



19 APR 2021

Tēnā koe

On 13 January 2021, you emailed the Ministry of Social Development (the Ministry) requesting, under the Official Information Act 1982 (the Act), the following information:

- *A copy of all correspondence between the Ministry of Social Development (MSD) and Work and Income New Zealand (WINZ) regarding data matching between MSD and WINZ dated between 1 March 2020 and today's date.*

On 29 January 2021, you refined your request to the following:

- *A copy of all correspondence between the Ministry of Social Development (MSD) and the Inland Revenue Department regarding data matching or automated information sharing, dated between 1 March 2020 and 1 June 2020, excluding correspondence with the wage-subsidy team.*

Please find a list below, broken down by subject matter, outlining the correspondence and attachments in scope of your request. Please note that the Ministry has endeavoured to locate all documentation relevant to your request but accepts that some documents may be missing.

1. Employer/Income Match – MSD request IR info to help them collect debt from non-current beneficiaries

- Email chain – *RE IRD Match*, dated 4-9 March 2020
- Attachment: *Memorandum of Understanding between Inland Revenue and the Ministry of Social Development – Limited information share for updating customer contact information*, dated September 2020; this document will soon be made publicly available, following a previous request for official information, and is, therefore, not provided as part of this response. The release will be available at: www.msd.govt.nz/about-msd-and-our-work/publications-resources/official-information-responses/2020/responses-to-oia-requests-december-2020.html.

2. Apprenticeship Boost Scheme

On further searching and consideration, the Ministry found that we do not hold correspondence on the Apprenticeship Boost Scheme that falls within the scope of your request. We apologise for earlier indicating there may be information within scope of this subject.

3. Covid-19 Income Support Payment (CIRP)

- Email chain – *RE: Job Loss Temporary payment – portal access??*, dated 21 April 2020
- Email chain – *RE: TIRP and CIRP payments*, dated 13-14 May 2020
- Email chain – *RE: Consent legislation - section 18(e)(3) TAA*, dated 19 May 2020
- Attachment: *Memorandum of Understanding between Inland Revenue (IR) and the Ministry of Social Development (MSD) for COVID Income Relief Payment*, dated June 2020

4. Income Package Child Support Memorandum of Understanding

- Email chain – *RE: Final Draft - Child Support MoU*, dated 16-17 March 2020
- Email chain – *FW: Final Draft – Child Support MoU*, dated 16 March to 30 March 2020
- Email chain – *FW: Continuation of SEEMAIL vs Iron key transfer for Child Support Admin and Child Support deduction notices*, dated 24 March to 18 May 2020
- Attachment: *Memorandum of Understanding for Child Support and Domestic Maintenance between Inland Revenue and the Ministry of Social Development pursuant to an approved information sharing agreement under part 9A of the Privacy Act 1993 and section 18E(2) of the Tax Administration Act 1994*, dated April 2020.

5. Assessing Common Debtors Memorandum of Understanding

- Email chain – *RE: Variation to IR/MSD Common Debtor Research MoU*, dated 6-9 March 2020
- Email – *Fortnightly Initiative Update - Common Debtors Pilot - 17 February - 6 March 2020*, dated 13 March 2020
- Attachment: *Fortnightly Progress Report IR & MSD Common Debtors Initiative* (undated)
- Email – *Re: Common Customer pilot update*, dated 25 March 2020
- Attachment: *Variation relating to the Memorandum of Understanding between Inland Revenue and the Ministry of Social Development under part 9A of the Privacy Act 1993 and section 18(e) of the Tax Administration Act 1994*, dated March 2020

6. Supporting non-residents (not progressed)

- Email chain – *RE: CONFIDENTIAL (possibly BUDGET SENSITIVE - we're not sure so act as if it is) – supporting non-residents (proposed MBIE initiative)*, dated 8-11 May 2020

7. BT Release 4 (Student loan data improvements)

- Email – *Inland Revenue's Business Transformation - Update on progress towards Release 4 in April 2020*, dated 2 March 2020
- Email – *RE: Inland Revenue's Business Transformation - COVID19 Update*, dated 26 March 2020
- Email – *FW: Signed clean copy attached - thanks [...]*, dated 16 April 2020
- Attachment: *Variation of Memorandum of Understanding – Agreement for the integrated dataset on student loan borrowers and student allowance recipients*, dated April 2020

8. Expanding Gender identity data in shares

- Email chain – *FW: Removing gender items to IR*, dated 10-11 March 2020

9. Small Business Cashflow Scheme

- Email – *RE: You free for a phone call to discuss a COVID19 matter not related to wage subsidies :)*, dated 3 April 2020
- Email chain – *RE: Draft MoU for Small Business Cashflow Scheme*, dated 5 May 2020
- Email chain – *Re: MOU - IR MSD - Loan Scheme - COVID 19*, dated 6 May 2020
- Email – *MOU - IR MSD - Loan Scheme - COVID 19*, dated 8 May 2020
- Attachment: *Memorandum of Understanding between Inland Revenue and the Ministry of Social Development – Supplying information to assist Inland Revenue in administering the small business cashflow scheme for those affected by Covid-19*, dated May 2020

One email chain is withheld under section 9(2)(h) in its entirety in order to maintain legal professional privilege. The greater public interest is in ensuring that government agencies can continue to obtain confidential legal advice.

10. Refunding customers owed money

- Email chain – *FW: COVID19 initiative - Refunding customers owed money*, dated 8-30 April 2020

Where attachments are draft versions of documents, we are providing you with the final versions of these documents instead as we believe that this meets the intent of your request.

You will note that the names of some individuals are withheld under section 9(2)(a) of the Act in order to protect the privacy of natural persons. The need to protect the privacy of these individuals outweighs any public interest in this information.

Some information is withheld under section 9(2)(f)(iv) of the Act as it is under active consideration. The release of this information is likely to prejudice the ability of government to consider advice and the wider public interest of effective government would not be served.

Some information within one email not relating to the subject matter of your request has been withheld as it is out of scope.

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
- 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. The Ministry will do this by publishing this letter and attachments 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 with us, please feel free to contact OIA_Requests@msd.govt.nz.

If you are not satisfied with this response regarding correspondence on data matching and automated information sharing, 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 or 0800 802 602.

Yours sincerely

A handwritten signature in blue ink, appearing to be 'P. Pearce', with a long horizontal line extending to the right.

Pennie Pearce
**General Manager
Information**

9(2)(a)

From: Warren Hudson
Sent: Monday, 9 March 2020 10:26 am
To: 9(2)(a)
Cc: 9(2)(a)
Subject: RE: IRD Match

Thanks 9(2)(a) please connect in with 9(2)(a) around this piece of work. We will need her support as we progress

Cheers

W

Warren Hudson | General Manager, Integrity and Debt
Service Delivery
Ministry of Social Development, PO Box 1556, Wellington 6140
9(2)(a)

MSD Purpose: We help New Zealanders to be safe, strong and independent. Manaaki tangata, manaaki whanau.

From: 9(2)(a)
Sent: Monday, 9 March 2020 9:47 AM
To: Warren Hudson
Subject: RE: IRD Match

Hi Warren

A agree with IR's approach – we are allowed under the AISA to share with IR information that is specifically to do with clients and assessing benefit eligibility. If IR considers sharing information on customers who are no longer in receipt of benefits it could involve more risk when sharing income and employment information. IR also makes a very good point that Privacy Principle 2 states that MSD should collect the personal information it requires directly from the individual whenever it can. MSD must contact the client in the first instance as the relationship is with MSD, can't just rely on information IR can provide.

I am happy to help contribute and/or review a business case for this piece of work as required. There may be other aspects of privacy I haven't considered and will discuss with my colleagues in the next week so we have complete picture for you.

Cheers
9(2)(a)

From: Warren Hudson 9(2)(a)
Sent: Friday, 6 March 2020 12:02 PM
To: 9(2)(a) @msd.govt.nz>
Cc: 9(2)(a) @msd.govt.nz>; 9(2)(a) @msd.govt.nz>
Subject: Re: IRD Match

Hi 9(2)(a)

Please see below as I mentioned to you this morning. Any advice/support you can provide would be appreciated

Cheers

W

Sent from my iPhone

On 6/03/2020, at 9:03 AM, 9(2)(a) <[9\(2\)\(a\)@msd.govt.nz](mailto:9(2)(a)@msd.govt.nz)> wrote:

Hi Warren and 9(2)(a) as you can see below I have a bit of work ahead of me to be able to move forward on this piece of work and will need some help build our story around this etc.

9(2)(a) I believe some of this can be pulled from the debt story work we have been doing and that this piece of work also can be added to what we are trying to do to address debt with our clients particularly around those in Work with low income and not getting extra assistance .

Are we able to talk about this on Monday if your both free I can get some to set up a Video conference ?

Regards 9(2)(a)

9(2)(a) | National Manager, Client Support-Debt Management
Ministry of Social Development, PO Box 1556, Wellington 6140
Mobile: 9(2)(a)

MSD Purpose: We help New Zealanders to to be safe, strong and independent | Manaaki tangata, manaaki whanau .

From: 9(2)(a) <[9\(2\)\(a\)@ird.govt.nz](mailto:9(2)(a)@ird.govt.nz)>
Sent: Thursday, 5 March 2020 8:35 AM
To: 9(2)(a) <[9\(2\)\(a\)@msd.govt.nz](mailto:9(2)(a)@msd.govt.nz)>
Subject: RE: Next Friday Catch Up

[IN CONFIDENCE]

Kia ora 9(2)(a)

Next Friday sounds like a good date to meet. I'd like to provide an early heads up that I met with our Privacy Officer, Corporate Legal and my Manager 9(2)(a) yesterday to run them through the scope of this project. There is agreement that under the AISA we can help you to reach your non-beneficiary customers through providing addresses and contact information. However, they've asked for MSD to put forward a compelling case about why income and employment information needs to be collected directly from IR. These customers are no longer in receipt of benefits which IR considers involves more risk in providing income and employment information. To enable sufficient consideration of those risks, they've asked MSD to provide evidence / a business case proposal. Here are some elements to determine:

- o What number of debtors are you expecting in the next 15 years? What debt projections do you have based on retirement population?

- Why isn't it reasonably practical to get the income/employment information directly from the individuals concerned if you have their contact information?
- What are their behaviours? Evidence of behaviours?
- What are the quantified costs to MSD? Costs to the customer in terms of interactions with your agency? What are the benefits to your customers from you getting their information directly from IR?
- What potential options do you have for interacting with the customer to get consent from them to obtain our info?
- Breakdown of your debtors. Numbers with contact details? Numbers without? Debt levels and age of debt?

I think if MSD submits this information in a written report / business case with resource commitment agreed at your end, it would add more weight to the proposal. I'd also suggest a discussion with 9(2)(a) and Warren. s9(2)(a) can guide you regarding the privacy aspects of this proposal and Warren may be able to set aside someone to work on the business case.

The law reinforces agencies need to collect personal information directly from the individual concerned wherever possible unless certain exceptions apply eg where the individual concerned has given you consent to collect the information from another source. My advice is to document some potential options you have to interact with the customer directly up front. We can discuss these points further next Friday.

Thanks

Regards, 9(2)(a)

From: 9(2)(a) <[redacted]@msd.govt.nz>
Sent: Wednesday, 4 March 2020 3:56 PM
To: 9(2)(a) <[redacted]@ird.govt.nz>
Subject: RE: Next Friday Catch Up

Next Friday I am in Christchurch again can we catch up then

9(2)(a) | National Manager, Client Support-Debt Management
Ministry of Social Development, PO Box 1556, Wellington 6140
Mobile: 9(2)(a)

MSD Purpose: We help New Zealanders to to be safe, strong and independent | Manaaki tangata, manaaki whanau

From: 9(2)(a) <[redacted]@ird.govt.nz>
Sent: Wednesday, 4 March 2020 3:47 PM
To: 9(2)(a) <[redacted]@msd.govt.nz>
Subject: Next Friday Catch Up

[IN CONFIDENCE]

Hi 9(2)(a)

I don't have anything in my diary from you for this Friday. Are we having a catch up this week or next week?

Thanks

Regards, 9(2)

9(2)(a)

Information Specialist | Information Sharing | Information & Intelligence Services | Inland Revenue

663 Colombo Street | Christchurch 8001

9(2)(a) | 9(2)(a) @ird.govt.nz

Ehara taku toa i te toa takitahi, engari, he toa takitini.

'Success is not the work of one, but the work of many.'

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9(2)(a)

From: 9(2)(a) @ird.govt.nz
Sent: Tuesday, 21 April 2020 3:59 pm
To: 9(2)(a)
Subject: RE: Job Loss Temporary payment - portal access??

[IN CONFIDENCE]

Interesting questions - shall we chat – do you want to call me on our bat phone? 😊

9(2)(a) | BT Account Manager Government | Business Transformation | Inland Revenue
T. 64 9(2)(a) 9(2)(a) | M. 9(2)(a) | L11 Astoron House | 55 Featherston Street Wellington
E. 9(2)(a) @ird.govt.nz

From: 9(2)(a)
Sent: Tuesday, 21 April 2020 3:20 PM
To: 9(2)(a)
Subject: Job Loss Temporary payment - portal access??

Kia ora

Me again! I think you and I just need a hotline...like a red phone at each end. Old school. Anyway, MSD and IR have been in policy discussions to investigate a temporary payment for those who find themselves without a job due to Covid 19. Why we are creating something new and not just making it easier to apply for Jobseeker I don't know, but larger brains than mine are on this.

Some background below..

MSD requirements

- In the high-trust models, we'll need a cut of IRD's data to match against (refreshed periodically) NOTE – this could be a portal where we check/verify recent employment details
- Where we can't match to that cut, we'd need to contact IRD
- In the SWIFTT integration, we might have much less interaction with IRD information (usual MSD verification processes)
- IRD to look at whether their internal IR Number verification API could be used by MSD for this payment (would speed up processing on our end)

IRD requirements

- Legislative change required to do this
- IRD would like if MSD collected DOB, name, IRD number, address
- Previous employer information would also be helpful (noted it'll likely be free-text, so possibly error-prone)
- IRD would need information on who's paid what amounts of this payment for what periods
- If we go with the SWIFTT option we need to look at how the information is called out in existing information sharing (i.e. whether a separate process is needed so this payment can be identified)
- If we're paying in 4-week blocks regardless of circumstance changes, supplying the information when granted (in batches) would be best

My question is, if we wanted to verify if someone had recently lost their job would a portal cut of your Start system do the job? What I am trying to avoid is a large file of recent PAYE details travelling to us everyday to be matched against recent applicants. Too many Privacy risks...

Note this is very early days, it is not approved, so please don't distribute further. I just wanted a reality check on the portal idea so we could include that (or not) in High Level design details for a Cabinet paper.

Noho haumaru mai (stay safe)

9(2)(a)

Lead Advisor Information Sharing | Information Privacy & Sharing

9(2)(a)

Ministry of Social Development

Manaaki Tangata Manaaki Whānau

privacyofficer@msd.govt.nz

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9(2)(a)

From: 9(2)(a) @ird.govt.nz
Sent: Thursday, 14 May 2020 4:33 pm
To: 9(2)(a)
Subject: RE: TIRP and CIRP payments

[IN CONFIDENCE]

Hi 9(2)(a)

Not sure. 9(2)(a) sent me an email this afternoon to say we were still waiting on royal assent. The other email I sent you is really to give you a heads up. 9(2)(a) and I discussed this and we felt we had a responsibility to bring this to your attention, but of course, we are now a little anxious about what that might mean for the new MoU.

One of the problems we're finding is the need to rapidly develop our sharing mechanisms when the ink is barely dry on the legislation and MoU. In normal circumstances we'd have more time to implement processes and solutions.

Regards, 9(2)(a)

From: 9(2)(a)
Sent: Thursday, 14 May 2020 4:25 PM
To: 9(2)(a)
Subject: RE: TIRP and CIRP payments

Hi 9(2)(a)

That is fine, we are super busy too. As far as SBCS goes – do you know if the legislation has received Royal Assent yet?

Cheers
9(2)(a)

From: 9(2)(a) @ird.govt.nz
Sent: Thursday, 14 May 2020 3:14 PM
To: 9(2)(a) @msd.govt.nz; 9(2)(a) @msd.govt.nz
Cc: 9(2)(a) @msd.govt.nz
Subject: RE: TIRP and CIRP payments

[IN CONFIDENCE]

Good afternoon everyone,

Thank you for your message. I'm not available at this time tomorrow so potentially we may have to meet on Monday to discuss between 10-11.30 or 3-4.30PM. Would that be suitable?

As you know, my attention has been mainly focused on finalising the SBCS MoU and the Covid19 Wage Subsidy MoU, but I'll be in a better position on Monday to support the information sharing work from IR's side. 9(2)(a), I'll contact you directly about the SBCS MoU data as 9(2)(a) and I have been discussing some potential issues concerning the repaid amounts data.

Thanks

Regards, 9(2)(a)

From: 9(2)(a) @msd.govt.nz
Sent: Thursday, 14 May 2020 10:42 AM
To: 9(2)(a) @msd.govt.nz; 9(2)(a) @ird.govt.nz

Cc: 9(2)(a) <[redacted]@msd.govt.nz>

Subject: RE: TIRP and CIRP payments

... I now see we sent over some data elements details already to 9(2)(a) <[redacted]@ird.govt.nz>, and that we've asked for small business loan data too.

From: 9(2)(a) <[redacted]>

Sent: Thursday, 14 May 2020 10:37 AM

To: 9(2)(a) <[redacted]@msd.govt.nz>; 9(2)(a) <[redacted]@ird.govt.nz>

Cc: 9(2)(a) <[redacted]@msd.govt.nz>

Subject: RE: TIRP and CIRP payments

Hi 9(2)(a) <[redacted]>

I was in discussion with Fraud Team and 9(2)(a) <[redacted]> yesterday about sharing under the AISA and fed back advice to them.

It would be ideal to include someone from the fraud team in the Friday meeting, maybe 9(2)(a) <[redacted]> and/or 9(2)(a) <[redacted]> to discuss the data elements. We could send IR what we have identified so far in advance of the meeting (if that hasn't already occurred).

I think there is also potential to add the small business loan data into the CIRP share from my reading of the AISA.

9(2)(a) <[redacted]>, I note that the IR/MSD AISA allows sharing between MSD and IR about "finances and income". This category includes business income that an individual has received. Someone cannot receive CIRP and also the cashflow loan at the same time. If the loan can be considered as business income under the AISA, then we could share information to check for double dipping between the business loan scheme and CIRP.

9(2)(a) <[redacted]>

From: 9(2)(a) <[redacted]@msd.govt.nz>

Sent: Thursday, 14 May 2020 10:01 AM

To: 9(2)(a) <[redacted]@ird.govt.nz>

Cc: 9(2)(a) <[redacted]@msd.govt.nz>

Subject: RE: TIRP and CIRP payments

Hi 9(2)(a) <[redacted]>

Sorry for delay replying!!! So busy....Really happy to meet. I'll get 9(2)(a) <[redacted]> to come into meeting as well as he is leading the CIRP work now.

I also have just spoken to 9(2)(a) <[redacted]> on the Small Business Loans share – she said you were discussing changing the wording of the Schedule to accommodate leave subsidy coming across in fraud information. We can't change MOU now its about to be signed, but we could look at variation (to include all Fraud information as that is determined over next few days).

9(2)(a) <[redacted]> and I are available tomorrow afternoon after 2pm – 2-3pm perhaps?

Cheers

9(2)(a) <[redacted]>

From: 9(2)(a) <[redacted]@ird.govt.nz>
Sent: Wednesday, 13 May 2020 12:40 PM
To: 9(2)(a) <[redacted]@msd.govt.nz>
Subject: TIRP and CIRP payments

[IN CONFIDENCE]

Hi 9(2)(a)

Could we arrange to catch up to discuss this? I understand this is sensitive and not yet public but keen to discuss with you the legal mechanism for this new MoU as I understand it is a non-taxable payment under the SSA. That means it will fall under the AISA and there was discussion in our last meeting of a schedule under the Proactive Information Share.

Have you got any thoughts you can share re this so I can start to apply my mind as to what we'd need?
Thanks

9(2)(a)

Information Specialist | Information Sharing | Information & Intelligence Services | Inland Revenue

663 Colombo Street | Christchurch 8001

9(2)(a) | 9(2)(a) <[redacted]@ird.govt.nz>

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RELEASED UNDER THE
OFFICIAL INFORMATION ACT

From: 9(2)(a)
Sent: Tuesday, 19 May 2020 1:36 pm
To: 9(2)(a)
Cc: Pennie Pearce; s9(2)(a)
Subject: RE: Consent legislation - section 18(e)(3) TAA
Hi 9(2)(a) and 9(2)(a)

Based on the information I have received below from IR, and my review of IR's consent based sharing provision, I do not consider that it is viable to progress an information sharing arrangement with IR under a consent model for CIRP given IR's policy, the requirement to consult with the Privacy Commissioner on the agreement and gain his approval, and the timeline we are working to.

If MSD were to rely on the consent of the individual to obtain information from IR, I note section 18(e)(3) in the TAA as an enabling provision:

- section 18(e)(3) TAA provides a mechanism for IR to share information with MSD on the basis of consent of the individual. The sharing would require:
 - an agreement with suitable security arrangements recorded
 - formal consultation with the Privacy Commissioner on the terms of the agreement, and the Privacy Commissioner agrees that the disclosure is appropriate.
 - the person or entity consents to the disclosure of the information.

I note the excerpts of IR policy in your email below about the application of section 18(e) TAA and when it is NOT considered appropriate to use section 18(e).

It would appear (as IR has signalled) that sharing under a consent model would conflict with IR's first two policy criteria. That is:

- That consenting to the sharing of information is not a mandatory requirement of the application. In this instance, MSD Unless the client agrees to the declaration, no payment will be made
- That there is a more appropriate provision (new or existing) to share the information (we have the existing AISA authorised under the *Privacy (Information Sharing Agreement between Inland Revenue and Ministry of Social Development) Order 2017*.

In addition to IR's policy requirements, as noted, the Privacy Commissioner must agree that the disclosure is appropriate. While I would not presume to predict the Privacy Commissioner's response, s9(2)(a) I would expect that the Privacy Commissioner will either dismiss the proposal outright, and instead direct MSD and IR to amend the AISA through the appropriate mechanism, or require safeguards to be written into the consent based agreement that will exceed those already required under the AISA, especially in light of the online consent model being used for this initiative.

Cheers

9(2)
(a)

From: 9(2)(a) <[redacted]@ird.govt.nz>
Sent: Tuesday, 19 May 2020 10:49 AM
To: 9(2)(a) <[redacted]@msd.govt.nz>; 9(2)(a) <[redacted]@msd.govt.nz>
Subject: Consent legislation - section 18(e)(3) TAA

[IN CONFIDENCE]

Morning,

Following our discussion yesterday, I've reviewed the TAA and I've taken these excerpts from some of our internal guidelines. There were changes made to the TAA in early 2019 to enable IR to enter into agreements with government and non-government organisations to share information with them for the provision of public services with a person/entities consent. The information sharing can be done via an agreement created and no Order in Council is required. However, the main problems I see with IR being able to enter into an agreement like this with MSD are:

- The consent isn't voluntary eg if people don't consent to having their information shared, then they don't get the payment
- The service MSD will be providing is already covered by an AISA

I've included some questions below for you both to present to the TIRP and CIRP project teams.

Thanks

Regards, 9(2)(a) <[redacted]>

The intent of the consent provision:

- To include non-govt organisations (NGO's) in government information sharing
- To share sensitive revenue information (s16C(3) TAA)
- To improve or streamline a service for people/entities
- People/entities have the choice to opt into or opt out of a service at any time

Not to be used:

- If the information to be shared is a mandatory requirement of the organisation to take part in the service
- If there is a more appropriate provision (new or existing) to share the information under
- If the sharing does not include sensitive revenue information (s16C(3) TAA)
- If the sharing is on an ad-hoc basis

1. Legislation

- Is the service covered by an existing AISA/ IMA/MOU?
- Is there an existing legislative provision for the service – agents/intermediaries?
- Is the service a public service?
- Are you disclosing sensitive revenue information?
- Can persons consent/not consent to the service?
- Can consent be obtained and verified/ monitored?
- Have you considered privacy implications?
- Does the Privacy Commissioner agree that consent is appropriate for this service?
- Is the data to be shared robust?
- Can the organisations provide appropriate information security?

9(2)(a)

Information Specialist | Information Sharing | Information & Intelligence Services | Inland Revenue

663 Colombo Street | Christchurch 8001

• 9(2)(a) | 9(2)(a) | ✉: 9(2)(a) @ird.govt.nz

Ehara taku toa i te toa takitahi, engari, he toa takitini.

'Success is not the work of one, but the work of many.'

Classified in Confidence – Inland Revenue

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Inland Revenue
Te Tari Taake



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

Memorandum of Understanding

**between Inland Revenue (IR) and
the Ministry of Social Development (MSD)**

for

COVID Income Relief Payments

**Pursuant to the Approved Information Sharing Agreement under Part
9A of the Privacy Act 1993 and Part 3, section 18E of the Tax
Administration Act 1994**

June 2020

This Agreement is made effective on the date of the last signature and is

Between Inland Revenue (IR)
And Ministry of Social Development (MSD)

(the Parties)

1. Interpretation

1.1. The following terms used in this MOU have the following meanings unless the context requires otherwise:

Term	Meaning
AISA	The Approved Information Sharing Agreement authorised by the Privacy (Information Sharing Agreement between Inland Revenue and Ministry of Social Development) Order 2017 http://legislation.govt.nz/regulation/public/2017/0176/latest/DLM7358754.html?src=qs .
Applicant	A person that applies for CIRP, whether entitled to it or not.
Business Owner	An employee of each Party as designated in this MOU who will oversee the on-going operation of this MOU.
Certificate of Confidentiality	A certificate of confidentiality as required by section 18B(2) of the TAA in the form prescribed by the Commissioner of IR from time-to-time.
CIRP	COVID Income Relief Payment.
COVID-19	The novel coronavirus, see: https://www.health.govt.nz/our-work/diseases-and-conditions/covid-19-novel-coronavirus .
Expiry Date	31 August 2021, or any extended date as agreed by the parties in writing.
Income	Salary and wage income including Accident Compensation payments, paid parental leave and schedular income payments.
Information	Information that may be shared by IR and MSD under this MOU, as specified in the Schedules.
IRD Number	A unique identifier assigned by IR.
MOU	This Memorandum of Understanding between IR and MSD as amended from time to time, including any Schedules.

MSD Portal	The portal that IR has developed to give MSD Portal Users direct access to Information in START for the purposes of this MOU.
MSD Portal Users	Any MSD employee with the delegated authority to access information held in START for the purposes of this MoU.
Partner	A person who is the partner of an Applicant.
Party	IR or MSD (as the context requires), and Parties means both IR and MSD.
Personnel	Any employee, agent, contractor or representative of a party.
Recipient	An Applicant or a Partner who has received CIRP, whether entitled to or not.
SFTP	Secure file transfer protocol.
START	IR's Simplified Tax and Revenue Technology System.
TAA	Tax Administration Act 1994.

1.2. 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.

2. Background

2.1. On 12 March 2020, the World Health Organisation announced that the COVID-19 (a new strain of coronavirus) outbreak qualified as a pandemic.

2.2. In response to the pandemic, containment measures were put in place in New Zealand. These measures have had a significant economic impact on businesses and individuals that has required a Government response.

2.3. For individuals who have lost their employment as a result of COVID-19, the Government announced a new non-taxable welfare payment - the COVID Income Relief Payment (CIRP). This payment is authorised under section 101 of the Social Security Act 2018.

2.4. From 8 June 2020, CIRP is available for up to 12 weeks to eligible people who have ceased employment because of the impact of COVID-19 from 1 March to

30 October 2020 inclusively. The last payment date of CIRP will be 22 January 2021, and the CIRP programme will expire on 20 February 2021.

- 2.5. To maintain the integrity of the CIRP programme, MSD and IR will share Information with each other via SFTP and the MSD Portal for the purposes specified in clause 4.

3. Legal Authority

3.1. IR will disclose Information to MSD, and MSD will disclose Information to IR, under this MoU in accordance with the AISA.

3.2. The AISA authorises sharing for the purpose of:

- a. assessing eligibility for, and entitlement to, benefits and subsidies; and
- b. assessing and enforcing any obligations relating to benefits and subsidies, including recovering any associated debt.

CIRP is a monetary payment that falls within the definition of benefits in the Social Security Act 2018 and in the AISA.

3.3. Regardless of the legal authority for sharing the Information, IR and MSD will only share Information to the extent that is necessary to achieve one or more of the purposes in clause 4.

4. Purpose and Use

4.1. IR may supply Information to MSD to enable MSD to administer CIRP, including to:

- a. assess whether an Applicant is entitled to CIRP;
- b. verify any relevant information that MSD holds about the Applicant or their Partner (if relevant);
- c. review and audit CIRP payments to determine whether Applicants or their Partners received any amount of CIRP they were not entitled to receive;
- d. investigate whether Recipients received any amount of CIRP they were not entitled to receive; and
- e. take proceedings to recover any amount of CIRP that a Recipient was not entitled to receive.

4.2. MSD may provide Information to IR so that IR can:

- a. compare it against information that it holds to assist MSD in determining which Applicants are eligible to receive CIRP;
- b. assist with MSD's review, audit, investigative and prosecution processes in relation to Recipients and payments;

- c. run risk profiling business processes which use income information to query entitlements; and;
- d. understand an IR customer's income sources to enable discussions about their entitlements and capability to repay debt.

5. Governance process

5.1. The Business Owners will be responsible for the operation of this MOU.

5.2. The functions of the Business Owners include:

- a. co-ordinating the supply and delivery of Information;
- b. discussing and coordinating Information quality issues;
- c. agreeing in principle to modify any aspect of this MOU;
- d. identifying policy and systems changes at an operational level;
- e. co-ordinating joint MSD and IR reviews of security and procedures for this MOU where either Party consider that a review is necessary, or in any event at least once before the Expiry Date;
- f. establishing and maintaining good relations between the Parties;
- g. resolving any issues or disputes between the Parties that are referred to the Business Owner from either Party; and
- h. reporting to their Chief Executive and Commissioner in relation to this MOU, as required.

5.3. At the date of this MOU, the Business Owners are as follows:

IR	MSD
Justin McCready Network Lead Customer Experience Asteron Centre 55 Featherston St PO Box 2198 Wellington DDI: 9(2)(a) justin.mccready@ird.govt.nz	Warren Hudson General Manager, Integrity and Debt Client Service Support National Office Level 8, The Aurora Centre 56 – 66 The Terrace Wellington DDI: 9(2)(a) warren.hudson001@msd.govt.nz

5.4. A Party may change its Business Owner, or their contact details, by giving the other Party's Business Owner written notice of the change via email.

6. Security

- 6.1. Each Party will communicate Information to the other Party using the secure transmission methods specified in the Schedules .
- 6.2. Each Party will each keep the Information it receives from the other Party in a secure environment and safeguard it from unauthorised access.

7. Accuracy of information

- 7.1. The Parties acknowledge that the Information is the most up-to-date Information that a Party holds at the time it is provided, but neither Party makes any representation as to the accuracy of the Information.
- 7.2. Before using any Information obtained under this MOU, the Parties agree to take reasonable steps to ensure that the Information is complete, accurate, relevant, up-to-date and not misleading.
- 7.3. Reasonable steps may include:
 - a. confirming the information is not already held by MSD;
 - b. confirming the Information with the individual concerned; and
 - c. confirming the Information with the source of the information (e.g. employer).
- 7.4. The Parties note that:
 - a. The Privacy Commissioner has approved a reduced adverse action notice period (decreased from 10 days to 5 days) under the AISA in respect to MSD taking adverse action against Applicants that MSD identify as not eligible, or no longer eligible, for CIRP.
 - b. The Privacy Commissioner approval is subject to the conditions set out in Schedule 5.

8. Reporting

- 8.1. The Parties will monitor the communication of Information under this MOU and may report within their respective organisations on the:
 - a. volume of Information communicated;
 - b. nature of Information communicated;

- c. protections applied to the use of Information;
- d. errors or problems with the Information; and
- e. complaints received.

8.2. The Parties note that Information sharing under this MOU is subject to reporting requirements issued by the Privacy Commissioner under the AISA. MSD will provide any necessary reporting to IR so that IR can comply with those reporting requirements.

9. Privacy and Confidentiality

- 9.1. The Parties must comply with their obligations under the Privacy Act 1993, the Official Information Act 1982, the TAA and the Social Security Act 2018.
- 9.2. MSD must keep confidential any Information it receives and may only use or disclose the Information to the extent necessary for the purposes of this MOU.
- 9.3. Before an MSD staff member or anyone engaged by MSD receives or has access to any Information that IR provides, he or she must execute a Certificate of Confidentiality. MSD must retain all signed Certificates of Confidentiality and make them available to IR on request.
- 9.4. If a Party receives a complaint or request under the Privacy Act 1993 or the Official Information Act-1982 relating to the sharing of Information under this MOU, it will consult with the other Party before responding.

10. Breaches of privacy, confidentiality, or security

- 10.1. All breaches of this MOU must immediately be notified to the Business Owners and any actual or suspected unauthorised disclosures of the Information must be investigated.
- 10.2. Where an investigation is undertaken, IR and MSD will provide each other with reasonable assistance through the Business Owners and keep each other informed of progress.
- 10.3. If either IR or MSD has reasonable cause to believe that any breach of privacy, confidentiality, or any security provisions in this MOU has occurred or may occur, IR and MSD may undertake such investigations in relation to that actual or suspected breach as either deems necessary. IR and MSD shall ensure that they provide each other with all reasonable assistance in connection with such inspections or investigations.

- 10.4. If there has been a breach of privacy, confidentiality, or any security provisions in this MOU, either IR or MSD may suspend this MOU to give each other time to remedy the breach. While the MOU is suspended, neither Party may communicate Information to the other Party.

11. Responsibility for acts and omissions of Personnel

- 11.1. The Parties will be responsible for the acts and omissions of their respective Personnel. In particular, each Party will:
- a. keep its Personnel informed of their privacy, security and confidentiality obligations relating to the Information, including the requirements of the TAA, the Privacy Act 1993, Official Information 1982 and this MOU;
 - b. ensure its Personnel are adequately trained to perform the agreed tasks;
 - c. ensure that its Personnel are contractually bound to comply with their privacy, security and confidentiality obligations relating to the Information; and
 - d. ensure access to the Information is not available to any of its Personnel who is not covered by or who has not complied with all of the above requirements of this clause.

12. Variations to this MOU

- 12.1. If a Party proposes a variation to this MOU, it must give reasonable notice of the proposed variation, and the reason for the proposed variation, to the other Party.
- 12.2. Any variation to the main body of this MOU must be in writing and signed by the signatories to this MOU, or their delegates.
- 12.3. Variations to, or additions of, Schedules to this MOU must be agreed in writing by the Business Owners by exchange of email.

13. Dispute resolution

- 13.1. If an issue or a dispute ("dispute") arises in relation to this MOU, the Business Owners will meet in good faith to attempt to resolve it as quickly as possible.
- 13.2. If the Business Owners are unable to resolve the dispute within 60 days, the dispute may be referred in writing to IR's Commissioner and MSD's Chief Executive, or their delegates.
- 13.3. The Parties will continue to comply with their obligations under this MOU despite the existence of any dispute.

14. Term, termination and expiry

- 14.1. This MOU commences on the date it is last signed (and may be signed in counterparts). It continues in effect until terminated in writing by either Party, or until the Expiry Date (whichever is the earlier).
- 14.2. The requirements of this MOU concerning privacy, security and confidentiality shall remain in force notwithstanding the termination or expiry of this MOU.

15. Record-keeping

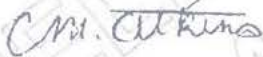
- 15.1. Information collected under this MOU that becomes part of an MSD or IR record (such as records relating to Recipients) will be retained to the extent required by the Public Records Act 2005.

16. Costs

- 16.1. Each Party will cover their respective costs associated with the arrangements described in this MOU.

SIGNATORIES

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



Date: 01 / 07 / 2020

Cath Atkins
Deputy Commissioner
Customer & Compliance Services - Business

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



Date: 02 / 07 / 2020

Viv Rickard
Deputy Chief Executive

Schedule 1

Information Sharing Overview

The Parties may share Information as specified in the following Schedules:

- a. Schedule 2: Information MSD and IR share weekly via SFTP to assist MSD to administer CIRP.
- b. Schedule 3: Information MSD shares with IR monthly via SFTP to assist IR with assessing entitlements.
- c. Schedule 4: Information IR shares with MSD via the MSD Portal to assist MSD to administer CIRP.
- d. Schedule 5: Adverse Action Conditions