



Contact Name:	Nikki Hurst
Organisation Name:	New Zealand Council of Christian Social Services (NZCCSS)
Ko wai au Who we are:	<p>The New Zealand Council of Christian Social Services (NZCCSS) welcomes the opportunity to provide feedback on the Child Support (Pass On) Acts Amendment Bill.</p> <p>NZCCSS has six foundation members; the Anglican Care Network, Baptist Churches of New Zealand, Catholic Social Services, Presbyterian Support and the Methodist and Salvation Army Churches.</p> <p>Through this membership, NZCCSS represents over 230 organisations providing a range of social support services across Aotearoa. We believe in working to achieve a just and compassionate society for all, through our commitment to our faith and Te Tiriti o Waitangi. Further details on NZCCSS can be found on our website www.nzccss.org.nz.</p>

Tirohanga Whānui | Overview

We tautoko the intention of the Bill, but question the ability for it to be enacted as intended. Our submission reiterates points that we raised as this Bill was developed, that we do not see addressed in the final result.

Taunakitanga | Recommendations

We raise the following points and recommendations for consideration:

Item One – Debt

We support the focus on reducing potential for debt generation for MSD clients inherent in this proposal. We would recommend that the same care is taken to applying this lens to other benefits / supplements / subsidies that the receiving parent may be receiving, e.g. accommodation supplement, childcare subsidies, Working for Families, etc... and that will interact with Child Support.

We would request that provision is made to ensure that where debt inadvertently occurs as a result of this specific process, that a mechanism exists to write it off. Debt generation due to increasing complexity over which the receiving parent has very little control, needs to be the responsibility of the system, rather than the individual.

We note the following advice¹ and remain deeply concerned that this has yet to be adequately addressed:

This modelling cannot determine the impact of child support payment on client benefit debt

The modelling does not take into account debt creation as a result of variability in child support payments as it assumes a consistent ongoing payment level based on individual payee payments over the prior financial year. The variability of these payments is unable to be modelled at this time.

The impact of the new policy settings on debt will need to be identified and mitigated/minimised through the development of legislation, operational policy changes, business process design, and IT infrastructure.

Recommendation One:

- a) Surety that debt will not occur as a result of change;
- b) and that this commitment applies across all IR and MSD payments that a family may be eligible for;
- c) and that there is a mechanism for any debt generated by this change to be written off

Item Two – Reduction in Support

We raise concerns around the potential for lack of surety of consistent payment amounts to receiving parents. We recommend mitigation of the impacts where changes will result in a reduction of payment overall to the receiving parent.

We acknowledge the 10-day notice period will lead to earlier clarity for receiving parents. However, we believe that the proposal could go further. We argue strongly that a commitment to ensuring every receiving family retains certainty of overall income, irrespective of the make-up of that income.

Further, we would advocate for a clause ensuring a blanket commitment to any changes *not* reducing the in-hand amount paid to the receiving parent. We note advice indicates that for 50 families², there is the likelihood of a loss of income from this change – we would argue that it is immaterial to the Government to ensure no loss occurs in these specific cases.

Recommendation Two: A commitment that no family will receive less income as a result of this change

Item Three – Internal Knowledge

We strongly advocate for robust internal practices to ensure deep understanding of these changes across IR and MSD. This would need to cover anyone who would potentially be interacting with receiving or paying parents. There is a strong chance that changes have the potential to cause

¹ Pg 9 RIS <https://www.msd.govt.nz/documents/about-msd-and-our-work/publications-resources/regulatory-impact-statements/binder1.pdf>

² Pg 4 RIS <https://www.msd.govt.nz/documents/about-msd-and-our-work/publications-resources/regulatory-impact-statements/binder1.pdf>

confusion – a confident, aligned and well-informed IR and MSD workforce will be crucial to mitigate unnecessary anxiety in this group of parents.

We would advise that it is crucial that all of the wider IR and MSD workforce have a deep understanding of this coming change and that clear mechanisms be in place to ensure those impacted are swiftly passed along to those best able to help them. There will need to be an expert team, that people can be directed to. And for that hand over to be done in a timely and empowering way.

Recommendation Three: Education to support these changes being widely understood

Item Four – Quality Collateral

Good quality, accessible communication will need to be developed to support whānau to understand these changes. The collateral provided via the initial consultation was not clear enough and will require a substantial reworking to become so.

We also note that a range of accessible materials will need to be developed, in a range of places and via a variety of methods. For instance, online calculators will need to be carefully calibrated to ensure advice provided is accurate. And where that advice may have the potential for being inaccurate, we strongly recommend being able to direct people to experts who are able to help.

We would recommend working closely with the community, providers, advisors, etc.. across the sector to develop a range of resources able to support communication and understanding.

Recommendation Four: Partner with the sector to develop good information of the change