Monitoring the Families Package and Changes to Income Support from 2018 to 2021

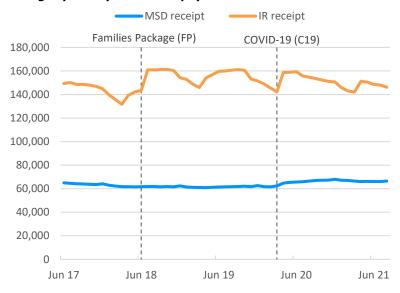
Tracking changes in receipt of payments



More people received a Family Tax Credit payment from MSD in 2021

- The number of people receiving a weekly or fortnightly Family Tax Credit payment from MSD increased from 65,000 in June 2017 to 66,000 in June 2021. This reflects an increase in the number of people receiving Sole Parent Support.
- The number of people receiving a weekly or fortnightly payment from Inland Revenue (IR) has decreased from 149,800 in June 2017 to 148,600 in June 2021.
- The average weekly amount that a recipient gets from MSD has increased from \$147 in June 2017 to \$188 in June 2021.
- The average weekly amount that a recipient received from Inland Revenue increased from \$117 per week at the end of June 2017 to \$155 at the end of June 2021.

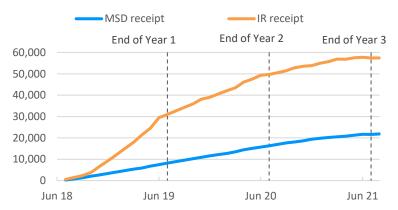
Figure 1: Number of people receiving weekly or fortnightly Family Tax Credit payments from MSD or IR



Receipt of the Best Start tax credit has reached a steady state

- During the last payment period of July 2021, 21,600 people received a Best Start payment from MSD and 57,400 people received a payment from IR.
- The number of families receiving Best Start began to stabilise in 2021, as the first cohort of children started to turn three, the age at which the payment stops.
- As at July 2021 expenditure by MSD had stabilised at approximately \$1,500,000 a week while expenditure by IRD had stabilised at approximately \$3,700,000 a week.

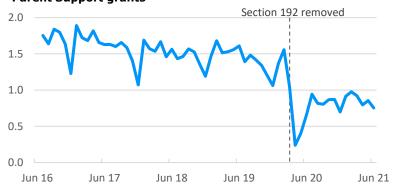
Figure 2: Number of people receiving a weekly or fortnightly Best Start payment since implementation



Fewer child support applications were received by Inland Revenue

- Following the removal of the Section 192 deductions, there was a steep drop in the number of child support applications received by IR. However, this also coincided with the first COVID-19 lockdown. Numbers have increased since, but remain lower than before the removal.
- For every grant of Sole Parent Support, there were around 1.5 child support applications before the removal. In June 2021, the ratio was 0.8 child support applications for every Sole Parent Support grant.

Figure 3: Ratio of child support applications to Sole Parent Support grants



More people received an Accommodation Supplement payment in 2021

- The number of **Accommodation Supplement recipients increased**sharply from March 2020, peaking in
 January 2021 at **377,000** before
 dropping slightly.
- As of June 2021, the average
 Accommodation Supplement payment is
 \$104 a week. This has increased from
 \$71 in June 2017.
- The percentage of **recipients receiving the maximum Accommodation Supplement** amount fell from 56% to 26% after the families Package changes. This has increased to 38% in June 2021.
- The percentage of Accommodation Supplement recipients who also received Temporary Additional Support or Special Benefit fell from 25% to 22% after the families package changes. This has risen slightly to 23% as of June 2021.

Figure 4: Number of Accommodation Supplement recipients, monthly counts since 2004

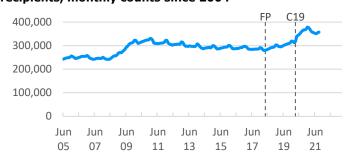


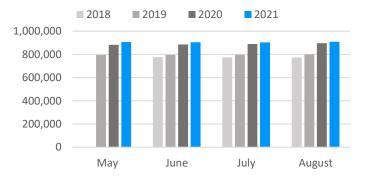
Figure 5: Percentage of Accommodation Supplement recipients receiving the maximum allowable amount



The 2021 Winter Energy Payment helped over 1 million people this winter

- During 2018 774,000 recipients (on average) received the Winter Energy Payment. This has increased to 905,000 in 2021 recipients (on average). This reflects the increase in numbers of main benefit and New Zealand Superannuation recipients.
- Including partners of recipients, **around 1.2 million** adults were helped by the
 Winter Energy Payment in 2021.
- The number of people who opted out has decreased from around 1,800 in 2018 to around 600 in 2021.

Figure 6: Number of Winter Energy Payment recipients, by month



The main benefit increases boosted the incomes of many families

- The 2020 increase in main benefit rates led to up to **318,000** recipients (with and without children) immediately benefitting by up to \$25 a week depending on their circumstances.
- The Budget 2021 (B21 in Figure 7) increase in main benefit rates led to up to **363,500** recipients (with and without children) immediately benefitting by up to \$20 a week depending on their circumstances.
- The number of people receiving a main benefit increased sharply in the year following the first COVID-19 lockdown.

Figure 7: Number of people receiving main benefits, monthly counts since 2004

