



10 JUN 2019

[Redacted]

Dear [Redacted]

On 18 April, you emailed the Ministry requesting, under the Official Information Act 1982, the following information:

- *Official data on the number and outcomes of prosecutions brought by work and income (MSD) for benefit fraud from 2014-2018.*

The Ministry uses the Solicitor-General's Prosecution Guidelines as the main reference point when making a decision about prosecution. As a government agency, any criminal prosecution action brought by the Ministry must be in accordance with the 'Test for Prosecution' set out in the Guidelines.

There are two factors to the 'Test for Prosecution'; a case must meet the requirements of the 'Evidential Test' where the evidence gathered must be sufficient to provide a realistic prospect of gaining a conviction; and if the case meets the 'Evidential Test' requirements, the Ministry applies the 'Public Interest Test' to determine if it is in the public interest to prosecute.

While it will always be appropriate to prosecute some people due to the nature of their offending, the Ministry is conscious that prosecution can negatively impact clients and families who are already in a vulnerable and difficult situation. It is important that the Ministry makes considered and sound decisions on which cases should be prosecuted.

The decision to prosecute is often a complex one. The Ministry must balance considerations of a client's alleged dishonest actions against their personal circumstances and the effect a prosecution might have on their ability to attain independence and maintaining health and wellbeing.

The Fraud Prosecution Review Panel was established in May 2018 and makes the final decision on whether cases are to be prosecuted. The Panel approach to making prosecution decisions strengthens the process by making sure that responsibility for that decision is broadly shared. In addition, cases considered for prosecution by the panel are assessed blindly, without gender or ethnicity being declared to the panel.

The table below includes the statistics you have requested in the same format as what is provided on the Ministry's website for earlier years.

You will note that the number of clients prosecuted for fraud has decreased over the time period reported. As improved data matching is picking up more cases of undeclared income earlier, far fewer of these cases are now resulting in prosecution. The Ministry is increasingly focused on only prosecuting the more serious cases of fraud that occurred over longer periods, and/or involved bigger overpayments.

	2014	2015	2016	2017	2018
Total number of prosecutions	893	958	619	453	291
Total number of successful prosecutions	868	927	598	436	277
Total value of debt for all prosecutions	\$31.1m	\$31.3m	\$24.9m	\$19.5m	\$14.9m
Total value of fraud debt for successful prosecutions	\$30.5m	\$31.1m	\$24.1m	\$19.1m	\$13.9m

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 with us, please feel free to contact OIA_Requests@msd.govt.nz.

If you are not satisfied with this response about prosecutions brought by Work and Income for benefit fraud between 2014-2018, 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



George Van Ooyen
Group General Manager Client Service Delivery