



**Australian Government**  
**Child Support Agency**

**“I want to pay, but I’m  
struggling...”**

Helping Child Support Agency  
customers to manage debt and  
compliance

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# Presentation Outline



## **The Child Support Agency**

*Compliance & capacity to pay*

## **Integrated Customer Referral**

*Identifying Risk Factors*

- Debt research
- Private Collect Research

*Referrals and Partnerships*

- Financial Counselling and Literacy Project
- Early, targeted financial counselling referrals
- Brotherhood of St Laurence Partnership – Saver Plus Program



# Child Support Agency



## Supporting separated parents to transfer money for the benefit of their children

- 1.5 million parents as customers
- 830,000 registered cases
- 1.15 million eligible children

## CSA paying and receiving parent taxable income, June 2009

	Paying parents	Receiving parents
Median	\$40,677	\$26,967
Average	\$47,044	\$31,123

Source: Child Support Agency 2009 *Facts and Figures 08-09* pp 23-24 & 32-33



## Compliance & capacity to pay



### **Factors shown to influence child support compliance:**

- Procedural justice – the amount is fair; the collection methods are fair
- Quality of relationship with the other parent
- Satisfaction with amount and quality of access to the children
- Capacity to pay
- Emotional wellbeing

(Lin 2000; Murray Woods 1997a & 1997b; Sutton and Blamey 1999; Vnuk 2009)



# Integrated Customer Referral



## Objectives

- Systematically identify risk factors for non-payment
  - Simplified, comprehensive referral model ⇒ clarity in external referral process
  - Training modules for front-line staff
    - identify risk factors
    - understand the referral options
    - assess the immediacy of referral needs
  - Increase number of appropriate referrals ⇒ direct or via FRAL
- Effectively linking separated parents to the appropriate external service -



## Identifying Risk Factors



### Through:

- Consultation
- Business Line intelligence e.g. current Non-Compliance data analysis
- Parent Support Services team research projects
  - Debt
  - Private Collect



## Debt Research



Customers	Methodology	Research Questions
Payers with <b>recent debt</b> (3-6 months)	N=15 depth interviews (2 with female payers)	What are the <b>drivers of missed child support payments</b> , including relationship with ex-partner and the CSA?
Payers with <b>long term debt</b> > 12 months	N=15 depth interviews (2 with female payers)	What are the <b>attitudes towards their debt</b> , including views on willingness and/or capacity to resolve the debt, and <b>nature of relationship with ex partner &amp; CSA?</b>
Payers determined at <b>high risk of debt</b> , but have not done so	N=15 depth interviews (2 with female payers)	What are the <b>attitudes towards child support payments</b> , including the degree to which these are prioritised over <b>potentially competing financial commitments?</b>
Payers that have recently <b>resolved debt</b>	N=15 depth interviews (2 with female payers)	What are the <b>drivers of this change</b> , views on the change and whether the change is likely to be permanent?



## Identifying Risk Factors



### Through:

- Consultation
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- Parent Support Services team research projects
  - Debt
  - Private Collect



## Private Collect Research



Customers	Methodology	Research Questions
<b>Long-term private collect</b> payees	N=12 depth interviews	How are successful private collect arrangements <b>sustained</b> over time?
Payees that have <b>moved from private collect to agency collect</b> within the past 6 months	N=12 depth interviews	What are the <b>drivers of this change</b> , views on the change and whether the change is likely to be permanent?
Payees that are <b>new CSA customers</b> within past 6 months that nominated for agency collect	N=12 depth interviews	<b>Why was agency collect chosen</b> and what are the attitudes towards private collect arrangements?
Payees that have <b>moved from agency collect to private collect</b> within the past 6 months	N=12 depth interviews	What are the <b>drivers of this change</b> , views on the change and whether the change is likely to be permanent?
Payees that have <b>moved from agency collect to private collect</b> and have maintained this for <b>more than 12 months</b>	N=12 depth interviews	How has this agreement been <b>maintained over time</b> , including <b>benefits of this arrangement</b> over private collect?



## Referrals and Partnerships



### **Integrated Customer Referral Model**

*CSA customers referred to external organisations for advice and support in their separation journey*

Including:

- Financial Counselling and Literacy Project
- Proactive intervention Program
- Brotherhood of St Laurence *Saver Plus* Program



## Financial Counselling & Literacy



### **Objectives:**

- Help CSA understand what financial counselling offers our customers
- New ways for CSA and financial counsellors to work together
- Better understand our customers' experience of financial counselling

### **Activities:**

- Single Point of Contact – telephone hotline
- CSA/Financial Counsellors working group
  - facts sheets
  - training modules

### **Outcomes:**

- Increased capacity by CSA and financial counsellors to support separated parents
- Sustainable child support arrangements



## Early, targeted referrals



### **Proactive Intervention Program**

- Early identification of referral need for early defaulters & warm transfer to financial counselling
- Single point of contact phone number
- Evaluation stages
  1. Data collection at time of call transfer to financial counselling
  2. Qualitative phone interviews with referred customers 3 months after referral
  3. Analysis of database



## Saver Plus - partnership



### **Brotherhood of St Laurence**

2009 Phase III Summary Report (RMIT)

- 99% of the 4,110 participants reported a positive experience of the program
- 83% of participants completed and achieved matched funds
- 85% of those who met or exceeded their goal also reduced their debt levels

### **Partnership with CSA**

Letters to 46,000 customers in May-June 2010

- Launceston (TAS); Kingston (VIC); Campbelltown (NSW); Logan (QLD)



# Conclusion



## **Child Support–Program Plan 2009–2013** **Strategies to achieve our goals**

### **Goal 3: Effective stakeholder engagement and customer referrals**

To support our customers to transfer payments and provide for the wellbeing of their children, we must effectively engage our stakeholders to partner with us in delivering the services and the support parents need.

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