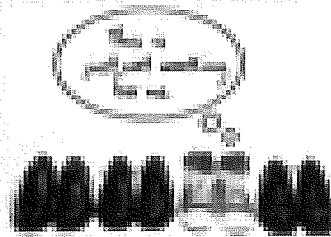


Civil Enforcement Changes



Why change?

We've been aware this system hasn't been working for a long time...



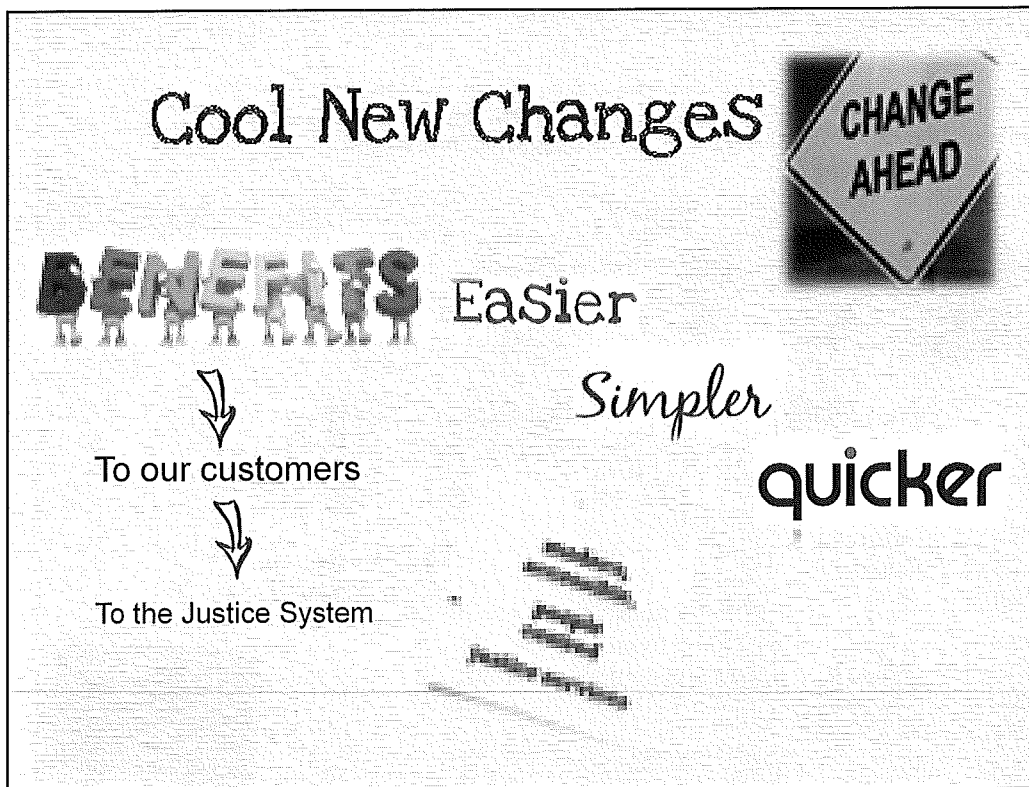
Our customers told us that we need to change

Feedback from you and our customers during policy consultation was that the system is outdated and cumbersome to use. Legislative changes have been made that have overhauled civil enforcement.

So that we now have a system that:

- doesn't require legal expertise, and is easy for people to use.
- allows someone who doesn't necessarily know anything about the court system to be able to enforce their debt.
- allows people to be able to obtain an outcome quicker.
- is cheaper for people to enforce their debt
- is customer-focussed (Creditor & Debtor)

We want a system that better aligns with our vision of a modern, accessible, people-centred justice system.

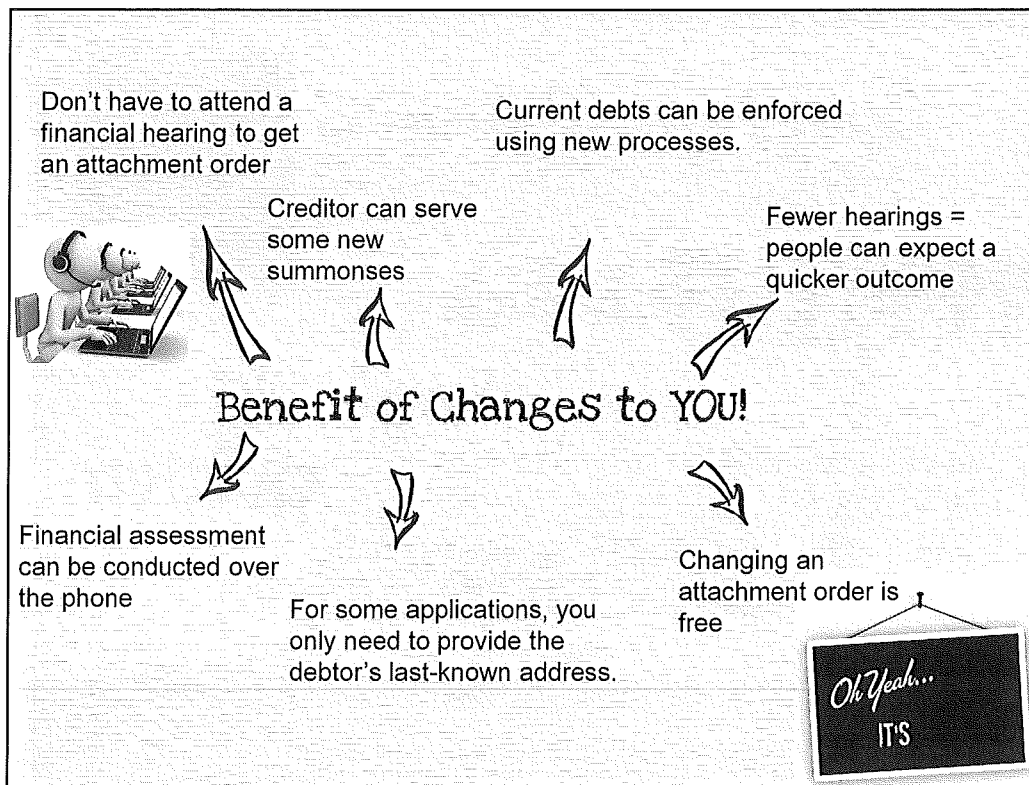


Exciting new changes to the civil enforcement system = benefits to our customers.

This is about good news, improvements and benefits and a quicker, more streamlined processes.

This is about protecting the future so that 2014 does not become 1947 one day.

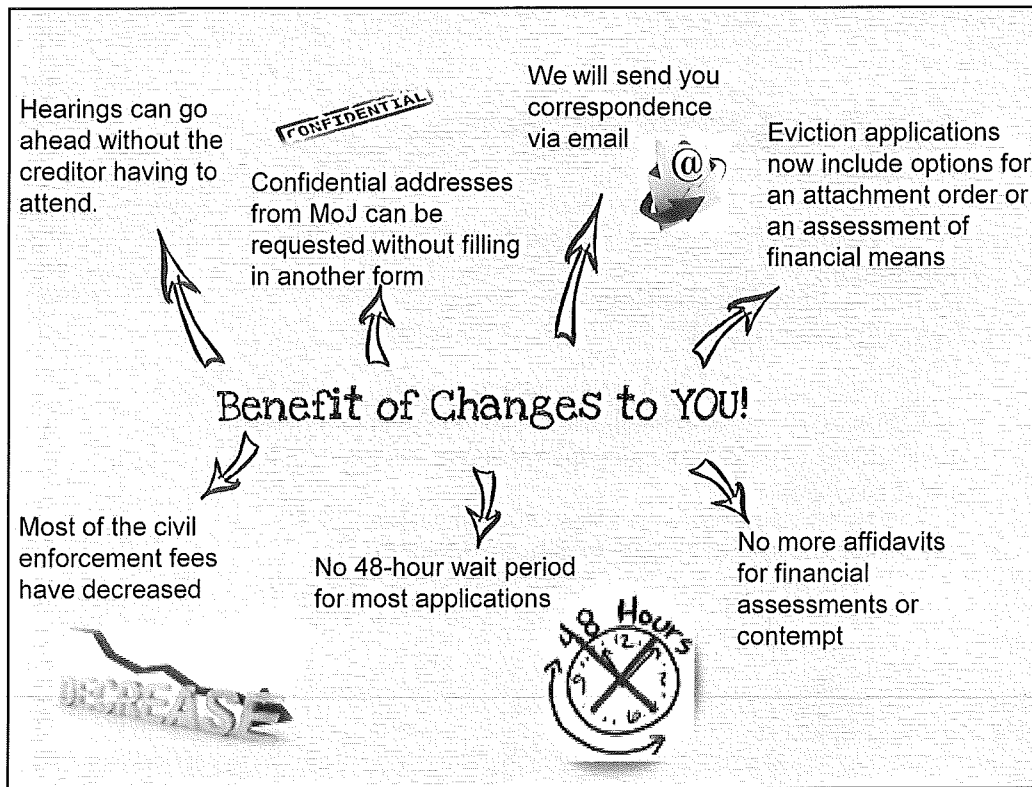
We have future proofed legislation. Legislation has been amended to be technology-neutral. Electronic filing of applications won't be introduced with these changes but will happen eventually.



Changes are primarily to attachment orders and financial assessment not the whole civil enforcement system.

Main changes are as per slide

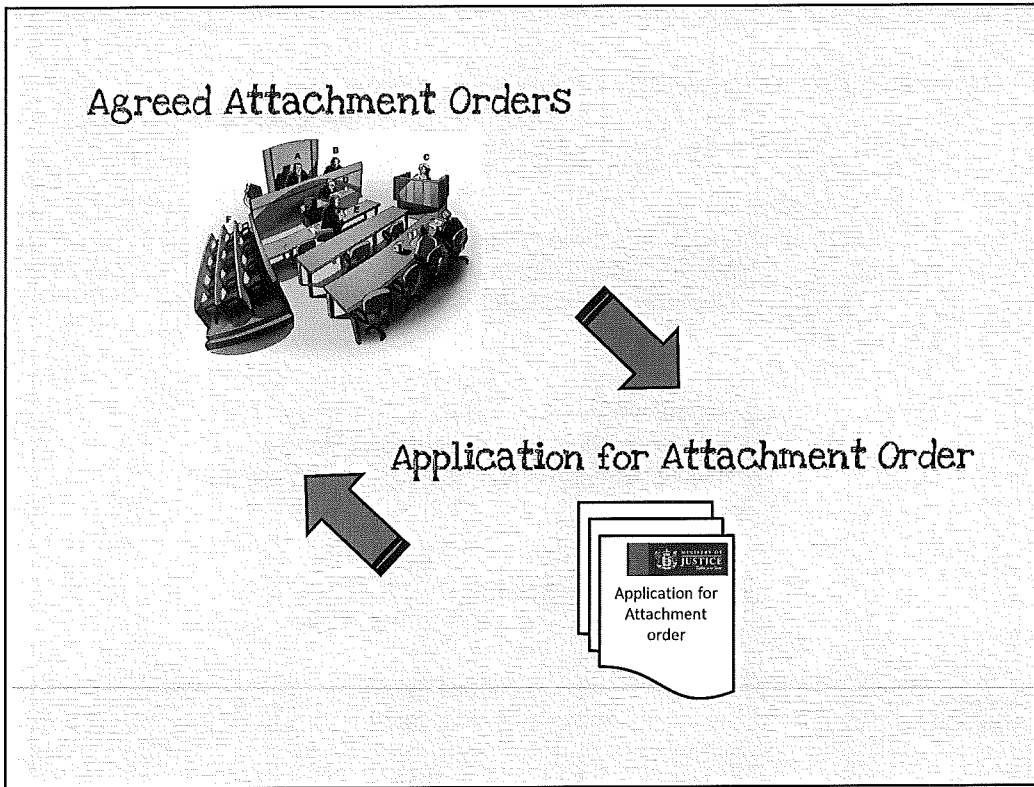
Changing an Attachment Order is free – this means that when a debtor customer changes job they can arrange for the Attachment Order to transfer over to their new place of work absolutely free!



More benefits as per the slide

What hasn't changed?

- ✓ Creditor not required to pay a filing fee if they have Disputes Tribunal order
- ✓ Can still file contempt applications
- ✓ Can still go through DBH and MSD to get confidential addresses
- ✓ Creditor still required to supply contact details for the debtor.
- ✓ Still file by post – moving to paperless system but not there yet
- ✓ Must still wait 48 hours following the sealing of a judgement to apply for an eviction
- ✓ Can apply for waiver of fee in some circumstances (can not apply if the fee has already been paid by the Creditor)



There are two new ways to go directly to an attachment order.

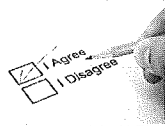
Agreed Attachment Orders



One-Stop Shop:

Parties agree the attachment order details at a court hearing

- Obtain a resolution outcome while before the court
- Agree that the debt can be enforced by attachment order



Requires:

Agreeing deduction amount (\$ or %)

Deduction frequency (week, fortnightly, monthly)



Record on Order:

- ✓ Name and address of debtor's employer
- ✓ Name of creditor
- ✓ Creditor's contact details
- ✓ Creditor's bank account

\$30

What is it?

The parties can agree attachment order details at a court hearing. The court hearing has the potential to become a one-stop shop for the parties:

- obtain an outcome on the claim before the court, and
- agree that any debt can be enforced by attachment order.

This option will reduce the time and cost involved for both parties in civil debt enforcement.

How are the details agreed?

- A hearing takes place in the District Court, Tenancy Tribunal, Disputes Tribunal or Tenancy mediation
- Both parties attend the hearing
- The party ordered to pay agrees to enforcement by way of attachment order. They earn wages or are on a benefit.
- Both parties agree on the terms of the attachment order.

The details agreed by the parties at the hearing are recorded in the judgment or court order by the judicial officer.

The parties must agree these details at the hearing

- Deduction amount (\$ or %)
- Deduction frequency (week, fortnight, monthly)

Details that must be supplied at the hearing

- The name and address of the debtor's employer
- The name of the person the money is to be paid to (the payee)
- The payee's contact details
- The payee's bank account (number and branch)
- Benefit number/DOB – For beneficiaries

Timeframes and cost

- The fee is \$30.
- There is no application form to file the judgment/order with Collections. Either party can file the judgment/order as soon as they receive it and the attachment order will be issued immediately.

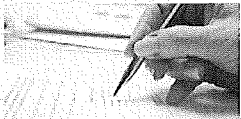
Application for Attachment Order



simple



You can get an attachment order without attending a financial assessment hearing



- #Application must be completed
- #Copy of the judgment/ order is required
- #Fee paid
- # Creditor OR Debtor can file application

\$50

What is it?

This option is a simple, cheap enforcement solution. It allows for an attachment order to be made without having to attend a hearing.

All the applicant needs to do is supply certain key details in the application form.

Likely scenarios when this may occur: Tenancy or Finance Company. The debtor's employer details, date of birth or benefit number are likely to be included in a tenancy application or finance agreement.

How is an application made?

As the parties have not agreed the details, an application must be completed. A copy of the judgment/order is required and the fee paid. Either the creditor or debtor can file the application.

It is the applicant's responsibility to serve a copy of the application on the other party. This can be done by email, post or in person.

What information does a creditor or debtor need to supply in the application?


- The last known address for the debtor
- The debtor's date of birth or benefit number
- The name and address of the debtor's employer
- The deduction amount (\$ or %) and frequency (week, fortnight, month)
- The name and bank account details of the person the money is to be paid to (the payee)

Timeframes and cost

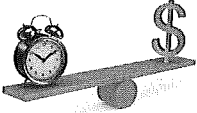

- The fee is \$50.
- The application can be filed with Collections by either party as soon as the judgment / order has been issued to them.

Variation of Attachment Order

Parties can change an attachment order that has already been issued
Free of charge



Saves time and money

- Debtor changes employer
- Debtor wants to increase payments
- Debtor is experiencing hardship

\$0

What is it?

This option allows parties to change an attachment order that has already been issued, free of charge.

This option will save time and money for parties as it means an attachment order can be changed without having to file new enforcement proceedings.

Examples of when a variation of attachment order may be applied for

1. The debtor changes employer and a change is required to the name and address of their employer.

Examples of when a suspension of attachment order may be applied for

1. An application is filed pending a decision on an appeal or rehearing application.
2. The debtor may be experiencing hardship and applies to temporarily suspend the attachment order for a defined period of time.

How is an application made?

An application must be completed. Either the creditor or debtor can file the application.

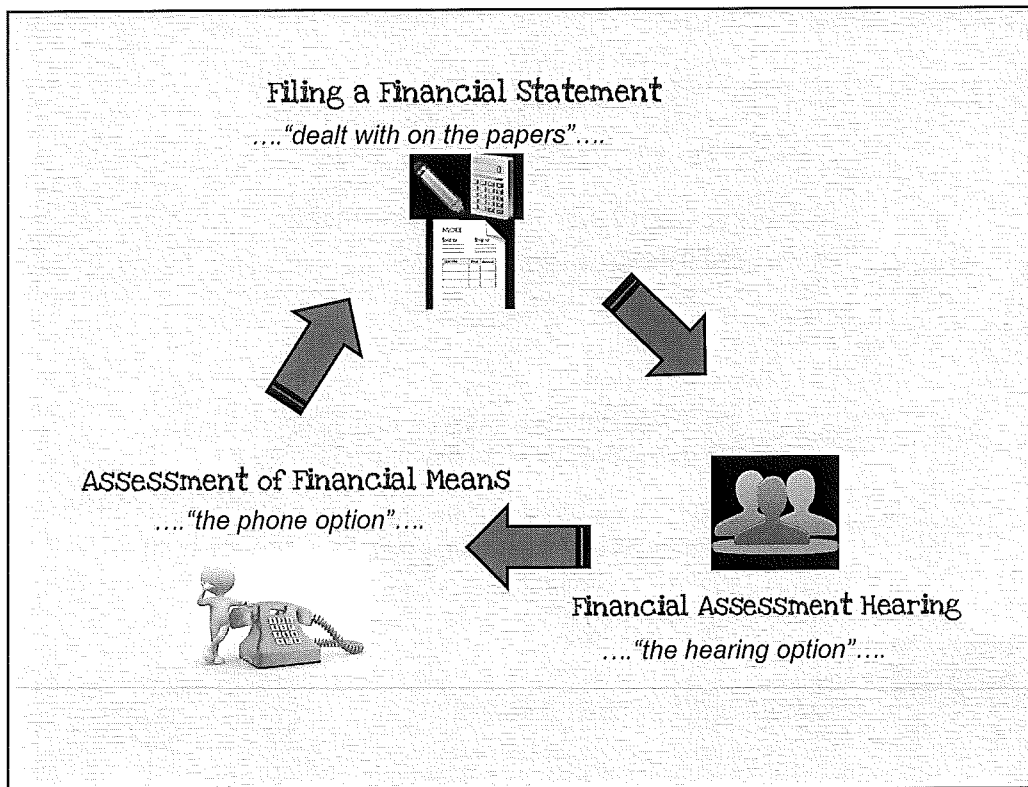
It is the applicant's responsibility to serve a copy of the application on the other party. This can be done by email, post or in person.

What information does a creditor or debtor need to supply in the application?

- Both parties contact details.
- The type of change to the attachment order, and their reasons for it.

Timeframes and cost

- There is no fee.
- The application can be filed with Collections at any time once an attachment order has been issued.



"Three new ways to assess the ability of the debtor to pay prior to making an enforcement order."

Filing a Financial Statement



When to
use

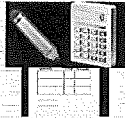
When you already have the debtor's
financial information

Debtor →

Prefers to complete financial statement in writing
rather than phone or at court hearing

Creditor →

Don't have sufficient information to apply directly
for an attachment order, or debtor is self-employed



....*"dealt with on the papers"*....

\$65

What is it?

This option allows the creditor to find out more about a judgment debtor's ability to pay the unpaid debt without having to attend a hearing.

The debtor is likely to use this option when:

- the debtor prefers to complete a financial statement in writing rather than over the phone or at a court hearing. This may be because the debtor doesn't have a phone, transport to attend court, or English is their second language.

The creditor is likely to use this option when:

- They don't have sufficient information to apply directly for an attachment order (e.g., the debtor's employer details). Or the debtor is self-employed.

How is a financial statement filed?

The financial statement is completed by either the creditor or the debtor. If the creditor is filing the financial statement for the debtor they must include the date and source of the financial information. A copy of the judgment/order is required and the fee paid.

It is the applicant's responsibility to serve a copy of the application on the other party. This can be done by email, post or in person.

What information does a creditor or debtor need to supply when filing a financial statement?

- The debtor's date of birth or benefit number
- Name and address of the debtor's employer
- Details about the debtor's income, expenditure and assets
- The name and bank account details of the person the money is to be paid to (the payee)

Timeframes and cost

- The fee is \$65.
- The financial statement can be filed with Collections by either party as soon as the judgment / order has been issued to them.

What happens to the financial statement?

- The deputy registrar considers the information in the financial statement. A full range of orders is available including an attachment order which can be issued immediately.
- There is no hearing or further submissions that are required.
- Think of it as being 'dealt with on the papers'.

ASSESSMENT OF FINANCIAL MEANS



If you don't have the debtor's financial information and you don't want to attend a hearing.



Allows the creditor to find out more about a judgment debtor's ability to pay

→ Court does the financial assessment over phone or if can't be completed may issue a summons for a hearing

\$80

.... "the phone option"



What is it?

This option allows the creditor to find out more about a judgment debtor's ability to pay the unpaid debt without having to attend a hearing.

This option is likely to be used when the creditor may have asked the debtor to complete a financial statement but they have not done so. The creditor will be happy to leave it up to the court to do the financial assessment.

The creditor is likely to use this option when:

• They don't have sufficient information to apply directly for an attachment order (e.g., the debtor's employer details). Or the debtor is self-employed. The creditor does not want to be present at the assessment.

Scenario: ring the debtor to complete a financial assessment.

How is an application filed?

The application can only be filed by the creditor. A copy of the judgment/order is required and the fee paid.

What information does a creditor need to supply when filing the application?

- The debtor's phone number, and a current address (in case a summons has to be issued)
- The name and bank account details of the person the money is to be paid to (the payee)

Timeframes and cost

- The fee is \$80.
- The application can be filed with Collections by the creditor as soon as the judgment / order has been issued to them.

What happens to the application?

- The deputy registrar will phone the debtor to complete the financial statement / assessment. A full range of orders is available including an attachment order which can be issued immediately.
- If the financial statement can't be completed by phone, the deputy registrar may issue a summons for the debtor to attend a hearing. The creditor cannot attend this hearing.
- Think of it as being 'the phone option'

Financial Assessment Hearing

When

- #don't have the debtor's financial information
- #want to attend a hearing.

Key Changes from current OE

→ Creditor can choose to serve the summons, or get bailiff to.

→ If creditor unable to attend, hearing can still proceed



.... "the hearing option"

\$130 for creditor service

\$180 for bailiff service

*can claim up to \$50 expenses

What is it?

This option allows the creditor to find out more about a judgment debtor's ability to pay the unpaid debt at a hearing.

This option is very similar to the current order for examination process with a couple of key changes.

The key changes from the order for examination are:

- The creditor can choose to serve the summons, or they can get the bailiff to do it.
- If the creditor is unable to attend, the hearing can still proceed.

The creditor is likely to use this option when:

- They don't have sufficient information to apply directly for an attachment order (e.g., the debtor's employer details). Or the debtor is self-employed. The creditor wants to be present at the assessment.

How is an application filed?

The application can only be filed by the creditor. A copy of the judgment/order is required and the fee paid.

What information does a creditor need to supply when filing the application?

- The debtor's current address (for the summons to be issued)
- Indicate who is going to serve the summons (the creditor or the bailiff)
- The name and bank account details of the person the money is to be paid to (the payee)

Timeframes and cost


- The fee is \$130 for creditor service. At the hearing, the creditor can claim up to \$50 expenses for service of the summons. The fee is \$180 for bailiff service.
- The application can be filed with Collections by the creditor as soon as the judgment / order has been issued to them.

What happens to the application? Where does it go?

- The application will be processed by our Central Processing Unit.
- The court will issue the summons either to the creditor or the bailiff for service on the debtor.
- Other orders can be made in addition to an attachment order. For example, a warrant to seize property can be issued. All parties will be advised of the outcome.

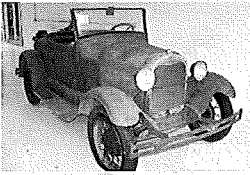
What happens to the application?

- The deputy registrar will issue a summons for the debtor to complete the financial statement / assessment at a hearing. A full range of orders is available including an attachment order which can be issued immediately.
- It is expected that the creditor will attend this hearing, but the hearing can go ahead if the creditor does not.
- Think of it as being 'the hearing option'




Simpler
quicker
CHEAPER

Think of it like this ...



... we're moving from this...

... to one of these...



We're moving from an outdated clunky and difficult to navigate system to a modern, flexible, efficient, cost-effective alternative.

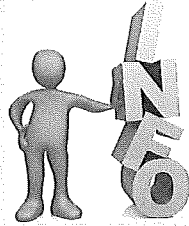
Eviction - \$200.00

This cost covers the termination of the Tenancy.

Plus you may also apply for an Attachment Order (If you have the Debtors DOB/Benefit number or employer details)

Or Assessment of Financial Means (only need to apply for this if you don't have details for Attachment Order)

What we need from you...



- Creditor's Bank Details
- Debtor's Employment Details
- Debtor's Contact Details
- Email Addresses for Correspondence
- Copy of the Court Order/ Judgment

This is what we need from our customers

