



Inland Revenue
Te Tari Taake



**MINISTRY OF SOCIAL
DEVELOPMENT**
TE MANATŪ WHAKAHIATO ORA

Memorandum of Understanding
between Inland Revenue and
the Ministry of Social Development

Limited information share
for updating customer contact information

Authorised by clause 2(d) of
the Approved Information Sharing Agreement (executed
October 2018) between the Parties

September 2020

Released Under The Official Information Act 1982

1. Parties

1.1 This Memorandum of Understanding ("MOU") is made effective on the date of the last signature.

1.2 This MOU is made:

between Inland Revenue

and The Ministry of Social Development.

2. Interpretation

2.1 The following terms used in this MOU mean the following, unless context otherwise requires:

Term	Meaning
Adverse Action	has the same meaning specified in Section 96C of the Privacy Act 1993
Approved Information Sharing Agreement or AISA	means the information sharing agreement between the Parties (dated September 2018 on the front cover but executed in October 2018) that was made under section 81A of the TAA and Part 9A of the Privacy Act 1993 (as amended from time to time), was approved by Order in Council, and came into force on 31 August 2017.
Identifying Information	means the same as in the AISA between the Parties of information that identifies, or relates to the identity of, an individual, including names, aliases, and the date and location of the individual's birth and death.
IR	Inland Revenue
Iron Key	a password protected encrypted USB flash drive to be used to securely transmit information and data
Memorandum of Understanding or MOU	means this Memorandum of Understanding made between IR and MSD (including any Appendix)
MOU Information	means the information to be shared pursuant to this MOU, as described in Appendix 1 of this MOU
MSD	The Ministry of Social Development
MSD client	means a client of MSD who has or has received a benefit, entitlement or service as administered by MSD

Party	IR or MSD
Parties	IR and MSD
Personal Information	has the same meaning as defined by the Privacy Act. That is, "information about an identifiable individual".
Personnel	means any employee, agent or representative of either Party, or any subcontractor of either party
the Previous MoU	means the memorandum of understanding signed by the Parties on 20 August 2019, and attached as Appendix 3 of this MOU
Privacy Act	the Privacy Act 1993
TAA	the Tax Administration Act 1994

- 2.2 In this MOU, unless the context requires otherwise, references to:
- a. clauses and Schedules are to clauses and Schedules to this MOU;
 - b. the singular includes the plural and vice versa; and
 - c. any statute includes any amendment to, or replacement of, that statute and any subordinate legislation made under it.

3. Background

3.1 In September 2018 IR requested and obtained from MSD information from the MSD client databases, pursuant to section 17 of the TAA.

3.2 IR analysis of that information revealed that:

- i) MSD appeared to have invalid and incorrect IR numbers recorded against a number of MSD clients, and
- ii) MSD also had clients recorded as active that IR had recorded as deceased.

3.3 The issues identified by the IR analysis arose because MSD must utilise historical databases to provide complete information to IR. The historical databases contain some incorrect information connected with the file.

3.4 An initial IR analysis of a sample of the MSD information identified approximately 1,960 discrete MSD client records as containing some inaccuracy in either IR number or deceased status.

3.5 During its review of the historical databases, MSD also identified that they may contain MSD client records with unused beneficiary designations or other incorrect information.

3.6

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3.7 On 20 August 2019 MSD and IR entered into a Memorandum of Understanding (“the Previous MoU”) for the purpose of remediating inaccuracies in client information, as described in clauses 3 and 4 of the Previous MOU. The key remediation tasks performed pursuant to the Previous MOU demonstrated that more accurate client information resulted from the information sharing. However, that work also revealed the need for additional related work that will require a further twelve months to complete. .

3.8 The Parties have decided to execute this MOU to allow for more time to achieve the goals of the information sharing.

4. Purpose

4.1 Both IR and MSD wish to update their client databases in respect of any IR numbers that are invalid or incorrect, and correct other incorrect information, such as any benefit designations and any deceased information. Therefore, the overall purpose of the MOU is to enable the Parties to update customer Identifying Information pursuant to clause 2(d) of the AISA.

4.2 The disclosure, collection and use of MOU Information will enable MSD to make corrections in its client databases in relation to Identification Information, ^{Section 6(c)}

4.3 Specifically, the exchange of MOU Information will:

4.3.1

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4.3.2

4.3.3 enable MSD to provide IR correct benefit status of MSD clients.

4.4 The exchange of MOU Information under this MOU will cover both the incorrect information already identified by Inland Revenue and any further incorrect information as may be identified from ongoing analysis of the original data supplied by MSD in September 2018.

4.5 MSD will update the client details as indicated

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. IR will be responsible for reallocating taxable income using its usual business processes and any other information sharing agreements or mechanisms.

4.6 The Parties intention for this MOU is to set out the overarching principles governing the cooperation between the Parties with the appendices detailing the specific information sharing requirements between the Parties.

5. Legal Authority

The Approved Information Sharing Agreement executed October 2018

5.1 MSD and IR are parties to the AISA.

5.2 IR will disclose MOU Information to enable MSD to update customer Identifying Information, or to enable MSD to inform IR of any customer Identifying Information at IR that appears to be incorrect, pursuant to clause 2(d) of the AISA.

5.3 MSD will collect and use MOU Information to enable MSD to update customer Identifying Information pursuant to clause 2(d) of the AISA.

5.4 MSD will disclose MOU Information to enable IR to update customer Identifying Information or to enable IR to inform MSD of any customer Identifying Information at IR that appears to be incorrect pursuant to clause 2(d) of the AISA.

5.5 MSD intends to make corrections to its MSD client databases following its normal business procedures. For example, after correction MSD will take such steps as are reasonable in the circumstances to inform any affected client of the correction or corrections made in respect of that client.

6. Supply of information

6.1 The Parties will disclose, collect and use MOU Information as specified in Appendix 1 of this MOU and solely for the purposes set out in clause 4 of this MOU.

6.2 The MOU Information disclosed or collected under this clause includes any response to a request or query made by the Parties for the purposes of this MOU and regarding the use of information in clause 7.

Ad Hoc Information Requests

6.3 The Parties may contact each other on an ad hoc basis (in the manner set out in Appendix 1, Part 2) if either Party has any queries or feedback regarding the information provided by either Party pursuant to this MOU. Either Party may request the other Party to provide clarification or further information (as authorised pursuant to this MOU) to assist that Party to resolve a query.

6.4 Prior to any disclosure of information to the requestor Party in clause 6.3, the requestee Party must be satisfied that the request is for the purposes of this MOU and relate to information authorised to be shared under this MOU. The Parties may disclose such further MOU information as is deemed necessary and reasonable for the purposes of this MOU.

6.5 An appropriate business record of all ad hoc requests and disclosures shall be kept by the Parties.

6.6 The Relationship Managers as designated in clause 18 authorise personnel responsible for ad hoc requests.

- 6.7 Each Party is responsible for ensuring that each information request is approved in accordance with this MOU, its own internal policies and legal authority before it is sent or acted upon.

7. Adverse Action

- 7.1 The Parties may take Adverse Action against any individuals or entities based on information shared under this MOU pursuant to their normal business practices as within their legal authority.

8. Confidentiality

- 8.1 The Parties will hold the information shared under this MOU in strict confidence and will neither use nor disclose that information except to the extent necessary for the purposes of this MOU, and subject to the Parties' respective obligations under the Privacy Act 1993, the Official Information Act 1982, the TAA or, where applicable, any other relevant legislation.
- 8.2 MSD must ensure that all MSD Personnel who may have access to the MOU Information from IR sign a certificate of confidentiality in the form prescribed by IR. If requested by IR, MSD will provide IR with scanned copies of all such signed certificates of confidentiality.
- 8.3 MSD will maintain a business record of MSD Personnel who have access to the MOU Information and have completed the certificate of confidentiality in the form prescribed by IR.
- 8.4 The Parties must notify each other in writing immediately on becoming aware of any potential, threatened or actual misuse or unauthorised disclosure of the MOU Information (or breach of confidentiality obligations) and will co-operate with each other in preventing or limiting such misuse, unauthorised disclosure or breach, which may include investigating the misuse or unauthorised disclosure.

- 8.5 To the extent permitted by law, where an investigation is undertaken under this MOU, each party will provide the other party with reasonable assistance and will keep each other informed of progress.
- 8.6 The parties are responsible for complying with their respective obligations under the Privacy Act 1993, the Public Records Act 2005, the Official Information Act 1982, the Tax Administration Act 1994, or any other applicable authority.
- 8.7 Each party will consult with the other if either party receives a complaint or a request under the Privacy Act 1993 or the Official Information Act 1982 relating to this MOU prior to the relevant party making a decision about that complaint or request.
- 8.8 No consultation will be necessary where a person makes a request under Information Privacy Principle 6 of the Privacy Act 1993 for their personal information and the relevant party intends to supply the requested personal information.
- 8.9 Neither party may make any public announcement regarding this MOU to any person without the other party's prior written consent (such consent not to be unreasonably withheld or delayed).
- 8.10 For the avoidance of doubt, any intellectual property shared in accordance with this MOU belongs to the Crown, but its use by the Parties is governed by this MOU.

9. Security of Information

- 9.1 Information exchanged under this MOU will be stored by each Party in a secure system that protects the information against privacy breach, unauthorised use, modification, destruction, access or disclosure.
- 9.2 All information supplied by the Parties in accordance with this MOU and any Appendix or Schedule is confidential and will be supplied by way of a secure means of transmission as defined in this MOU.

9.3 The Parties will ensure that the data extraction programs and other processes associated with the transfers ensure that only information relevant to the MOU is disclosed.

9.4 The performance and use of the secure transfer systems as specified in any Appendix or Schedule will be cooperatively reviewed.

10. Destruction of Information

10.1 Upon completion of any required corrective actions, or within twelve months of the date of final supply of the information, whichever is sooner, the Parties will destroy all copies and versions of the information that are not necessary for the purposes of this MOU.

10.2 If requested by a Party, the other Party will send to the requesting Party a letter confirming the destruction of the information (as referred to in clause 10.1).

11. Accuracy of Information

11.1 The Parties will use reasonable endeavours to ensure that the information is accurate, up-to-date, complete, relevant and not misleading at the time it is provided to the other Party.

11.2 Despite clause 11.1, the Parties acknowledge that the other party makes no representation as to the reliability of the information it holds in relation to the inaccuracies and each Party must take its own steps to verify information before taking any Adverse Action.

12. Responsibility for acts and omissions of employees, contractors and agents

12.1 Each Party will be responsible for the acts and omissions of their Personnel, and in particular each Party will:

- 12.1.1 keep them informed of all obligations concerning the handling of information, including the requirements of the Tax Administration Act, the Privacy Act 1993, the Official Information Act 1982 and this MOU;
- 12.1.2 ensure they are adequately trained to perform the agreed tasks;
- 12.1.3 ensure that their contracts include clauses obliging those employees, contractors and agents to observe all such requirements as to security and confidentiality; and
- 12.1.4 ensure access to the MOU Information is not available to any employee, contractor or agent who is not covered by, or who has not obeyed all of the requirements of this clause.

12.2 As specified in clause 8, a Party will notify the other Party of any breach of these provisions.

13. Costs

13.1 Each party will cover their respective costs associated with the arrangements described in this MOU.

14. Dispute resolution

14.1 Should any dispute or difference relating to the interpretation or application for this MOU arise, the Parties will in good faith meet and negotiate with a view to resolving the dispute or difference as quickly as possible.

15. Variations

15.1 Either Party proposing a variation to this MOU shall give reasonable notice of the proposed variation, and the reason for the proposed variation.

15.2 Any variations to this MOU must be in writing and signed by the Relationship Managers designated in clause 18. Notwithstanding the preceding sentence, the Parties understand that some possible variations to the MOU will require statutory delegations not held by the Relationship Managers. In that situation, the

Relationship Manager will take all reasonable steps in the circumstances to obtain the authorisation and/or signature of the authorised statutory decisionmaker.

- 15.3 Any variation to any Appendix to this MOU shall be in writing and may be executed by either the Relationship Managers designated in Clause 18 or a person authorised to do so on behalf of each party as confirmed by the Relationship Manager in writing.

16. Appendices

- 16.1 The Appendices are regarded as part of the MOU and therefore should be read subject to the provisions of the MOU.
- 16.2 In the event that there is a conflict between the Main Body of the MOU and any of the Appendices, the provisions of the Main Body of the MOU will take precedence over the Appendices unless specifically stated otherwise in the Main Body of the MOU.

17. Memorandum not binding

- 17.1 The Parties acknowledge that the MOU is intended as a statement of mutually agreed intentions in relation to an area of interest. It is not intended to create legally enforceable rights or obligations. However, the Parties will act in good faith to observe and perform their obligations in accordance with the MOU.

18. Management of the Relationship

- 18.1 Each Party will nominate a Relationship Manager to act as that Party's representative for managing the relationship between the Parties, and other high-level issues for this MOU.
- 18.2 The Relationship Managers will be responsible for:
- establishing and maintaining communication and understanding between the two Parties;
 - providing assistance in resolving any disputes between the Parties;

- coordinating the supply and delivery of data and supporting material;
 - notifying the other Party of policy and systems changes at an operational level that may affect the supply or use of the data;
 - discussing and resolving, in the first instance, any data quality issues;
 - negotiating changes relating to the content and format of the data supplied;
 - arrangements pertaining to supply and use;
 - nominate Authorised Personnel to engage in any detailed operational discussions or activities;
 - nominate the Authorised Personnel to engage in ad hoc requests;
 - nominate the Authorised Personnel to provide and receive the Iron Key Usb flash drive and method of data management for their agency; and
 - advise each other, in writing, of any change of contact people.
- 18.3 The Parties may change any of their respective persons referred to in this clause by giving notice in writing of that change to the other Party.
- 18.4 All communications, including issue escalation, between IR and MSD under this MOU shall be sent to the Relationship Managers designated below:

Inland Revenue	Ministry of Social Development
Section 9(2)(a) Customer Experience Design Asteron Centre 55 Featherston St PO Box 2198 Wellington DDI: Section 9(2)(a) Section 9(2)(a) @ird.govt.nz	Section 9(2)(a) Senior Advisor Integrity and Debt The Aurora Centre PO Box 1556 Wellington 6140 DDI: Section 9(2)(a) Section 9(2)(a) @msd.govt.nz

19. Commencement, Termination and Review

- 19.1 This MOU commences on the date it is signed by both IR and MSD and it shall continue in effect until it is automatically terminated after twelve months from the date of execution.

19.3 The obligations in this MOU concerning confidentiality (clause 8), security of information (clause 9), destruction of information (clause 10) and responsibility for acts and omissions of employees, contractors and agents (clause 12) shall remain in force notwithstanding any suspension or termination of this MOU.

19.4 A Party may request a review of the MOU at any time.

SIGNATORIES

Signed for and on behalf of **Inland Revenue** by:



Date: **24/09/2020**

Echo Brooke-White

Group Lead

Information Sharing

Signed for and on behalf of the **Ministry of Social Development** by:



Date: 25 / 9 / 20

Warren Hudson

General Manager

Integrity and Debt

Appendix 1

Part 1 -MOU Information Information Transfer and Content Specifications

1. Inland Revenue shall disclose MOU Information (as set out in Table 1 below) to MSD under clause 6. Both Parties shall disclose, collect and use the additional information (as set out in Table 2 below) under clause 6.
2. MOU Information will be disclosed using SEEMail to the email address as approved by the Relationship Managers. That email address shall be accessible only to the Relationship Managers for this MOU or to Authorised Personnel designated by the Relationship Managers for this MOU. The MSD Relationship Manager has provided the following email for MOU Information:
Collections_Business_Support@msd.govt.nz.
3. If the Parties are unable to use SEEMail for providing all or any part of the MOU Information, the Parties may agree for IR to transfer MOU Information by IronKey to the MSD Relationship Manager or her delegate. In that event, MSD shall complete and supply to IR the form in Appendix 2 upon receipt of the information.

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Part 2 – Both Parties – Ad Hoc Information Requests

1. The ad hoc requests may be made in writing (including electronic communication) or verbally (by phone, electronic communication or in person), and only by either the Relationship Managers or persons authorised by the Relationship Managers.

2. When email is used, Inland Revenue will use SEEMail to an MSD email approved by the Relationship Managers for ad hoc requests which will be accessible only by the Relationship Managers for this MOU or authorised Personnel designated by the Relationship Managers for this MOU. The MSD Relationship Manager has provided the following email for ad hoc requests:

Collections_Business_Support@msd.govt.nz.

3. When email is used, MSD will use SEEMail to an IR email address approved by the Relationship Managers which will be accessible only by the Relationship Managers for this MOU or authorised Personnel designated by the Relationship Managers for this MOU.

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Appendix 2 MSD Data supply receipt

Ministry of Social Development to Inland Revenue

For the receipt of information from Inland Revenue pursuant to the MOU (dated August 2019) for updating customer information.

MSD client information disclosure:	
(To be completed by Inland Revenue)	
Extract Date: ___/___/___	File ID: _____
Total Number of Records: _____	
Recording medium: IRON Key Label Id.	_____
Prepared by: _____	
(Signature)	
_____	_____
(Print Name)	(Print Title)

Official Receipt:

(To be completed by Ministry of Social Development)

Date: ___/___/___ at: _____:_____

(24 hour clock)

I have today taken possession of the above file

(Signature)

(Print Name)

(Print Title)