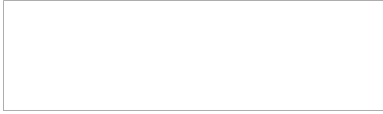




7 6 JUL 2016



Dear 

On 25 May 2016 you emailed the Ministry requesting, under the Official Information Act 1982, the following information:

- *The 10 biggest individual debts to Work and Income, broken down by what the debt is made up of, and the length of time it was accrued over.*

The Ministry of Social Development, through Work and Income, provides both recoverable and non-recoverable hardship assistance to help people meet an immediate need for essential items such as food, health costs, power and other costs. This assistance includes Advances, Recoverable Assistance Payments (RAPs) and Special Needs Grants (SNGs).

At the time of application, the client is advised of their repayment obligations and realistic repayment amounts are arranged with the client taking their circumstances and financial situation into consideration. Repayment plans can start at a few dollars a week, and the Ministry does not charge interest. The Ministry aims to ensure that clients make the best decisions regarding recoverable assistance to avoid creating debt.

The Ministry works hard to protect the integrity of the system to ensure it remains fair to all New Zealanders. As well as an obligation to repay recoverable assistance, clients may owe money to the Ministry through either overpayment or as a result of being prosecuted for fraud. Overpayments may occur when clients fail to inform the Ministry of a change in their circumstances; for example, commencing paid part-time work or a change in accommodation costs.

All of the top ten debts owed to the Ministry are related to substantiated benefit fraud which have either been prosecuted or are currently facing prosecution. Nine out of the ten people were convicted for benefit related fraud activities and were sentenced to prison or home detention. Where possible, the Ministry has established repayment obligations for these debts.

The Ministry does not tolerate benefit fraud and takes a proactive and targeted approach to managing the risk of benefit fraud.

The Ministry has a dedicated team of approximately 108 specialist fraud investigators throughout the country, and an Intelligence Unit that identifies emerging fraud risks and trends. The Ministry works with other government agencies to identify and reduce the incidence of fraud. The Ministry also investigates cases which arise through allegations from members of the public.

The following table shows the top ten debt amounts owed to Work and Income, as at the end of March 2016.

Debt by ranking	Total Debt Amount
1	\$3,442,483
2	\$894,867
3	\$696,963
4	\$565,330
5	\$444,415
6	\$416,200
7	\$378,207
8	\$375,375
9	\$304,779
10	\$298,600

The Ministry is unable to provide the length of time these debts were accrued over as this information is held on individual files across multiple systems. To determine the date or time period each of these debts relate to requires staff to manually check each past benefit period. As such, this part of your request is refused under section 18(f) of the Official Information Act. The greater public interest is in the effective and efficient administration of the public service.

I have considered whether the Ministry would be able to respond to your request given extra time, or the ability to charge for the information requested. I have concluded that, in either case, the Ministry's ability to undertake its work would still be prejudiced.

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 available to the wider public after ten working days. 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.

I hope you find this information regarding debt helpful. You have the right to seek an investigation and review of my response by the Ombudsman, whose address for contact purposes is:

The Ombudsman
Office of the Ombudsman
PO Box 10-152
Wellington 6143

Yours sincerely

A handwritten signature in cursive script, appearing to read 'Ruth Bound', written in dark ink.

Ruth Bound
Deputy Chief Executive, Service Delivery