

In Confidence

Office of the Minister for Children

Office of the Minister for Social Development

Chair, Cabinet Social Wellbeing Committee

FINANCIAL ASSISTANCE FOR CAREGIVERS BILL

Proposal

- 1 This paper seeks decisions on policy and legislative changes necessary to implement two initiatives that improve financial assistance for caregivers of orphans and unsupported children, in the wake of the COVID-19 pandemic.
- 2 This paper also seeks authorisation to issue drafting instructions to the Parliamentary Counsel Office (PCO) for a Financial Assistance for Caregivers Bill.

Relation to government priorities

- 3 The initiatives detailed in this paper are part of the Government's wide-ranging response to support recovery from the social and economic impacts of the COVID-19 pandemic.
- 4 The initiatives also align with the Government's vision to make New Zealand the best place in the world to be a child or young person. Initiatives to improve financial support for caregivers are supporting actions to achieve the outcome set in New Zealand's first Child and Youth Wellbeing Strategy, released in August 2019, that 'Children and young people are loved, safe and nurtured', through the focus area of supporting parents, caregivers, families and whānau.
- 5 Work to improve the caregiver system also forms part of the next phase of ongoing transformation for Oranga Tamariki—Ministry for Children (Oranga Tamariki). The initiatives are part of the response to the review of financial assistance for caregivers, agreed by Cabinet in December 2019 [SWC-19-MIN-0199 and CAB-19-MIN-0672 refer]. The work also complements wider work being undertaken through the Mahi Aroha: Carers' Strategy Action Plan 2019-2023, to support carers who provide care for a friend or family member with a disability, health condition, illness or injury.¹

Executive Summary

- 6 As part of a wider package of support for caregivers, in December 2019, Cabinet agreed to the following two initiatives that improve financial assistance for caregivers who provide day-to-day care for children and young people whose parents are unable to care for them:

¹ Published in December 2019 and agreed by Cabinet in 2019 [SWC-19-MIN-0176 Mahi Aroha: Carers' Strategy Action Plan 2019-2023 and CAB-19-MIN-0594 refer].

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- 6.1 extending eligibility for the Orphan's Benefit (OB) and Unsupported Child's Benefit (UCB) to principal caregivers who may provide care for less than 12 months (by removing the 12-month eligibility rule)
- 6.2 extending the Christmas and Birthday Allowance to OB and UCB caregivers in the same way and rate as that currently provided to recipients of the Foster Care Allowance (FCA).
- 7 These initiatives seek to reduce inconsistencies between assistance provided to different caregivers. Supporting short-term caregivers and assisting caregivers to enable the children they care for to have the same experiences as other children will contribute to children's overall wellbeing, identity, and feeling of inclusion within a family. They also aim to help soften the social and financial impacts of the COVID-19 pandemic and contribute to the resilience of placements.
- 8 A Bill is needed to make the necessary changes in legislation to give effect to these initiatives. The legislation needs to be in place by July 2021 in time for planned implementation of the first initiative. If the Bill is not introduced this year, we risk being unable to implement these measures to support caregivers in a timely way and to respond to COVID-19 pressures.
- 9 Given there are no other suitable vehicles, we intend to introduce a Financial Support for Caregivers Bill to Parliament this year. We are seeking your agreement to issue drafting instructions to PCO to achieve this. We propose that the Minister for Children report to the Cabinet Legislation Committee with a draft Bill in July 2020.

Background

- 10 Caregivers provide day-to-day care for around 20,000 children in New Zealand.² Many caregivers are members of a child's whānau or extended family, and have stepped up to take on the care of a child whose parents are unable to care for them. A significant proportion of children and their caregivers supported through the financial assistance system are Māori.
- 11 Financial assistance for caregivers consists primarily of:
 - 11.1 the OB and UCB, administered by the Ministry of Social Development (MSD), for children living with caregivers outside the State care system
 - 11.2 the FCA, administered by Oranga Tamariki—Ministry for Children, for those caring for a child in State care.³
- 12 These payments are governed by the Social Security Act 2018 and the Oranga Tamariki Act 1989 respectively. While the FCA supports children who are in State care, the OB supports children whose parents have died, are missing, or have a long-term disablement and the UCB supports children who have had a family breakdown.
- 13 This Government undertook the first comprehensive review of financial assistance for caregivers, led by Oranga Tamariki, in 2019 [SWC-19-MIN-0040; CAB-19-MIN-0023

² The OB is paid to 270 caregivers, in relation to 366 children and young people. The UCB is paid to over 12,000 caregivers, in relation to over 18,000 children and young people. Ministry of Social Development administrative data, as at 1 May 2020.

³ The base rates of these allowances are aligned and are currently between \$176 and \$238 per week depending on the age of the child (but will be increasing by \$25 per week per child on 6 July 2020). The rates are non-taxable and adjusted annually for CPI. FCA, UCB and OB caregivers also get the clothing allowance, but at present some additional payments available to FCA caregivers are not available to OB and UCB caregivers.

refer]. The review included targeted consultation with stakeholders and identified a range of systemic and discrete policy issues with the payment system.

- 14 The review identified that the system of financial support for caregivers is complex and fragmented. A significant finding was that current financial assistance for OB, UCB and FCA recipients is insufficient to cover the cost of caring for a child.
- 15 These financial stressors are likely to be compounded by the impact of the COVID-19 pandemic, and endure as New Zealand moves into the recovery phase. Many caregivers will be under additional financial and emotional pressure due to the impact of COVID-19 and we are likely to need more caregivers, if children are unable to continue living with their parents, at Alert Levels Two and One and beyond.
- 16 In December 2019, Cabinet agreed to the strategic response to the review and a set of overarching objectives and principles to guide the financial assistance system for caregivers [SWC-19-MIN-0199; CAB-19-MIN-0672 refer]. These include that:
 - 16.1 regular, standardised payments should be available to, and accessible by, caregivers who provide the day-to-day care of children whose parents are unable to care for them
 - 16.2 there should be no disparity in the standardised payment rate provided to support a child in the State care system, and a child living with a caregiver outside the State care system whose parents are unable to care for them.

Funding for a caregiver support package

- 17 A \$210 million package of critical support has been funded from the COVID Response and Recovery Fund (CRRF) to ensure continued safe and stable homes for children living with caregivers [CAB-20-MIN-0219.25 refers].⁴ The caregiver support initiatives will help alleviate some of the financial pressure caregivers face as a result of COVID-19, and support them to continue to provide safe and stable homes. The package will directly support Māori whānau who are caring for a child, by giving these caregivers money to help provide safe and stable homes for the children they care for.
- 18 The caregiver support package includes four main initiatives:
 - 18.1 extending eligibility for OB and UCB to caregivers who may provide care for less than 12 months (by removing the 12-month eligibility rule)
 - 18.2 extending the Christmas and Birthday Allowance to OB and UCB caregivers in the same way and rate as that received by recipients of the FCA
 - 18.3 increasing the base rate of the FCA, OB and UCB by \$25 per child per week from 6 July 2020⁵
 - 18.4 entitling FCA caregivers to continue to receive the FCA for up to 20 days while the child they care for is in respite care (currently this is two days).

⁴ The \$210m is over four years and will benefit caregivers in receipt of the OB, UCB and/or FCA.

⁵ The Minister for Children is seeking authorisation from Cabinet Legislation Committee to submit an Order in Council to the Executive Council to progress the increase in base rate of the OB and UCB by \$25 per week per child. As the Order in Council is required to implement this initiative by 6 July 2020, this is being progressed through Cabinet separately to the primary legislation changes.

Legislation changes required

- 19 Although these initiatives have been agreed by Cabinet, amendments to the Social Security Act 2018 are required for the first two initiatives:
- 19.1 extending eligibility for the OB and UCB to caregivers who may provide care for less than 12 months (by removing the 12-month eligibility rule)
 - 19.2 extending the Christmas and Birthday Allowance to OB and UCB caregivers in the same way and at the same rate as that received by recipients of the FCA.
- 20 We propose that a Bill is introduced in 2020 to give effect to these initiatives, so that the legislation is passed in time for initiatives to start from July 2021.
- 21 This paper provides advice and seeks decisions to amend the Social Security Act 2018 to enable these two initiatives, which are outlined in more detail below.

Extending eligibility for the OB and UCB to short-term caregivers (removing the 12-month eligibility rule)

- 22 One of the current criteria for accessing the OB and UCB under the Social Security Act 2018 is that the caregiver must be likely to be the principal caregiver of the child for at least one year from the date of the application for the payment (the '12-month rule'). The current policy was designed to support longer-term care arrangements in cases of family breakdown.
- 23 In practice it means there are caregivers who take on the care of a child, often in difficult and/or short-term situations where there is little other choice, who are unable to access financial assistance to help them provide care. This is despite the fact they, like other caregivers, have taken on primary responsibility for the day-to-day care of the child when that child's parents are unable to care for them.
- 24 The current policy does not reflect the expected reality of many caregiving situations while New Zealand is responding to and recovering from the COVID-19 pandemic, as the expected duration of caregiving arrangements may not be known, or will be subject to change.⁶ If left unaddressed there is a risk it will deter new caregivers from providing care for children, especially if the period of care is unknown or uncertain and they are already experiencing negative financial impacts from COVID-19.
- 25 In addition to providing flexibility in uncertain times, this will be an enduring change with long-term benefits for the caregiver system. Providing access to the OB and UCB payments for caregivers who may provide care for less than 12 months will:
- 25.1 reduce the levels of stress placed on children and caregivers where there is no other choice; the initiative is a key part of reforming the caregiver system to improve support for, and meet the needs of, children who are unable to live with their parents

⁶ The review of financial assistance for caregivers found that in many caregiving situations, the expected placement duration may not be known, or may be short-term for legitimate reasons. For example, family members may take on care of a child for what is expected to be a short period of time, often with the goal of eventual reunification with parents. Another example is when a parent is sentenced to prison for less than 12 months and an alternative caregiver will be looking after the child for that period. In some of these cases, what is expected to be a short-term care situation following a family breakdown can become a long-term or permanent placement.

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- 25.2 support children to remain in the care of their family/whānau and reduce the risk of children needing to come into State care
- 25.3 help reduce disparities with the payment system for the FCA, which has no minimum placement duration
- 25.4 be more consistent with the principle agreed by Cabinet in December 2019 that regular, standardised payments should be available to, and accessible by, caregivers who provide the day-to-day care of children whose parents are unable to care for them.
- 26 This current barrier can be addressed by removing the minimum time period requirement for a caregiving arrangement to qualify for the OB or UCB and associated payments. The eligibility criteria for the OB and UCB are outlined in sections 44 and 47 of the Social Security Act 2018.⁷ Removing the current minimum time period requirement will need a legislative amendment.
- 27 We note that there would be no change to the requirement for a family breakdown assessment in order to qualify for the UCB. We consider that, although potentially for shorter durations, the OB and UCB will continue to be paid only in circumstances where a child is genuinely unable to continue living with their parents. Requirements for a family breakdown to be investigated and evidenced through the Family Breakdown Assessment process for the UCB would still need to be met.

Extending the Christmas and Birthday Allowance to OB and UCB caregivers

- 28 OB and UCB caregivers currently do not receive the Birthday and Christmas Allowances that are available to FCA caregivers. This means that OB and UCB caregivers pay for these costs out of their own pocket or, if they are unable to, the children in their care go without. This disparity in payments contributes to the inequities between the levels of financial assistance provided to these groups of caregivers.
- 29 Being able to celebrate and enjoy significant events in a child's life is an important part of being able to provide children who are unable to live with their parents the same experiences as other children. It also contributes to their overall wellbeing, identity and feeling of inclusion within a family and placement resilience, which is even more critical during this time.
- 30 We recommend that the Social Security Act 2018 be amended to establish these two allowances for OB and UCB caregivers.⁸ The new allowances will be added to Schedule 4, Part 4 (for OB) and Schedule 4, Part 5 (for UCB) of the Social Security Act 2018.
- 31 The Birthday and Christmas Allowances will be provided to OB and UCB caregivers in the same way, and at the same rate, as for FCA caregivers. The Birthday Allowance will be paid in the month of the child's birthday and the Christmas Allowance in December. The rate will be tied to half the weekly rate of the FCA, UCB or OB (currently ranging \$86.42 to \$116.86 depending on the age of the child). As

⁷ Applicants will still need to meet the remaining criteria, including that they are the principal caregiver, in order to ensure that payments are not made to more than one person relating to the same child. This change will take effect for all new applications for OB and UCB, and applications that have been made, but for which no decision has been made, from 1 July 2021. Existing OB and UCB caregivers who meet the revised eligibility criteria will be able to apply for children in their care as at 1 July 2021 but will not be able to receive payments in arrears (back-dated payments).

⁸ For example, the Clothing Allowance was extended to OB and UCB caregivers in 2018 and this allowance was established in Schedule 4, Part 4 for OB and Schedule 4, Part 5 for UCB in the Social Security Act 2018.

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the rates are adjusted by the Consumer Price Index (CPI) in April every year by Order in Council, this will have a flow on impact to the amount of the Birthday and Christmas Allowance from April each year.

Implementation

- 32 The amended legislation needs to be in place by July 2021 in order to begin implementing the first of the initiatives (removal of the 12-month rule). The planned implementation timeframes for the initiatives are:
- 32.1 1 July 2021 for the removal of the 12-month rule for OB and UCB caregivers to take effect for all new applications from this date
 - 32.2 December 2021 for the Christmas Allowance (with first payments for children cared for by OB and UCB caregivers provided for Christmas 2021)
 - 32.3 January 2022 for the Birthday Allowance, to be paid in the month of the child's birthday for each child.
- 33 The Ministry of Social Development will be the lead agency for implementing the initiatives.

Financial Implications

- 34 This Cabinet paper does not have additional financial implications, as decisions about funding and commitments were made as part of the Budget 2020 process, including:⁹
- 34.1 \$46.56m to Vote Social Development over four years (from 2020/21 to 2023/24 and then ongoing) for the extension of OB and UCB eligibility to short-term or temporary caregivers
 - 34.2 \$16.82m to Vote Social Development over four years for the extension of the Birthday and Christmas allowances to OB and UCB caregivers
 - 34.3 \$0.24m to Vote Oranga Tamariki to evaluate the effectiveness of these initiatives.
- 35 This funding is part of a \$209.91m Budget 2020 package of financial assistance for caregivers in response to COVID-19.

Legislative Implications

- 36 The most appropriate legislative vehicle is the Financial Assistance for Caregivers Bill (the Bill). There are no other suitable Bills amending the Social Security Act 2018 that are planned to be introduced and passed by 1 July 2021.
- 37 The Bill has priority category two on the 2020 Legislation Programme (to be passed in the year). This priority category was selected in 2019 as a result of earlier estimates of timeframes to implement the initiatives. It is not possible to implement the initiatives in 2020 due to COVID-19 priorities, so it is not necessary to pass the Bill in 2020. However, it will be necessary to refer the Bill to Select Committee in 2020 in order to have the legislation in place in time for the initiatives to start from

⁹ Note that the annual costs will increase each year due to CPI adjustments.

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July 2021. We therefore now propose the priority category for this Bill be changed to priority category four (to be referred to Select Committee in the year).

- 38 We propose introducing the Bill in 2020, to give confidence to caregivers that these changes are underway, and to give Parliament the time it needs to consider the Bill, prior to implementation.

Next steps – drafting the Bill and submission to Cabinet Legislation Committee

- 39 Subject to Cabinet agreement, the Minister for Children will issue drafting instructions to PCO for the Financial Assistance for Caregivers Bill to give effect to Cabinet decisions on the recommendations in this paper.
- 40 This paper also seeks authorisation for the Minister for Children to make any necessary technical, consequential, and minor policy changes to the draft legislation in keeping with the overall policy intent, and in consultation with the Minister for Social Development, as appropriate.¹⁰
- 41 Subject to the decisions sought in this paper, the Minister for Children will submit a draft Bill for consideration by the Cabinet Legislation Committee in July 2020. We propose that the Bill be introduced to Parliament immediately following Cabinet approval.

Impact Analysis

Treaty of Waitangi impact

- 42 The financial assistance system must be responsive to the needs, circumstances and background of the caregivers and children using the system. A significant proportion of children and their caregivers supported through the financial assistance system are Māori:
- 42.1 Over half of the children for which these payments are paid identify as Māori (around 57% of children in the care of OB and UCB caregivers).¹¹
- 42.2 A significant proportion of their caregivers also identify as Māori (around 40% of OB caregivers and around 46% of UCB caregivers).¹²
- 43 OB and UCB caregivers are largely members of the children's family, whānau, hapū or iwi who have stepped in to care for a child. They play a crucial role in reducing the need for children to enter or remain in State care. These initiatives will see more financial assistance provided to these caregivers, which will support them to continue their critical role in providing safe, stable and loving homes to children and will help to reduce disparities for Māori children and whānau.

Regulatory Impact Statement

- 44 The regulatory impact analysis requirements apply to this proposal. A Summary Regulatory Impact Assessment has been prepared. It covers the two initiatives

¹⁰ The Minister for Children has responsibility for policies for payments to caregivers, including the OB, UCB and FCA. The Social Security Act 2018 is the responsibility of the Minister for Social Development.

¹¹ Source: Stats NZ Integrated Data Infrastructure (IDI), as at 30 June 2018. Due to matching and identification in the IDI, ethnicity was available for the two out of three children in the OB and UCB population. The results are not official statistics, they have been created for research purposes from the IDI managed by Statistics New Zealand. Access to the anonymised data used in this study was provided by Statistics NZ in accordance with security and confidentiality provisions of the Statistics Act 1975.

¹² Ministry of Social Development administrative data, as at 1 May 2020.

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outlined in this paper, as well as other initiatives that are part of the caregiver support package funded through the COVID-19 Response and Recovery Fund.

- 45 The Summary Regulatory Impact Assessment has been reviewed by two Principal Analysts from Oranga Tamariki, neither of whom was involved in the policy process, who have both independently concluded that the Summary Regulatory Impact Assessment meets the Quality Assurance Criteria.

Climate Implications of Policy Assessment

- 46 The proposals outlined in this paper do not have implications for greenhouse gas emissions, and do not require a Climate Implications of Policy Assessment.

Population Implications

- 47 The table in Appendix 1 outlines implications for three population groups: Māori and Pacific, disabled people, and women.

Human Rights

- 48 The proposals in this paper are consistent with the New Zealand Bill of Rights Act 1990 (BORA) and the Human Rights Act 1993 and would increase New Zealand's alignment with the United Nations Convention on the Rights of the Child.¹³ The proposals will be submitted for BORA vetting once a Bill has been drafted.

Consultation

- 49 This paper was prepared by Oranga Tamariki with input from the Ministry of Social Development. The following agencies were consulted: the Ministries of Health, Education, Justice and Youth Development; the Ministry for Pacific Peoples; the Ministry for Women; Te Puni Kōkiri; the Office of Disability Issues; Inland Revenue; the Treasury; the Policy Advisory Group, Child Wellbeing Unit and Child Poverty Unit at the Department of the Prime Minister and Cabinet.
- 50 The review of financial assistance for caregivers involved consultation with caregivers, advocacy groups, care-experienced young people, Oranga Tamariki frontline staff, NGO providers (including Māori and Pacific providers) and the Office of the Children's Commissioner. A subject matter expert group, which included Māori and Pacific members, met to help refine policy proposals.

Communications

- 51 Funding for these initiatives was announced by the Minister for Children on 17 May 2020 following Budget 2020 announcements. Communications will be planned to announce the introduction of the Bill, expected in July 2020.

Proactive Release

- 52 This Cabinet paper will be proactively released within 30 business days of the Cabinet Legislation Committee decisions being confirmed by Cabinet (expected in July 2020).

¹³ These include, in particular, Article 3, relating to ensuring children have the protection and care necessary for their wellbeing; Article 20, which relates to the entitlement to special protection and assistance for children who cannot remain in their family environment, and Article 27, which relates to children's rights to a standard of living adequate for their physical, mental, spiritual, moral and social development, and the State's role in providing material assistance and support programmes.

Recommendations

The Ministers for Children and Social Development recommend that the Committee:

- 1 **note** that a package of initiatives was agreed by Cabinet as part of Budget 2020 to address specific impacts of COVID-19 on children and caregivers and as the next step towards addressing fundamental issues with the system of financial support for caregivers [CAB-20-MIN-0219.25 refers];
- 2 **note** that a 2019 review identified that the system of financial support for caregivers is complex and fragmented;
- 3 **note** that as part of the Budget package, Cabinet agreed to two initiatives to improve financial assistance for caregivers:
 - 3.1 extending eligibility for the Orphan's Benefit (OB) and Unsupported Child's Benefit (UCB) to caregivers who may provide care for less than 12 months (by removing the 12-month eligibility rule);
 - 3.2 extending the Christmas and Birthday Allowance to OB and UCB caregivers in the same way and at the same rate as that received by recipients of the Foster Care Allowance (FCA);
- 4 **note** that these initiatives contribute towards addressing principles agreed by Cabinet following the review, that [SWC-19-MIN-0199 and CAB-19-MIN-0672 refer]:
 - 4.1 regular, standardised payments should be available to, and accessible by, caregivers who provide the day-to-day care of children whose parents are unable to care for them;
 - 4.2 there should be no disparity in the standardised payment rate provided to support a child in the State care system, and a child living with a caregiver outside the State care system whose parents are unable to care for them;
- 5 **note** that, in order to give effect to the two agreed Budget initiatives, primary legislation changes are required to the Social Security Act 2018;
- 6 **agree** that the following two legislative amendments are included in a Financial Assistance for Caregivers Bill, which currently has priority category 2 on the 2020 Legislation Programme (to be passed in the year):
 - 6.1 remove the requirement for caregivers to be likely to be the caregiver for at least one year from the date of application before receiving the OB or UCB, by removing the '12-month rule';
 - 6.2 establish Birthday and Christmas Allowances to caregivers receiving the OB or UCB in the same way and at the same rate as that received by recipients of FCA (paid in the month of the child's birthday and in December for Christmas, at half the weekly base rate of the FCA or OB/UCB per child);
- 7 **agree** that, subject to the legislation passing, the change to eligibility for the OB and UCB will take effect for all new applications for OB and UCB, and applications that have been made, but for which no decision has been made, from 1 July 2021;

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- 8 **note** that it is no longer necessary to pass the Bill in 2020, but it will be necessary to refer the Bill to Select Committee in 2020 in order to have the legislation in place in time for initiatives to start from July 2021;
- 9 **agree** to change the priority category of the Financial Assistance for Caregivers Bill, from category two (must be passed in 2020), to category four (to be referred to a select committee in 2020);
- 10 **invite** the Minister for Children to issue drafting instructions to the Parliamentary Counsel Office to draft amendments to the Social Security Act 2018 to give effect to Cabinet decisions on the recommendations in this paper;
- 11 **authorise** the Minister for Children, in consultation with the Minister for Social Development as appropriate, to make any necessary technical, consequential, and minor policy changes to the draft legislation in keeping with the overall policy intent;
- 12 **note** that the Minister for Children will report back to the Cabinet Legislation Committee with a Bill in July 2020.

Authorised for lodgement

Hon Tracey Martin

Minister for Children

Hon Carmel Sepuloni

Minister for Social Development

Appendix 1: Population impacts

Population group	How the proposal may affect this group
Māori and Pacific	<p>OB and UCB caregivers, who are largely members of children’s family, whānau, hapū or iwi who have stepped in to care for a child, play a crucial role in reducing the need for children to enter or remain in State care.</p> <p>A significant proportion of these caregivers are also Māori or Pacific: 40 percent of OB caregivers and 46 percent of UCB caregivers identify as being Māori.¹⁴ 16 percent of OB caregivers and seven percent of UCB caregivers identify as Pacific, and one percent of OB and UCB caregivers identify as both Māori and Pacific.</p> <p>Extending eligibility for the OB and UCB to short-term caregivers will better enable whānau members to care for a child who is unable to be cared for by their parents and likely reduce the need for children to enter State care, which is critical for helping reduce disparities for Māori children and whānau.</p> <p>The Birthday and Christmas Allowances will be of direct benefit to children whose caregivers are paid OB or UCB, with around 57 percent identifying as Māori, 8 percent identifying as Pacific, and a further 9 percent identifying as both Māori and Pacific.¹⁵ The intent is to support the stability of the arrangement and give these children the same experiences as other children – celebrating life events through cultural activities is one way that their sense of wellbeing and identity could be supported.</p>
Women	<p>Women are more likely than men to be primary caregivers receiving the OB and UCB. Women are therefore likely to make up a significant proportion of people that may step in and take responsibility for the children of family members in times of family breakdown or crisis, but may only be able to commit to their care for less than 12 months due to other dependent children. The initiatives outlined in this paper are likely to help alleviate the financial pressures on women caregivers by increasing, and improving the flexibility of, the financial resources available to their households.</p>
Disabled people	<p>There are deficiencies in the financial assistance for caring for children with high needs; OB and UCB caregivers have limited access through the financial assistance system to payments that cover the costs of caring for a child with higher or more complex needs. As part of the review of financial assistance for caregivers, Oranga Tamariki met with NGOs and advocacy groups who provide support to caregivers caring for children a with high needs, including disabled children. Many caregivers who responded to an online questionnaire were caring for children with high support needs and identified the challenges they faced.</p> <p>The initiative to extend access to OB and UCB to short term caregivers could provide valuable additional help for caregivers who may otherwise struggle to meet the needs of a disabled child in their care. Establishing Birthday and Christmas Allowances helps ensure disabled children are able to be recognised and included on special occasions in the same way as other children.</p>

¹⁴ Source: MSD, 30 June 2018, operational data – subject to change.

¹⁵ Source: Stats NZ Integrated Data Infrastructure (IDI), as at 30 June 2018. Due to matching and identification in the IDI, ethnicity was available for the two out of three children in the OB and UCB population. The results are not official statistics, they have been created for research purposes from the IDI managed by Statistics New Zealand. Access to the anonymised data used in this study was provided by Statistics NZ in accordance with security and confidentiality provisions of the Statistics Act 1975.

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	<p>As part of the long-term work programme to respond to the findings of the 2019 review of financial assistance for caregivers, Oranga Tamariki will be undertaking further work on how OB and UCB caregivers can access additional support beyond what the base payment covers.</p>
<p>Age</p>	<p>Many caregivers are seniors and are grandparents raising grandchildren. Based on a recent survey of caregivers:¹⁶</p> <ul style="list-style-type: none"> • Unsupported Child’s Benefit: just under half (47 percent) of caregivers receiving UCB who responded to the survey were aged 55 years and over. Most (87 percent) caregivers were related to the child they are raising; and more than half (54 percent) are grandparents raising grandchildren. Grandparents (or great-grandparents) receiving UCB had lower incomes (50 percent of grandparents receiving the OB have an annual income of up to \$43,000 compared to 36 percent of other OB caregivers). • Orphan’s Benefit: Just over two in five (42 percent) caregivers receiving OB who participated in the survey are aged 55 years or older. Non-Māori caregivers were older than Māori caregivers, with 48 percent and 34 percent respectively aged 55 years or over. Nearly one third (31 percent) of caregivers were aged under 45, a quarter (27 percent) were aged 45-54 years and two in five (42 percent) caregivers were 55 or older. Nearly half (46 percent) of all relationships were grandparents raising a grandchild.

¹⁶ Oranga Tamariki Evidence Centre. (2019). Caregivers raising children with the Orphan’s Benefit and the Unsupported Child’s Benefit - a survey of caregivers. Wellington, New Zealand: Oranga Tamariki—Ministry for Children.