

20 June 2016

Mr Jonathan King
Secretary
Auckland Action Against Poverty

Dear Mr King

Thank you for your request made under the Official Information Act 1982 (the Act), which we received on 24th May 2016. You requested the following information:

1. *In the past 12 months what was the total monetary amount of child support payments transferred from IRD to Work & Income*
 - 1a. *Of that amount: how much was to go towards offsetting main benefit payments; how much was to be paid out to people due to the child support payments exceeding the rate of people's benefit payments; and what was any remaining amount intended for?*
 2. *In the past 12 months what was the total number of individuals making child support payments to IRD which were transferred to Work & Income. Please break this down by gender, age and ethnicity.*
 - 2a. *In the past 12 months what was the total number of individuals making child support payments to IRD (by gender and age and whether the payments were voluntary or not).*
 - 2b. *In the past 12 months what was the total number of people whose benefit payments were being offset by child support payments to IRD transferred to Work & Income? Please break this down by gender, age and ethnicity.*
 - 2c. *In the past 12 months what was the total number of children for whom child support payments to IRD were transferred to W&I?*
 - 2d. *What was the total number of children for whom child support payments were made to IRD?*
 3. *Please break down the number of child support payments (per child) which were made to IRD and transferred to W&I in the past 12 months according to weekly cost bands, e.g. how many between \$0 and \$10 per week, \$10-\$20 p/w etc.*
 - 3a. *In the past 12 months what number of child support payments to IR transferred to W&I were at the minimum child support rate?*
 - 3b. *In the past 12 months what number of child support payments to IRD which were transferred to W&I to offset benefit payments were above the level of the main benefit they were offsetting, and thus led to some portion of that child support money being transferred to the carer?*
 - 3c. *What was the average rate of child support payments (per child) which were paid to IRD and transferred to Work and Income?*

4. *In the past 12 months, of carers receiving child support payments made to IRD, what number were not receiving a main benefit from W&I, broken down by age, gender and ethnicity.*
5. *In the past 12 months how many notifications did W&I receive from IRD which amounted to a notification for W&I to enforce a sanction on a beneficiary under section 70A of the Social Security Act?*
- 5a. *What is this figure as a proportion of the number of new sanctions imposed under section 70A in the past 12 months?*

Information to be released

Part of the information you have requested is enclosed. However, as Inland Revenue does not record ethnicity your request for this information is declined under section 18(e) of the Official Information Act, as this information does not exist.

1. Payments are not transferred to Work and Income, they are retained by the Crown. The total value of child support payments retained by the Crown in the year to 31 March 2016 was \$185,668,323.
- 1a. In the year to 31 March 2016 a further \$12,462,321 was paid to Receiving Carers in respect of months in which they were in receipt of a sole parent rate of benefit.
2. 108,511 liable parents made a payment to Inland Revenue that was retained by the Crown. Of those, the details of 110 liable parents are not known. The age and gender breakdowns are as follows in the year to 31 March 2016:

Age	Females	Males
<=19	37	66
20-24	952	3,954
25-29	3,231	11,698
30-34	3,939	12,811
35-39	4,439	13,334
40-44	4,199	13,904
45-49	3,376	12,705
50-54	1,702	8,858
55-59	615	5,042
60-64	115	2,226
>=65	28	1,170
TOTALS	22,633	85,768

- 2a. In the year to 31 March 2016 a total of 160,710 liable parents made child support payments to Inland Revenue. Of these payments, 40,873 were voluntary, and the details of 261 liable parents are unknown. Note: for this 12 month period we classified voluntary (not enforced by Inland Revenue as Section 129 Child Support Act 1991 allows the liable parent to choose method of payment) as being payments made directly by liable parents from bank accounts or by cash to Inland Revenue. When a liable parent defaults on payment then generally deductions from their source of income will be enforced under Section 130 of the Child Support Act 1991.

Age	Females	Males
<=19	49	127
20-24	1,420	5,175
25-29	4,340	14,800
30-34	5,350	17,119
35-39	6,225	19,116
40-44	6,104	21,490
45-49	5,160	20,907
50-54	2,617	15,369
55-59	851	8,637
60-64	157	3,518
>=65	35	1,883

- 2b. In the year to 31 March 2016 child support payments were received for a total of 103,509 Receiving Carers who were in receipt of a sole parent rate of benefit. Of those, the details of 59 are not known.

Age	Females	Males
<=19	155	0
20-24	7,336	335
25-29	15,045	1,327
30-34	13,887	1,712
35-39	13,246	2,043
40-44	12,754	2,142
45-49	11,203	2,095
50-54	7,596	1,657
55-59	4,452	966
60-64	2,335	574
>=65	2,095	495
TOTALS	90,104	13,346

- 2c. In the year to 31 March 2016 child support payments in respect of 172,399 children were retained by the Crown.

- 2d. In the year to 31 March 2016 child support payments were made in respect of 264,526 children.

3. In the year to 31 March 2016 the number of child support payments made in respect of Receiving Carers in receipt of a sole parent rate of benefit, per child, is shown in the table below. This information is not held in a way that we can report on a weekly basis and so is provided on a monthly basis.

Band	Value Band	Payments	Value Band	Payments	Value Band	Payments	Value Band	Payments	Value Band	Payments
1	< \$10	92,343	\$300 - \$310	6,146	\$600 - \$610	1,245	\$900 - \$910	321	\$1200 - \$1210	94
2	\$10 - \$20	107,234	\$310 - \$320	5,908	\$610 - \$620	1,170	\$910 - \$920	135	\$1210 - \$1220	64
3	\$20 - \$30	102,543	\$320 - \$330	5,962	\$620 - \$630	1,461	\$920 - \$930	257	\$1220 - \$1230	39
4	\$30 - \$40	135,809	\$330 - \$340	5,497	\$630 - \$640	1,372	\$930 - \$940	230	\$1230 - \$1240	49
5	\$40 - \$50	41,239	\$340 - \$350	5,142	\$640 - \$650	1,639	\$940 - \$950	125	\$1240 - \$1250	75
6	\$50 - \$60	35,285	\$350 - \$360	4,824	\$650 - \$660	859	\$950 - \$960	197	\$1250 - \$1260	64
7	\$60 - \$70	43,790	\$360 - \$370	4,431	\$660 - \$670	1,564	\$960 - \$970	132	\$1260 - \$1270	65
8	\$70 - \$80	154,449	\$370 - \$380	4,751	\$670 - \$680	768	\$970 - \$980	132	\$1270 - \$1280	53
9	\$80 - \$90	18,670	\$380 - \$390	4,158	\$680 - \$690	703	\$980 - \$990	138	\$1280 - \$1290	157
10	\$90 - \$100	19,096	\$390 - \$400	4,007	\$690 - \$700	646	\$990 - \$1000	189	\$1290 - \$1300	38
11	\$100 - \$110	16,701	\$400 - \$410	4,008	\$700 - \$710	653	\$1000 - \$1010	142	\$1300 - \$1310	59
12	\$110 - \$120	17,863	\$410 - \$420	3,516	\$710 - \$720	546	\$1010 - \$1020	108	\$1310 - \$1320	29
13	\$120 - \$130	14,605	\$420 - \$430	3,831	\$720 - \$730	515	\$1020 - \$1030	104	\$1320 - \$1330	139
14	\$130 - \$140	13,340	\$430 - \$440	3,251	\$730 - \$740	561	\$1030 - \$1040	153	\$1330 - \$1340	100
15	\$140 - \$150	16,774	\$440 - \$450	3,421	\$740 - \$750	559	\$1040 - \$1050	108	\$1340+	142
16	\$150 - \$160	12,080	\$450 - \$460	3,007	\$750 - \$760	476	\$1050 - \$1060	100		
17	\$160 - \$170	11,823	\$460 - \$470	2,631	\$760 - \$770	405	\$1060 - \$1070	143		
18	\$170 - \$180	10,876	\$470 - \$480	2,538	\$770 - \$780	415	\$1070 - \$1080	101		
19	\$180 - \$190	10,572	\$480 - \$490	2,468	\$780 - \$790	394	\$1080 - \$1090	91		
20	\$190 - \$200	10,638	\$490 - \$500	2,264	\$790 - \$800	387	\$1090 - \$1100	99		
21	\$200 - \$210	10,149	\$500 - \$510	2,318	\$800 - \$810	440	\$1100 - \$1110	116		
22	\$210 - \$220	9,246	\$510 - \$520	2,090	\$810 - \$820	327	\$1110 - \$1120	85		
23	\$220 - \$230	9,072	\$520 - \$530	1,854	\$820 - \$830	456	\$1120 - \$1130	107		
24	\$230 - \$240	8,753	\$530 - \$540	1,853	\$830 - \$840	350	\$1130 - \$1140	95		
25	\$240 - \$250	7,983	\$540 - \$550	1,793	\$840 - \$850	374	\$1140 - \$1150	65		
26	\$250 - \$260	8,231	\$550 - \$560	1,883	\$850 - \$860	294	\$1150 - \$1160	70		
27	\$260 - \$270	7,583	\$560 - \$570	1,486	\$860 - \$870	305	\$1160 - \$1170	118		
28	\$270 - \$280	7,151	\$570 - \$580	1,441	\$870 - \$880	509	\$1170 - \$1180	64		
29	\$280 - \$290	6,802	\$580 - \$590	1,419	\$880 - \$890	263	\$1180 - \$1190	70		
30	\$290 - \$300	6,359	\$590 - \$600	1,290	\$890 - \$900	233	\$1190 - \$1200	83		

- 3a. In the year to 31 March 2016 a total of 198,451 payments were made at the minimum monthly rate. A total of 623,429 payments were made for the same period at the minimum rate or less. Note: payments made at a rate less than the monthly or part-monthly minimum assessment are likely to be in respect of child support arrears.
- 3b. In the year to 31 March 2016 a total of 65,631 payments were made to Receiving Carers in respect of months in which the Receiving Carer was in receipt of a sole parent rate of benefit. Note: this total includes payments made where the child support entitlement for the month exceeded the value of a benefit paid for the whole of that month and where the child support entitlement for the month exceeded the value of a benefit which ceased part way through that month.
- 3c. In the year to 31 March 2016 the average annual amount of child support payments per child retained by the Crown was \$1,077.
4. In the year to 31 March 2016 a total of 71,108 Receiving Carers who were not in receipt of a sole parent rate of benefit were entitled to receive the child support payments collected by Inland Revenue. Of those, the details of 4,038 are not known.

Age	Females	Males
<=19	56	0
20-24	2,332	129
25-29	8,201	742
30-34	10,885	1,325
35-39	13,848	2,025
40-44	13,563	2,055
45-49	7,331	1,223
50-54	1,683	356
55-59	692	175
60-64	202	59
>=65	128	60
TOTALS	58,921	8,149

5. 8,651 notifications were made to Work and Income requesting they consider taking action under Section 70A of the Social Security Act 1964 In the year to 31 March 2016. Note: this figure applies to an 8 month period as we do not have 12 months' worth of data available.
- 5a. You have requested this figure as a proportion of the number of new sanctions imposed under section 70A in the past 12 months. This request would require substantial collation and research. I must therefore refuse your request under section 18(c)(i) of the OIA. The information requested is covered by the secrecy provisions contained in Section 81 of the Tax Administration Act 1994 and can only be released if one of the exceptions to secrecy applies.

Section 81 requires me to consider a number of factors when determining if an exception applies. One of these factors is the resources available to the Commissioner. As I do not consider that the time required to collate the information you've requested to be a reasonable use of the Commissioner's resources, I must refuse your request.

This fully addresses the information requested.

If you disagree with my decision, you have the right, under section 28(3) of the Act, to ask the Ombudsman to investigate and review my decision. The office of the Ombudsmen can be contacted at PO Box 10152, The Terrace, Wellington 6143.

Alternatively, you may have the decision reviewed by an Inland Revenue review officer. This does not preclude you from subsequently seeking a review by the Ombudsman if you are not satisfied with the department's internal review. If you would like an internal review, please write to the Commissioner of Inland Revenue, PO Box 2198, Wellington 6140, setting out the details of your request.

Yours sincerely

A handwritten signature in black ink that reads "Loren Theobald". The signature is written in a cursive, flowing style.

Loren Theobald
Business Owner Child Support