



**MINISTRY OF SOCIAL  
DEVELOPMENT**

TE MANATŪ WHAKAHIATO ORA

11 AUG 2017

Dear

On 16 June 2017, the Ministry received a transfer of your request from the Ministry of Justice requesting under the Official Information Act 1982, the following information:

1. *How much does each demograph owe WINZ in unpaid grants?*
2. *What was the highest amount owed for each demograph?*

People who have received financial assistance from the Ministry may owe money to the Ministry through overpayments, recoverable assistance, or fraud.

Recoverable assistance provides beneficiaries and people on low incomes with interest free loans to help them meet an immediate need for essential items, like paying late utility bills or rent, buying essential household appliances, or meeting urgent needs for children. The Ministry aims to ensure that clients make the best decisions regarding recoverable assistance to avoid creating debt.

Benefit overpayments are established when it is determined that a client has received payments to which they were not entitled. Most overpayments occur because clients fail to inform Work and Income of a change in their circumstances. Online services, such as MyMSD, help to prevent debt by making it easier for clients to notify Work and Income about changes in their circumstances.

Overpayments may also be established as a result of a benefit fraud investigation, data matching and benefit fraud prosecutions. The Ministry works hard to protect the integrity of the welfare system to ensure it remains fair for all New Zealanders, which can include prosecution where clear evidence of fraud exists. The Ministry has a dedicated team of specialist fraud investigators throughout the country, and an Intelligence team that identifies emerging fraud risks and trends. It works with other government agencies to identify and reduce incidents of fraud and also investigates cases which arise through allegations from members of the public.

The Ministry has a legislative duty to take all practicable steps to recover debt, with exceptions to this duty only where the debts are: caused by administrative error, uneconomic to recover, remitted or suspended under regulations, or written off for public finance purposes. Debt that is written off is provisional and in some circumstances may be reactivated.

The Ministry has some discretion in determining the method and rate of recovery, or in exceptional circumstances, temporarily deferring recovery. When managing debt

recovery from current and former clients, the Ministry considers their financial situation when negotiating repayments to avoid causing further hardship.

On 22 June 2017, the Ministry contacted you to explain the data that can be reported. You agreed that the Ministry provides data relating to current clients' debt balances as a whole, including three types of debt over their entire benefit history. The Ministry informed you that this data could not be further broken down by the types of debt, however, could be broken down by age demographic.

Enclosed is a table which provides the mean recoverable debt owed by a current working age client within each age group as at 30 June 2017.

Your request for '*What was the highest amount owed for each demograph*' is refused under section 9(2)(a) of the Official Information Act in order to protect the privacy of natural persons. The need to protect the privacy of these individuals outweighs any public interest in this information.

The principles and purposes of the Official Information Act 1982 under which you made your request are:

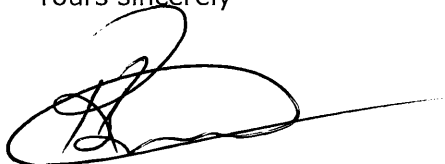
- to create greater openness and transparency about the plans, work and activities of the Government,
- to increase the ability of the public to participate in the making and administration of our laws and policies and
- to lead to greater accountability in the conduct of public affairs.

This Ministry fully supports those principles and purposes. The Ministry therefore intends to make the information contained in this letter and any attached documents available to the wider public shortly. The Ministry will do this by publishing this letter and attachments on the Ministry of Social Development's website. Your personal details will be deleted and the Ministry will not publish any information that would identify you as the person who requested the information.

If you wish to discuss this response with us, please feel free to contact [OIA\\_Requests@msd.govt.nz](mailto:OIA_Requests@msd.govt.nz).

If you are not satisfied with this response, you have the right to seek an investigation and review by the Ombudsman. Information about how to make a complaint is available at [www.ombudsman.parliament.nz](http://www.ombudsman.parliament.nz) or 0800 802 602.

Yours sincerely



Ruth Bound  
**Deputy Chief Executive Service Delivery**

**This table provides the mean recoverable debt owed by a current working age client within each age group as at 30 June 2017.**

<b>Age group</b>	<b>Mean debt</b>	<b>90th Percentile</b>	<b>99th Percentile</b>
18 to 24 years	\$1,161.51	\$2,701.56	\$7,591.44
25 to 34 years	\$2,390.80	\$5,064.89	\$24,545.04
35 to 44 years	\$3,408.06	\$7,230.16	\$44,509.46
45 to 54 years	\$3,343.06	\$6,992.98	\$46,433.71
55 to 64 years	\$2,621.43	\$4,969.90	\$40,080.20

**Notes:**

- The table includes data for working age clients only (18 to 64 years).
- This is debt for working age main benefit clients only and does not represent total debts.
- 90<sup>th</sup> percentile is debt level where 90 per cent of clients are below that debt level.
- 99<sup>th</sup> percentile is debt level where 99 per cent of clients are below that debt level.