



Dear [REDACTED]

On 22 May 2019, you emailed the Ministry requesting, under the Official Information Act 1982, the following annual information dating back to 2012/13:

- *The number of staff in the fraud investigation team*
- *The amount spent on staff salaries in the fraud investigation team*
- *Other costs involved in running the fraud investigation team*
- *The total annual cost of operating the fraud investigation unit*
- *The staff salaries of the 0800 allegation line*
- *The cost to run the 0800 phone line*
- *Other costs involved in running the 0800 phone line*
- *The total annual cost of operating the allegation line*

The Ministry of Social Development takes its responsibilities in administering income assistance to over one million New Zealanders each year very seriously. The Ministry works hard to protect the integrity of the system to ensure it remains fair for all New Zealanders.

It is vital that the public has trust and confidence in the Ministry to ensure people receive their correct entitlement and do not take advantage of the welfare system. The Ministry does not tolerate benefit fraud. The Ministry actively looks to prevent, detect and reduce incidences of benefit fraud and its systems are constantly improving to enable this to happen.

The Ministry has a dedicated team of around 100 specialist fraud investigators located throughout the country, and an Intelligence Unit that identifies emerging fraud risks and trends and works with other government agencies and Intel Units to identify and reduce fraud. There is also a free-phone Allegation Line for public notifications of possible abuse of benefits.

Please find enclosed two tables which provide the following information: Table One showing the annual data for the number of staff in the fraud investigation team, the amount spent on staff salaries, other (operational) costs and the total annual cost of running the fraud investigation team and Table Two showing the annual data for the amount spent on staff salaries, the cost to run the 0800 phone line, other (operational) costs and the total annual cost of running the 0800 allegation line.

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 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 regarding fraud investigation and the allegation line at the Ministry of Social Development further 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

  
George Van Ooyen  
**Group General Manager Client Service Delivery**

**Table One: Fraud Intervention Services (FIS) staff, salaries and operating costs by financial year from 2012/13 to 2017/18.**

	Financial Year						
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	
<b>FIS staff numbers</b>	157	162.3	152.2	162.1	157.6	154.7	
<b>Salaries for FIS</b>	\$11,108,043.67	\$11,684,480.62	\$11,968,751.48	\$11,452,373.73	\$11,485,765.34	\$11,509,960.32	
<b>Other FIS costs</b>	\$1,625,290.40	\$1,707,642.49	\$1,398,296.39	\$1,103,924.32	\$1,133,529.87	\$1,489,733.86	
<b>Total</b>	<b>\$12,733,334.07</b>	<b>\$13,392,123.11</b>	<b>\$13,367,047.87</b>	<b>\$12,556,298.05</b>	<b>\$12,619,295.21</b>	<b>\$12,999,694.18</b>	

Notes:

- Average actual salaries as associated with role type
- 'Other FIS costs' includes operational costs.

**Table Two: Allegation Line staff, salaries and operating costs by financial year from 2012/13 to 2017/18.**

	Financial Year						
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	
<b>Allegation Line staff salaries</b>	\$512,120.00	\$521,378.00	\$539,560.28	\$550,252.20	\$548,152.00	\$547,752.04	
<b>Cost to run freephone line</b>	\$18,280.00	\$23,360.00	\$26,829.66	\$25,560.84	\$20,821.05	\$20,053.08	
<b>Other Allegation Line costs</b>	\$46,695.00	\$54,768.00	\$28,449.35	\$32,641.33	\$29,768.92	\$28,536.66	
<b>Total</b>	<b>\$577,095.00</b>	<b>\$599,506.00</b>	<b>\$594,839.29</b>	<b>\$608,454.37</b>	<b>\$598,741.97</b>	<b>\$596,341.78</b>	

Notes:

- Average actual salaries as associated with role type
- Staff salaries include staff whose primary role is related to the phone line; however there are other aspects to their roles
- 'Other Allegation Line costs' includes the actual overhead costs based on the allegation staff
- 0800 call costs are based on actual volumes for each year applied as a standard rate.