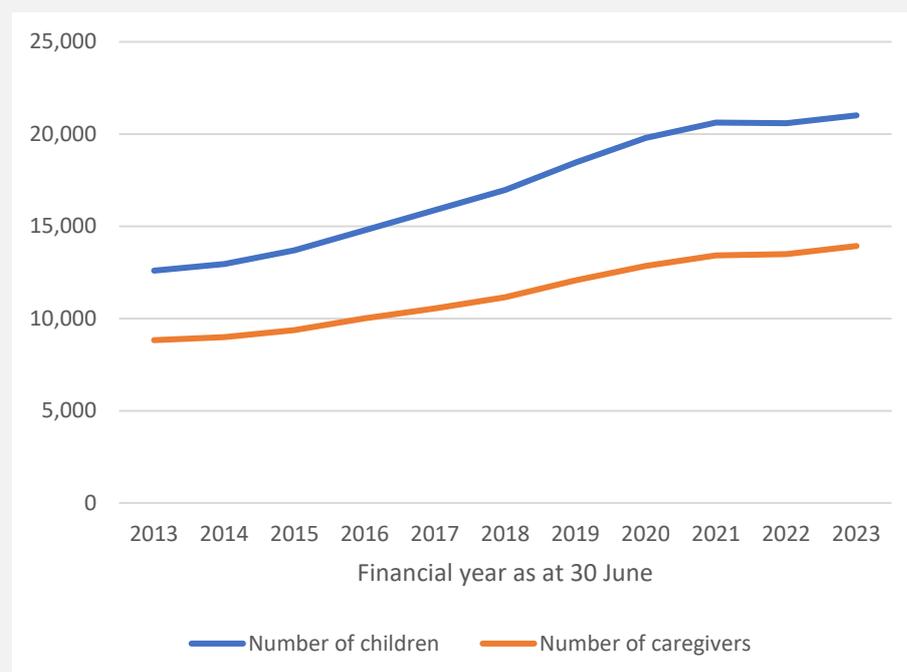
- Unless otherwise specified, whole years are financial years (e.g., 1 July to 30 June).
- This report is for the purpose of research, not for official reporting.

An overview of children and caregivers supported by OB/UCB over the past decade

The number of children and caregivers supported by OB/UCB has steadily increased over time, but with minimal changes since 2021

Over the past decade, there has been a notable increase in the number of children and caregivers supported by OB/UCB. The number of children cared for by caregivers in receipt of OB/UCB has surged by 67% in the past ten years, rising from 12,596 in 2013 to 21,013 in 2023. Similarly, the number of caregivers receiving OB/UCB for the care of a child has seen an increase, climbing from 8,827 in 2013 to 13,930 in 2023, marking a 58% rise. Despite the growth, the numbers have plateaued in recent years, showing minimal changes over the past three years (See Figure 1).

Figure 1. Number of children and caregivers supported by OB/UCB as at 30 June

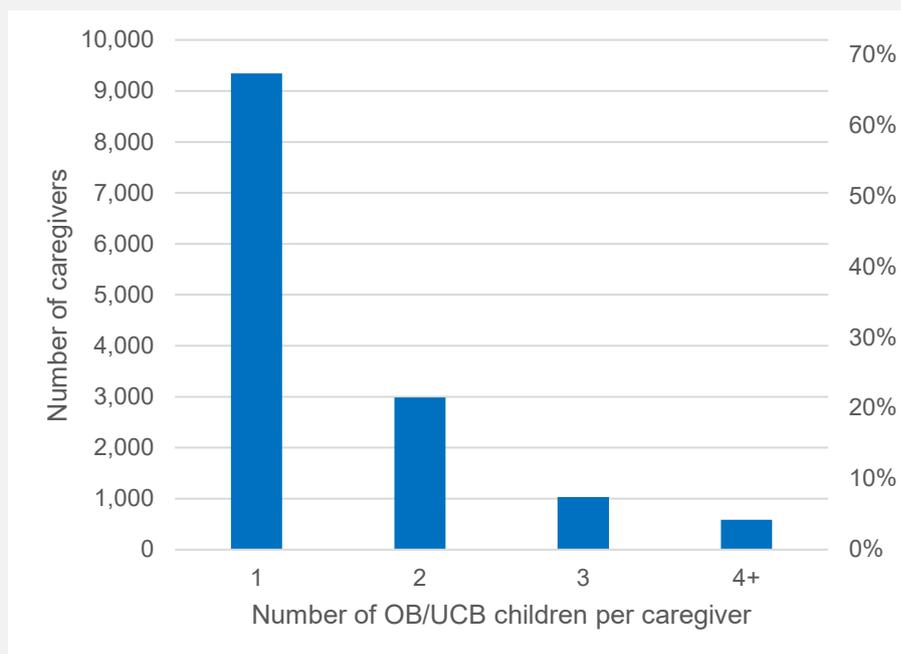


On average, each OB/UCB caregiver was looking after 1.5 children supported by OB/UCB across the past ten years

As at 30 June 2023, 67% of active OB/UCB caregivers were responsible for one child supported by OB/UCB, while around 4% were caring for four or more OB/UCB children (See Figure 2).

The average ratio of children to caregivers in OB/UCB arrangements has remained stable over the past decade, hovering around 1.5 children per caregiver.

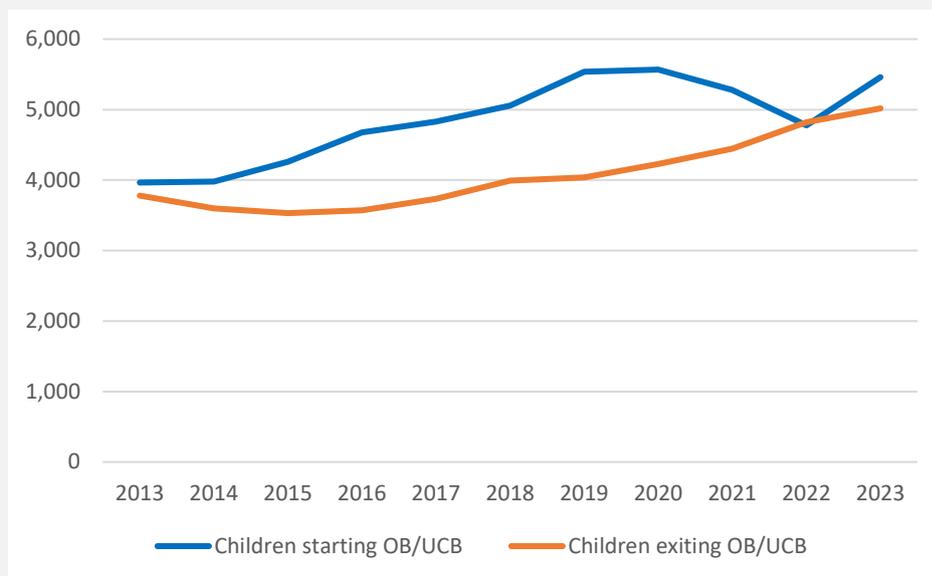
Figure 2. Caregivers by number of children supported by OB/UCB at 30 June 2023



There were more children entering OB/UCB arrangements than exiting, but the difference has become small since 2021

Between 2013 and 2021, the number of children starting OB/UCB exceeded the number of children exiting OB/UCB. However, since 2021, the annual number of new OB/UCB starts has been very similar (less than a 10% difference) to the number of OB/UCB exits each year (See Figure 3).

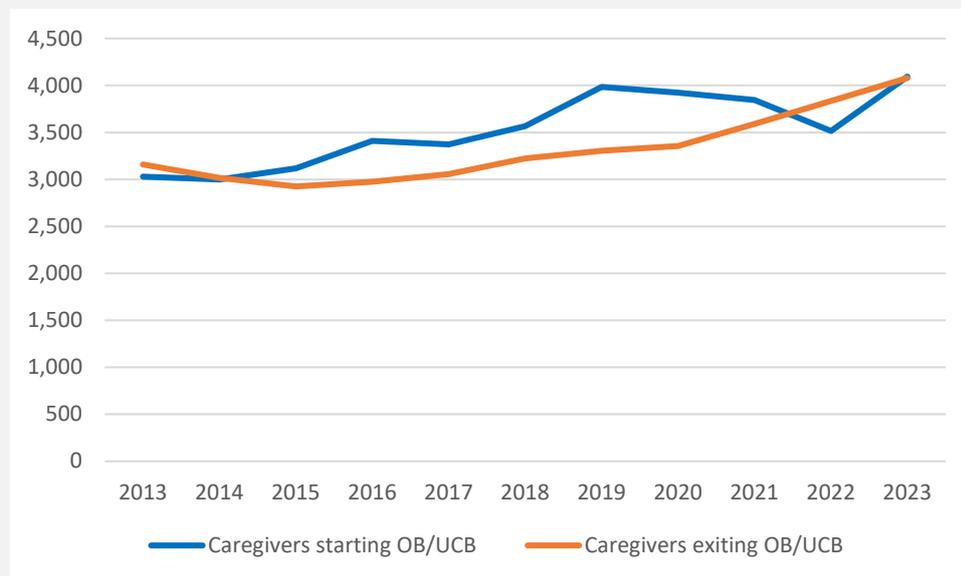
Figure 3. Number of children starting/exiting OB/UCB



The number of caregivers starting to receive OB/UCB was higher than the number exiting OB/UCB, but with more caregivers exiting than starting since 2022

A similar trend is observed in the number of caregivers starting and exiting the OB/UCB over the past ten years. Between 2014 and 2021, the number of caregivers starting to receive OB/UCB was consistently higher than the number exiting the benefit. However, since 2022, there has been a shift, with more caregivers exiting the benefit than those starting to receive it (See Figure 4).

Figure 4. Number of distinct caregivers starting/exiting OB/UCB



There have been increases in the number of granted OB/UCB applications over the past ten years

Over the past ten years, an average of 81% of OB/UCB applications have been approved, with a decreasing trend in declined applications from 26% in 2013 to 14% in 2023.

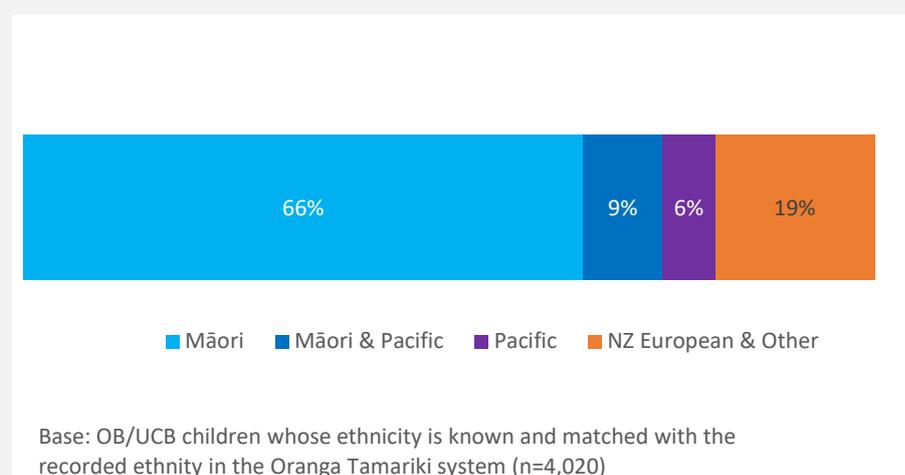
The reasons for the application being declined provide limited information. During 2023, the three most common reasons for an application being denied were: “Does not meet the service qualification” (28%), “Other” (21%), and “Child not unsupported” (12%).

Who were the children that were supported by OB/UCB in 2023?

Most children newly entering OB/UCB were identified as Māori

Among children who started an OB/UCB arrangement in 2023, whose ethnicity is known and can be matched with the recorded ethnicity in the Oranga Tamariki system³, 75% were identified as Māori or Māori & Pacific, 19% as New Zealand European or Other, and 6% as Pacific (See Figure 5).

Figure 5. Ethnicity of children started OB/UCB in 2023



A slightly higher proportion of children newly entering OB/UCB arrangements were female

Just over half (52%, n=2,841) of the children who started an OB/UCB arrangement in 2023 were female, a slightly higher proportion compared to males (48%, n=2,594). Gender diverse individuals accounted for 0.1%, while unknown/unrecorded genders were 0.3%.

The average age of children supported by OB/UCB was 11.0 years

The average age of children supported by OB/UCB as at 30 June 2023 was 11.0 years. The average age of children starting OB/UCB was 6.7 years, while for those

³ It is important to note that child ethnicity is only available for those who can be matched with an Oranga Tamariki record. In 2023, 21% (n=1,140) could not be matched with an Oranga Tamariki ethnicity, and 5% (n=300) was unknown or unrecorded.

exiting OB/UCB, it was 13.3 years. This age profile has remained steady over the past ten years.

More than half of the children were cared for by family members

As at June 2023, among the children supported by OB/UCB, whose relationship to their OB/UCB caregivers is known⁴, 62% were in care arrangements with family members (grandparents, aunts/uncles, or family/whānau caregivers), while 38% were with non-related caregivers. See Table 1.

Table 1. Proportion of cases active as at 30 June 2023, by caregiver relationship to the child

| Relationship to child | Percent of cases |
|--------------------------|------------------|
| Grandparents | 44% |
| Not related caregivers | 38% |
| Family/whānau caregivers | 10% |
| Aunty/uncle | 8% |

Base: Children who were supported by OB/UCB as at 30 June 2023, excluding those whose relationship to their caregiver is unknown (n=14,482).

Most children starting on OB/UCB were entering OB/UCB for the first time

Over the past ten years, most children (on average 70%) starting on OB/UCB were new entrants, 21% were re-entry with different caregivers, and 9% were re-entry with the same caregivers.

The proportion of children who started OB/UCB for the first time has decreased from 72% in 2013 to 62% in 2023. In contrast, the proportion of children re-entering OB/UCB with a different caregiver has increased from 18% in 2013 to 27% in 2023, while the proportion re-entering with the same caregiver has remained steady at an average of 9% over the past ten years.

Most children supported by OB/UCB had some level of interaction with Oranga Tamariki prior to starting OB/UCB

Among children supported by OB/UCB as at 30 June 2023, 74% had a report of concern (ROC) recorded prior to starting OB/UCB, 68% had undergone a child family assessment (CFA) investigation, and 65% had a safety risk screen. See Figure 6.

Figure 6. Previous interaction with Oranga Tamariki of active OBUCB children as at 30 June 2023

⁴ It is important to note that of children who were supported by OB/UCB as at 30 June 2023, approximately 31% (n=6,531) had an unknown/unspecified relationship to their OB/UCB caregiver due to some inconsistencies in how the data was recorded.

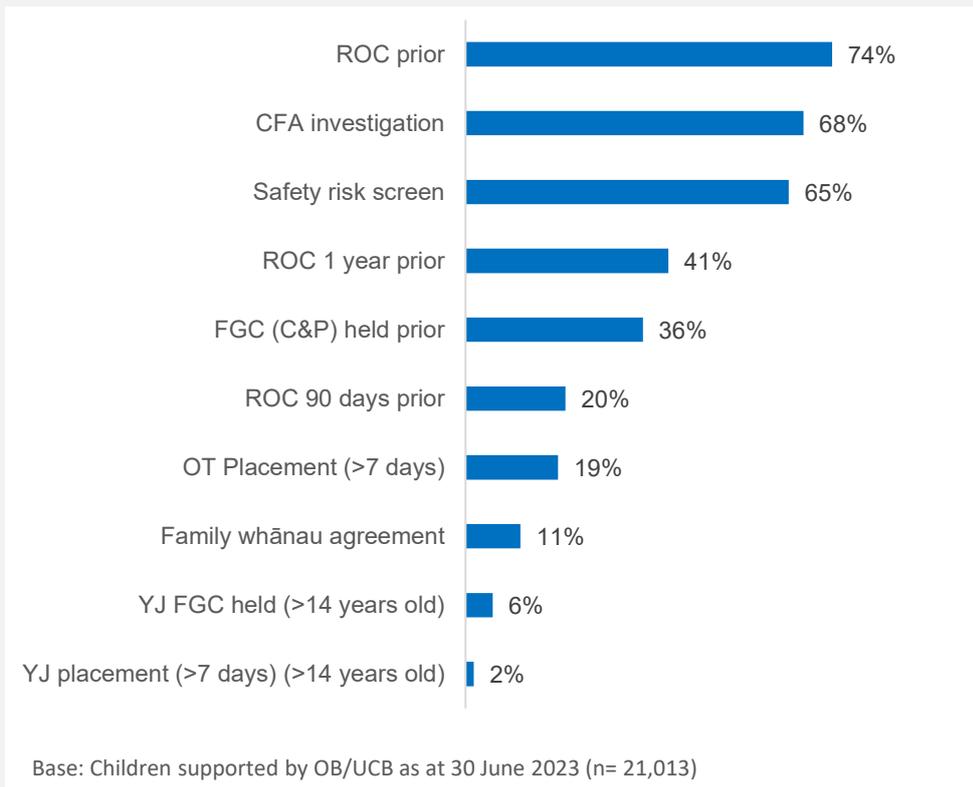
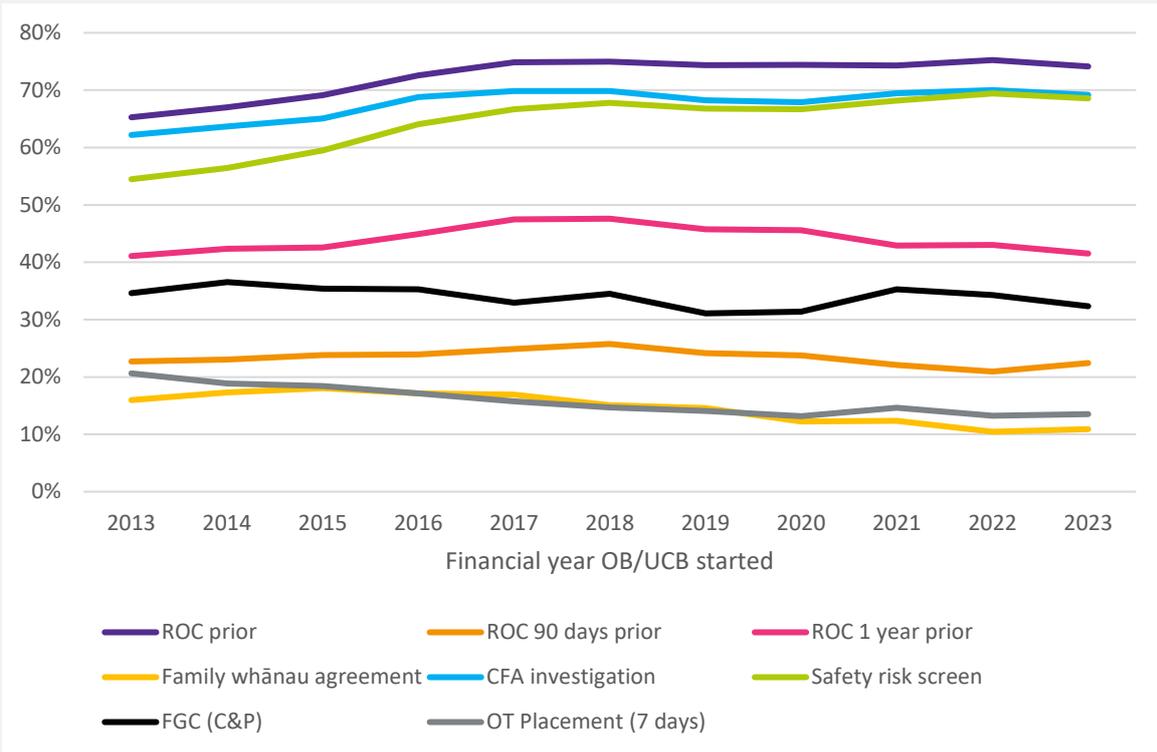


Figure 7 illustrates the proportion of children supported by OB/UCB with previous interactions with Oranga Tamariki by year they started OB/UCB. Overall, there were increases in the proportion of children with prior ROC, CFA investigation, and safety risk screen between 2013 and 2016, but these proportions have remained relatively stable in recent years. Conversely, the proportion of children with other interactions has shown an overall downward trend. However, caution is advised when interpreting these trends due to data limitations and potential unexplored factors.

Figure 7. Proportion of children supported by OB/UCB by previous interactions with Oranga Tamariki prior to starting OB/UCB, by year started OB/UCB, by type of interaction



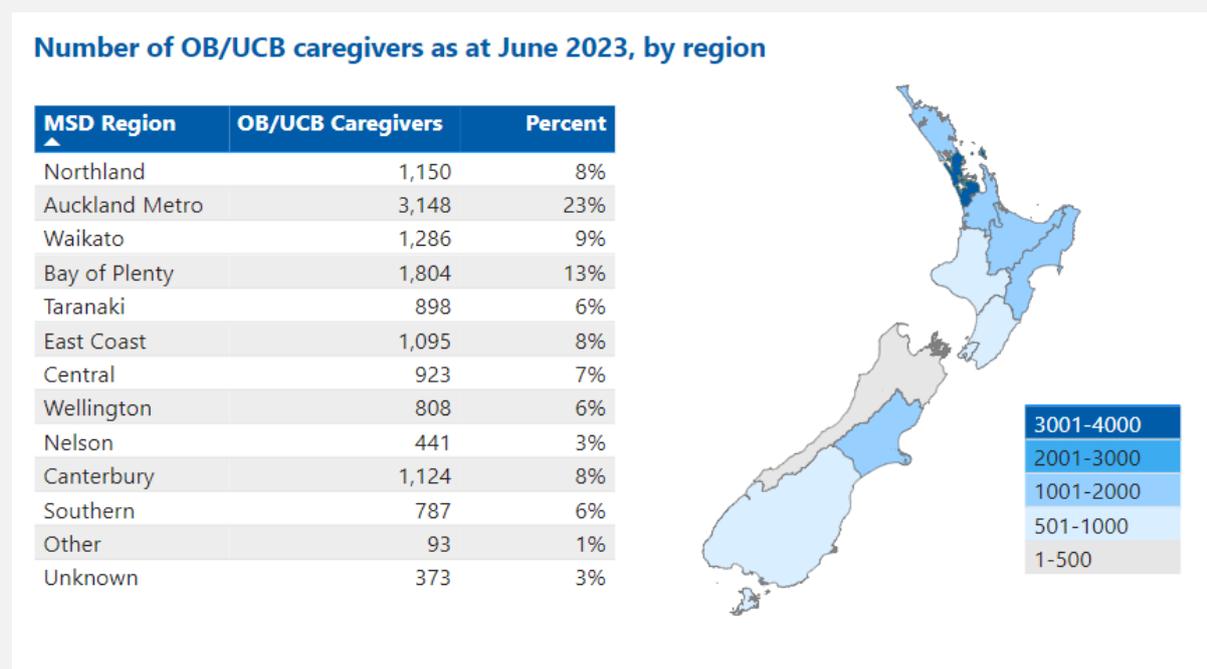
Who were the caregivers receiving OB/UCB in 2023?

Around half of the OB/UCB caregivers were in the regions of Auckland Metro, Bay of Plenty and Waikato

As at 30 June 2023, the majority of caregivers receiving OB/UCB (80%) were located in the North Island, with approximately 17% in the South Island⁵. The location for 3% of OB/UCB caregivers was unknown or not recorded. Auckland Metro, Bay of Plenty, and Waikato accounted for significant proportions, at 23%, 13%, and 9%, respectively, while Nelson had the lowest proportion at 3% (See Figure 8).

Over the past decade, Auckland Metro consistently had the largest share of OB/UCB caregivers, with Bay of Plenty, Northland, and Waikato experiencing the most substantial proportional increases (91%, 80%, and 73%, respectively).

Figure 8. Number of caregivers receiving OB/UCB as at 30 June 2023, by MSD region



Just over half of the OB/UCB caregivers were identified as Māori

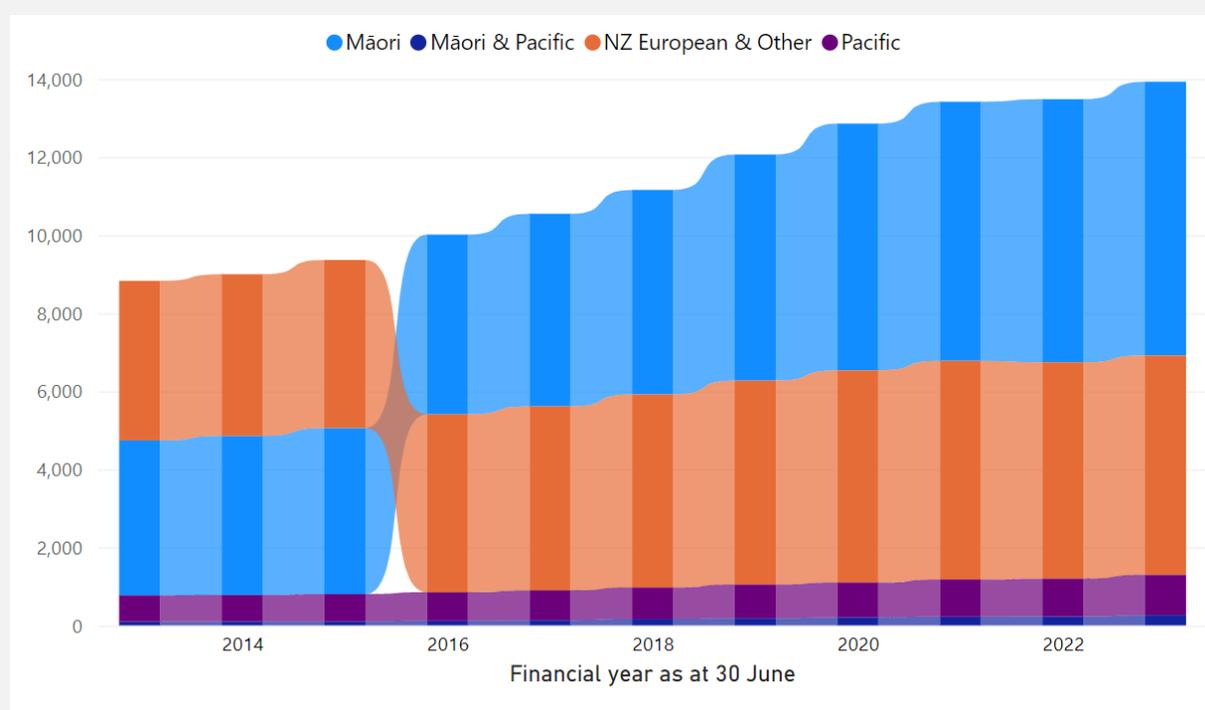
⁵ The geographic distribution of caregivers is based on location of MSD office where the OB/UCB application was submitted.

As at 30 June 2023, 52% of caregivers receiving OB/UCB were identified as Māori or Māori & Pacific. Over the past decade, there has been a consistent increase in the number and proportion of OB/UCB caregivers who are Māori.

In 2013, the number of OB/UCB caregivers who were Māori was approximately equal to those who were New Zealand European or Other. Since then, the number of Māori caregivers has risen by 79%, while the number of New Zealand European/Other caregivers has increased by 38%.

Despite an increase in the number of NZ European/Other caregivers, their proportion has decreased (from 46% in 2013 to 40% in 2023). Māori caregivers surpassed NZ European/Other caregivers in 2016, becoming the largest proportion of OB/UCB caregivers (See Figure 9).

Figure 9. Number of OB/UCB caregivers as at 30 June, by ethnicity



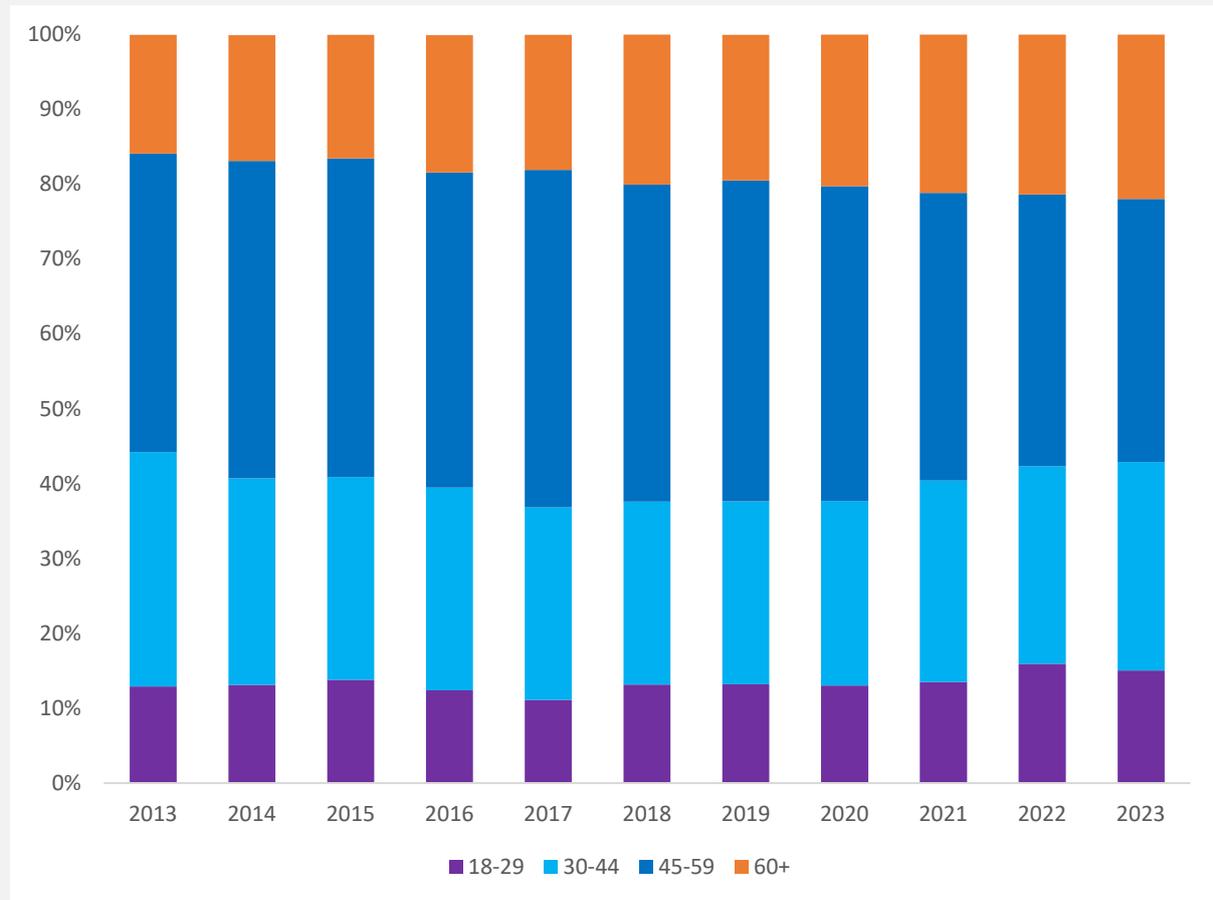
Most primary OB/UCB caregivers were female

As at 30 June 2023, 88% (n=12,211) of OB/UCB primary caregivers were identified as female. This proportion has stayed steady over the past ten years.

Most new OB/UCB caregivers were aged 30-59

Among caregivers who began receiving OB/UCB in 2023, the majority (63%) were aged 30-59, with 22% aged over 60 and 15% aged 18-29. Since 2013, there has been a decrease in the proportion of new OB/UCB caregivers aged 30-59 (down from 71% in 2013), along with increases in the proportions of new caregivers aged 18-29 and over 60 (See Figure 10).

Figure 10. New OB/UCB caregivers, by age group

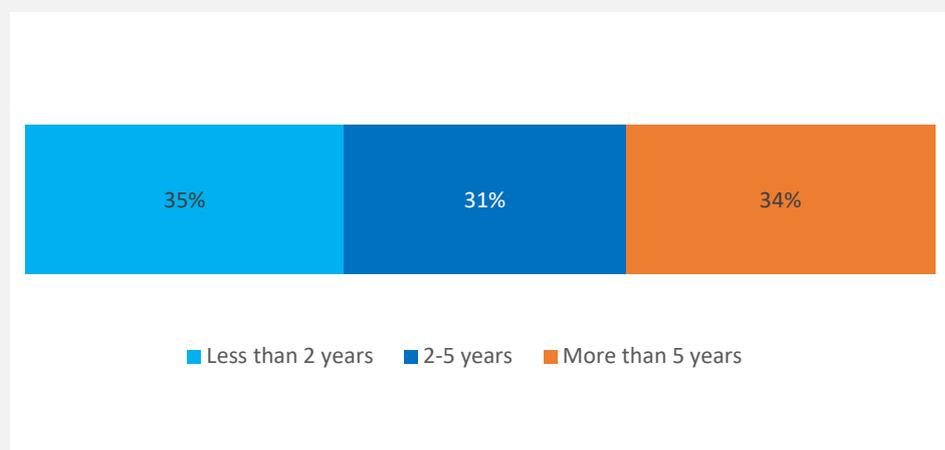


How long do children stay in OB/UCB arrangements?

The average length of stay for children in their current OB/UCB arrangement was 4.4 years as of 2023

For children who were supported by OB/UCB as at 30 June 2023, the average length of time in their current OB/UCB arrangement was 4.4 years. Thirty-five percent of children had been in their current placement for two years or less, 31% for between two and five years, and another 34% for over five years (See Figure 11).

Figure 11. Proportion of children supported by OB/UCB as at 30 June 2023 (n= 21,013), by duration on current OB/UCB

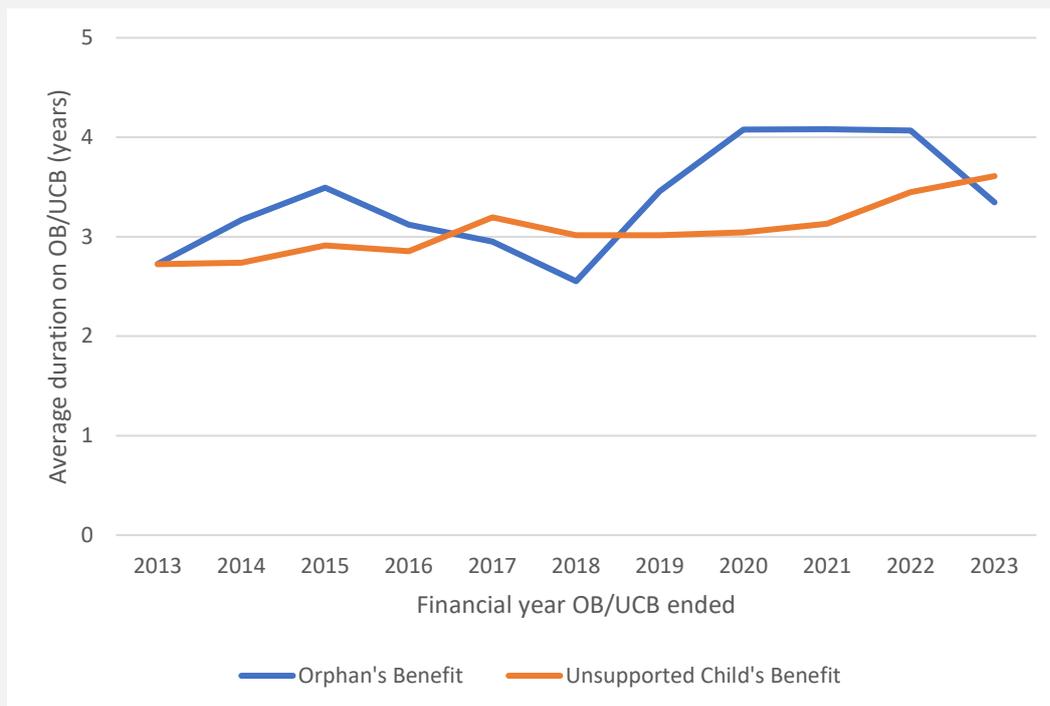


The average duration of children staying in an OB/UCB arrangement has increased over the past ten years

The average duration of children staying in an OB/UCB arrangement has increased over the past ten years. The average number of days children were supported by UCB before exiting has steadily risen by 33%, from 995 days (2.7 years) in 2013 to 1,318 days (3.6 years) in 2023 (See Figure 12).

Similarly, children are staying in OB placements longer, but this trend has fluctuated. The number of days children were supported by OB before exiting increased by 23% from 996 days (2.7 years) in 2013 to 1,222 days (3.3 years) in 2023, peaking at 1,491 days (4.1 years) in 2021. However, between 2014 and 2018, the duration decreased overall.

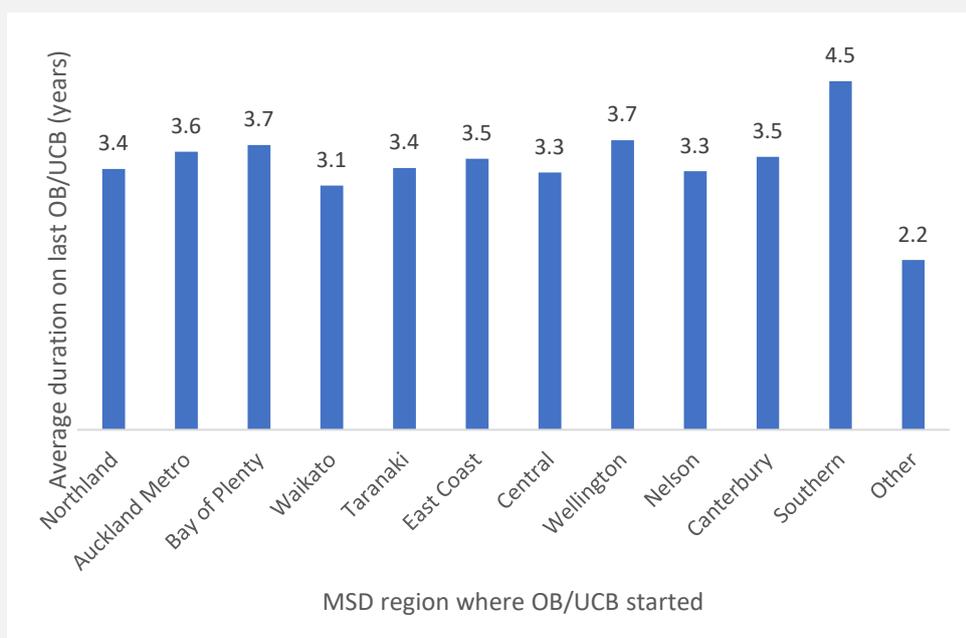
Figure 12. Average duration of children in OB/UCB arrangements from 2013 to 2023



All regions have increased in the average duration of OB/UCB arrangements since 2013

Figure 13 illustrates the average length of stay for children in OB/UCB arrangements across regions. Of children who exited OB/UCB arrangements in 2023, those in the Southern region stayed in an OB/UCB arrangement the longest with an average of 1,643 days (4.5 years), 493 days longer than Waikato which had the shortest duration (excluding "other").

Figure 13. Average duration in OB/UCB arrangements which ended in 2023, by MSD region



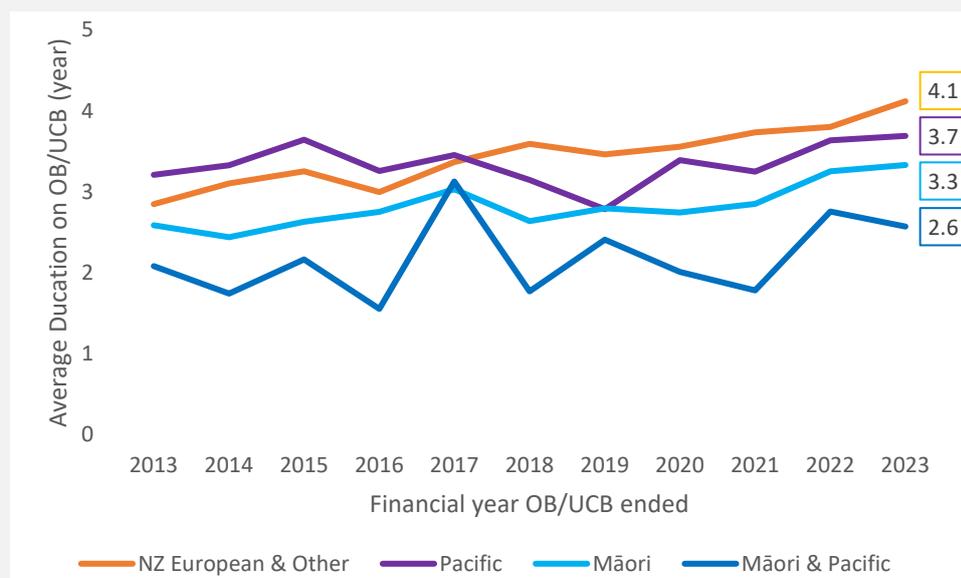
There has been an overall increase in the average duration of children in OB/UCB arrangements across all regions since 2013. The Southern, Nelson, and Bay of Plenty regions saw the highest percentage increases (78%, 71%, and 60% respectively), while Wellington had the lowest increase at 14%.

Since 2017, children with New Zealand European/Other caregivers have tended to stay longer in OB/UCB arrangements compared to children with caregivers of other ethnicities

Among children who exited OB/UCB arrangements in 2023, those with caregivers who were New Zealand European/Other stayed in their OB/UCB arrangement for an average of 4.1 years, longer than children with caregivers of other ethnicities (3.7 years for children with Pacific caregivers; 3.3 years for children with Māori caregivers; 2.6 years for children with Māori and Pacific caregivers).

Children with New Zealand European/Other caregivers also experienced a larger increase in the duration of OB/UCB arrangements since 2013 (45%, compared to 29% for children with Māori caregivers, 24% for children with Māori & Pacific caregivers, and 15% for children with Pacific caregivers). See Figure 14.

Figure 14. Average duration of children in OB/UCB arrangements from 2013 to 2023, by caregiver ethnicity



Among children who exited OB/UCB arrangements in 2023, children with non-family caregivers stayed longer in their OB/UCB arrangement than those with family caregivers

Of children who exited OB/UCB arrangement in 2023, the average duration of that OB/UCB arrangement was longer for non-family caregivers (4.9 years) than family caregivers (grandparents, parents, aunty/uncle, and family/whānau caregivers), an average duration of 3.2 years.

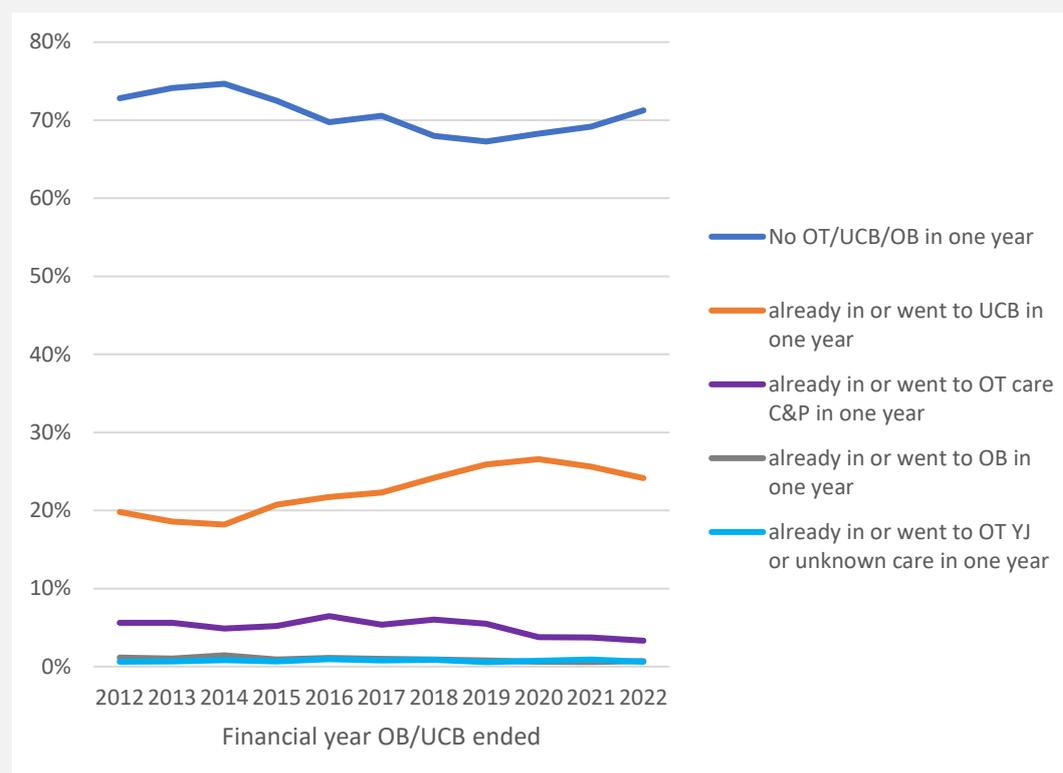
What happens to children after leaving OB/UCB?

Most children had no recorded interaction with Oranga Tamariki or OB/UCB within a year of exiting OB/UCB arrangements across the past decade

Figure 15 illustrates the percentage of children with subsequent interaction with Oranga Tamariki or OB/UCB within a year of exiting OB/UCB arrangements from 2012 to 2022. On average, 71% of children had no recorded interaction in the following year.

The proportion of children returning to UCB within a year increased from 20% in 2012 to 24% in 2022. The proportion of children transitioning from OB/UCB to Oranga Tamariki care decreased from 6% in 2012 to 3% in 2022.

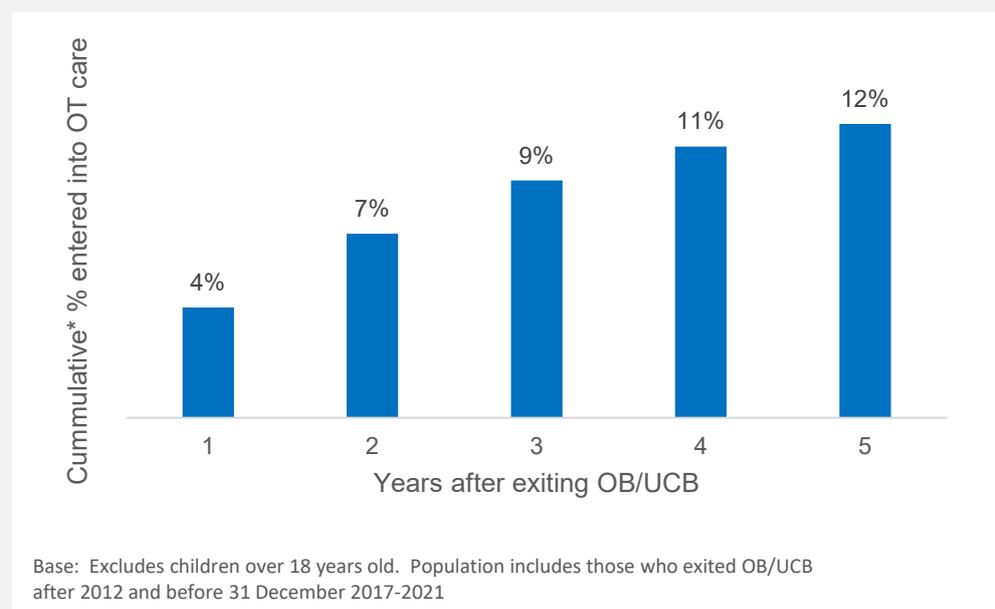
Figure 15. Proportion of children with subsequent Oranga Tamariki or OB/UCB interaction within a year of exiting OB/UCB arrangements



Approximately four percent of children entered into Oranga Tamariki care within a year after exiting OB/UCB

When examining the proportion of children (excluding those over 18 years old) entering Oranga Tamariki care after exiting OB/UCB over time, it was found that approximately 4% of children entered into Oranga Tamariki care within a year after exiting OB/UCB. However, the cumulative proportion increases to 12% after five years. See Figure 16.

Figure 16. Cumulative proportion of children who enter Oranga Tamariki care after exiting OB/UCB, by follow up period ⁶



⁶ Cohort for each year:

1 year: for all children who had ended an OB/UCB before 31 December 2021 and after 1 January 2012 and were 17 or younger at the time of ending: what proportion entered into OT care within 12 months of the OB/UCB ending (n=25,808).

2 years: For all children who had ended an OB/UCB before 31 December 2020 and after 1 January 2012 and were 16 or younger at the time of ending: what proportion entered into OT care within 24 months of the OB/UCB ending (n=19,104).

3 years: For all children who had ended an OB/UCB before 31 December 2019 and after 1 January 2012 and were 15 or younger at the time of ending: what proportion entered into OT care within 36 months of the OB/UCB ending (n=14,016).

4 years: For all children who had ended an OB/UCB before 31 December 2018 and after 1 January 2012 and were 14 or younger at the time of ending: what proportion entered into OT care within 48 months of the OB/UCB ending (n=10,025).

5 years: For all children who had ended an OB/UCB before 31 December 2017 and after 1 January 2012 and were 13 or younger at the time of ending: what proportion entered into OT care within 60 months of the OB/UCB ending (n=7,134).

What types of payments or benefits are available to support caregivers and children in their care?

In additional to OB/UCB, take up of other payments to support children in OB/UCB arrangements have been increasing over the past decade

Caregivers who receive the OB or UCB may be able to access the Extraordinary Care Fund payment⁷, and are entitled to the School and Year Start-up payment⁸ on application.

In 2023, there were 1,087 Extraordinary Care Fund payments and 11,557 School and Year Start-up payments, totalling approximately \$1.7 million and 8.3 million, respectively.

While the number of Extraordinary Care Fund payments has remained relatively stable over the past decade, the number of School and Year Start-up payments has been increasing over time.

Just over a quarter of the OB/UCB caregivers were receiving a disability-related allowance as of 2023

As at 30 June 2023, 27% active OB/UCB caregivers were receiving Disability Allowance (DA)⁹ and or Child Disability Allowance (CDA)¹⁰. It is important to note that a caregiver may be receiving a disability-related allowance because of their own disability, a dependent OB/UCB child with a disability, or other children under their care with a disability.

⁷ Extraordinary Care Fund helps support children to develop their skills and talents. It can also help children who are experiencing difficulties that are significantly impacting on their development. [Extraordinary Care Fund - Work and Income](#)

⁸ School and Year Start-up Payment 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. [School and Year Start-up Payment - Work and Income](#)

⁹ Disability Allowance (DA) is a weekly payment for people who have regular, ongoing costs because of a disability. These could be visits to the doctor or hospital, medicines, extra clothing or travel. A caregiver may be receiving DA because of their own disability, a dependent OB/UCB child with a disability, or their own biological dependent child with a disability. [Disability Allowance - Work and Income](#)

¹⁰ Child Disability Allowance (CDA) is a fortnightly payment made to the main carer of a child or young person with a serious disability. It is paid in recognition of the extra care and attention needed for that child. An OB/UCB caregiver could be receiving the payment for other children under their care. [Child Disability Allowance - Work and Income](#)

Half of the OB/UCB caregivers were on a main benefit as of 2023

As at 30 June 2023, over half (53%) of active OB/UCB caregivers were receiving a main benefit¹¹, with 12% of caregivers and their partner both on a main benefit.

Financial assistance is available if caregivers are going through hardship

Income and asset tested financial assistance is available for people who are in hardship and have immediate and essential needs for emergency or essential items or services¹². Examples of essential items are bedding, food, health and travel costs. OB/UCB caregivers could access the hardship assistance if they meet the eligibility criteria.

In 2023, approximately \$3.3 million of hardship payments were made to OB/UCB caregivers. Of this amount, over half (54%) were likely¹³ or possibly¹⁴ related to the care of children, including grants for furniture, school uniforms, stationery, and food. Food grants were paid as special needs grants and accounted for 54% of likely/possible care-related grants. Excluding food, 88% of likely/possible care-related hardship grants were paid as an Advance of Benefit.

Of caregivers who started receiving OB/UCB in 2023, 12% received a care-related hardship payment within 90 days from starting, while 50% received a non-care-related hardship payment within 90 days from starting. Over half (54%) received any hardship payment (care-related or non-care-related) within 90 days from starting.

¹¹ Main benefits refer to: Emergency Benefit, Emergency Maintenance Allowance, Jobseeker Support, New Zealand Superannuation, Sole Parent Support, Supported Living Payment, Veteran's Pension, and Young/Young Parent Payment

¹² More information can be found at [A Guide for Carers - Ministry of Social Development \(msd.govt.nz\) and Special Needs Grant: Contents - Map \(workandincome.govt.nz\)](#)

¹³ Hardship payments that are likely related to the care of children include: bedding, beds, tables, chairs, car restraints, safety helmets, clothing, emergency medical equipment, other furniture, school administration fees, examination fees, school stationery, and school uniforms.

¹⁴ Hardship payment that are possibly related to the care of child include: driver licence – renewal, driver licence – new, electricity, gas, emergency medical treatment – health practitioners fees, food, urgent house repairs and maintenance, washing machine, and fridge.

Appendix

If you need data tables contained or referenced in this report, please request this by emailing: research@ot.govt.nz.