



Inland Revenue  
Te Tari Taake

23 May 2023



Dear [REDACTED]

Thank you for your request made under the Official Information Act 1982 (OIA), received on 24 April 2023. You requested:

*The following information for the financial years 2020/21, 2021/22 and 2022/23:*

- 1) *Number of employees made redundant broken down into compulsory and voluntary redundancies.*
  - a) *Please also provide total amount of redundancy pay-outs - compulsory as well as discretionary.*
- 2) *For each compulsory redundancy, please provide the number of cases where the employee was eligible for payment of pension. For each of these cases, please provide following:*
  - a) *Amount paid out as statutory redundancy payment*
  - b) *Amount paid out as discretionary redundancy payment*
  - c) *Age of the employee in bands of 5 years i.e. 55-60, 60-65, 65-70, over 70*
- 3) *For each voluntary redundancy, please provide the number of cases where the employee was eligible for payment of pension. For each of these cases, please provide following:*
  - a) *Amount paid out as statutory redundancy payment*
  - b) *Amount paid out as discretionary redundancy payment*
  - c) *Age of the employee in bands of 5 years i.e. 50-55, 55-60, 60-65, 65-70, over 70*
- 4) *Please provide following information for all cases of where the employee was eligible for early payment of pension:*
  - a) *Amount paid in statutory redundancy payment*
  - b) *Amount paid out in discretionary redundancy payment*
  - c) *Age of the employee in bands of 5 years i.e. 55-60, 60-65, 65-70, over 70*
  - d) *Total strain cost to the pension fund for early payment of pension due to redundancy.*
    - o *If possible please break down this figure into strain costs due to voluntary and compulsory redundancy.*

**Questions 1, 2(a), 2(b), 3(a), 3(b): Redundancies broken down into compulsory/statutory and voluntary/discretionary redundancies**

Inland Revenue's employment agreements and policies do not provide for, or separate, 'compulsory' or 'statutory' as opposed to 'voluntary' or 'discretionary' redundancy. I have decided to refuse this part of your request under section 18(g) of the OIA, as Inland Revenue does not hold this information.

### Questions 1(a), 2(c) and 3(c): Number of employees made redundant, total amount of redundancy payments, and ages of employees in five-year bands

Table 1 shows the number of redundancy and enhanced retirement payments for the financial years 2020/21, 2021/22 and 2022/23, and the total amounts of those payments. Some of the figures in the tables may not add up exactly, due to rounding.

As part of Inland Revenue's change management processes, we occasionally provide for enhanced retirement. Enhanced retirement is where a position is disestablished and not replaced, but the person's exit is messaged as a retirement rather than them being made redundant. This may happen if a reduction in the numbers of a certain category of staff and/or a specific role is required.

Table 1

Financial year	Number of redundancy payments	Number of enhanced retirement payments	Total severance payments
2020/21	137	0	\$12,990,820
2021/22	202	10	\$25,432,040
2022/23	23	0	\$3,019,511
<b>Total</b>	<b>362</b>	<b>10</b>	<b>\$41,442,371</b>

Table 2 shows the number of employees made redundant for the financial years 2020/21, 2021/22 and 2022/23 in five-year age bands.

Table 2

Age of employees	Financial year			
	2020/21	2021/22	2022/23	Total
<50	43	41	5	<b>89</b>
50-55	16	39	4	<b>59</b>
55-60	24	29	5	<b>58</b>
60-65	31	58	4	<b>93</b>
65-70	17	34	5	<b>56</b>
>70	6	11		<b>17</b>
<b>Total</b>	<b>137</b>	<b>212</b>	<b>23</b>	<b>372</b>

### Question 4: Eligibility for early payment of pension

We asked for clarification of 'payment of pension' and 'strain costs' on 4 May 2023, but did not receive clarification. We have interpreted these terms to be about the provision of Superannuation scheme entitlements and company pension schemes, which do not apply to Inland Revenue.

Inland Revenue does not offer company pension schemes. If an employee has a private superannuation arrangement, and the rules of their particular scheme (such as their specific KiwiSaver provider) allow for any retirement benefit to be brought forward because they have been made redundant, Inland Revenue does not have a record of this and therefore does not hold the information.

Inland Revenue does not administer the provision of Superannuation scheme entitlements once the eligibility criteria are met. It is possible that Inland Revenue employees use their standard 'notice of redundancy' letter as evidence that they have been made redundant in their personal communications about benefits with their superannuation providers. However, this is not something Inland Revenue is engaged in or keeps records of.

This part of your request is refused under section 18(e) of the OIA, as the information does not exist.

**Rights of review**

If you disagree with my decision on your OIA request, you can ask an Inland Revenue review officer to review my decision. To ask for an internal review, please email: [CommissionersCorrespondence@ird.govt.nz](mailto:CommissionersCorrespondence@ird.govt.nz).

Alternatively, under section 28(3) of the OIA, you have the right to ask the Ombudsman to investigate and review my decision. You can contact the office of the Ombudsman at: [info@ombudsman.parliament.nz](mailto:info@ombudsman.parliament.nz). If you choose to have an internal review, you can still ask the Ombudsman for a review.

**Publishing of OIA response**

Please note that Inland Revenue regularly publishes responses to requests that may be of interest to the wider public on its website. We consider that this response is of public interest so will publish this response in due course. Your personal details, or any information that would identify you, will be removed before it is published.

Thank you for your request.

Yours sincerely



Erina Clayton  
**Enterprise Leader, People & Workplace Services**