



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

# **Review of risk, assurance and internal fraud functions**

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**Decision – 1 October 2020**

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# Introduction

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Following the establishment of the Organisational Assurance and Communication (OAC) group in October 2019 and the need to address continuing changes in the integrity needs of the Ministry (MSD), I took the opportunity to review the organisational structure of the Risk and Assurance group (the Group).

I wanted the Group to function more strongly together to meet the changing needs of MSD.

It was great to see that many of you shared the vision for the Group and provided feedback that it was timely for MSD to determine what integrity means for our organisation, and what this looks like in practice for staff.

You strongly supported the proposed new name for the Group, and the focus of the Group. You also supported the proposal overall, while suggesting changes and amendments to the proposed new roles.

Based on your feedback, and to ensure that we have an integrated, modern, proactive and connected workplace integrity function, I have decided to change the configuration of the Group. The key changes and the new structure for the Group are outlined in this document.

I really appreciate you taking the time to participate in the consultation process, and I would like to thank all of you for your contributions.

Kind Regards



Nadine Kilmister

## Summary of what was proposed

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1. **Renaming the Group to Workplace Integrity** to better describe the function and consolidating the Group into the following areas: Risk advice, Assurance services, Internal Integrity and Integrity Services.
2. **Risk Advisory Services** will be responsible for the development and maintenance of the MSD-wide risk management framework on behalf of the MSD Leadership Team (MSD LT). The team will also provide risk advice, education and support, and work with the General Manager (GM) Workplace Integrity to ensure that appropriate assurance and advisory work is taking place.
3. **Assurance Services** will be fully outsourced. This area will facilitate the assurance planning process by working closely with the General Manager Workplace Integrity who is responsible for the assurance plan. This area will also be responsible for procuring the specialist assurance expertise required to deliver each assurance activity. In addition, this area will report assurance findings, monitor and follow up the implementation of report recommendations.
4. **Internal Integrity** will be responsible for proactively educating staff and supporting MSD to reduce the potential for, and instances of internal fraud and inappropriate access.
5. **Integrity Services** will be responsible for the promotion of *Standards of Integrity and Conduct* issued by Te Kawa Mataaho Public Service Commission as well as MSD's culture of integrity. This area will own and maintain MSD's policies and be responsible for establishing and administering an integrity reporting framework.

## Your feedback

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We received 11 submissions during the consultation process, which included one group submission, and two submissions outside of the Risk and Assurance group. It was great to see such a range of well-considered feedback and questions.

It was also great to see the support for the focus of the Group and having a shared purpose.

We answered some comments directly with staff throughout the consultation process as well as catching up with various people in person.

The table below summaries the key themes submitted, the responses and options considered and the final decision.

## Workplace Integrity

What you said	Our response
<p>Many of you strongly supported the proposed name for the Group:</p> <p>s9(2)(a) [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>s9(2)(a) [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>s9(2)(a) [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>	<p>Risk and Assurance will be renamed to <b>Workplace Integrity</b>.</p>

## Risk Advisory Services

What you said	Our response
<p>One submission queried the proposed <b>Team Manager Risk Services</b> title, noting it was not resonating with the integrity theme and querying whether it should be renamed to ensure consistency across the Group. Alternative names were not offered.</p>	<p>It is important to have a clear risk function focused on the Ministry-wide risks.</p> <p>This position title will remain <b>Team Manager Risk Services</b>, to reflect the responsibility for looking after the Ministry-wide risk management framework on behalf of MSD LT.</p>
<p>One submission suggested that we should establish an <b>Advisor</b> position in the Risk Advisory Services team, to provide a pathway for development and allow specialists more time to work at a senior level.</p>	<p>The General Manager Workplace Integrity will work alongside the Team Manager Risk Services to consider if a career pathway for <b>Advisor</b> and <b>Senior Advisor</b> positions is appropriate.</p> <p>The Executive Assistant currently also assists administratively where practicable.</p>
<p>There was support for the new reporting line for the <b>Risk Specialists</b>:</p> <p>s9(2)(a) [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>	<p>The <b>Manager Risk Advisory Services</b> position will be disestablished.</p> <p>The reporting line for the <b>Risk Specialist</b> position will change to <b>Team Manager Risk Services</b>.</p>

<p>Some of your feedback was that a fully-integrated model is needed to ensure that we deliver an MSD-wide approach that works 'on the business', with risk services being led from one team and providing services to Service Delivery and other risk managers.</p>	<p>The Risk Advisory Services area will continue to lead MSD-wide risk work and be responsible for working, in an integrated way, with Service Delivery, IT staff and other areas in MSD that have dedicated risk functions. They are responsible for working with MSD LT and the risk managers in relation to the MSD-wide risks.</p> <p>The intent is for the General Manager Workplace Integrity to work with the Director, Office of the DCE Service Delivery to confirm a joint approach to ensure that both the 'on the business' and 'in the business' risk roles are clear. This will ensure that assurance and advisory work is managed seamlessly and provides connectivity between the relevant risk areas and parties. The team will provide regular connecting sessions for all staff with a risk focus in their roles, including advice, education and support.</p>
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## Assurance Services

What you said	Our response
<p>There was strong support for the proposal to move assurance to a fully outsourced model:</p> <p>§9(2)(a) [REDACTED]</p> <p>§9(2)(a) [REDACTED]</p>	<p>I will formalise assurance to a fully outsourced model.</p> <p>The following positions will be disestablished:</p> <ul style="list-style-type: none"> <li>• <b>Manager Assurance Services</b></li> <li>• <b>Principal Assurance Specialist</b></li> <li>• <b>Assurance Specialist</b> (<i>currently vacant</i>)</li> </ul> <p>A new <b>Senior Advisor Assurance</b> position will be established.</p>
<p>One submission proposed that the <b>Senior Advisor Assurance</b> position should report to the <b>Team Manager Risk Services</b>, and have a dotted reporting line to the <b>General Manager Workplace Integrity</b>.</p>	<p>It is important that the General Manager Workplace Integrity has strong leadership role in the assurance space and to the assurance plan for MSD, hence the direct reporting line. This reporting line will remain as proposed.</p>

## Internal Integrity

What you said	Our response
<p>Many of you supported the proposed name change for the Internal Fraud team.</p>	<p>The Internal Fraud team will be renamed to <b>Internal Integrity</b>.</p>
<p>Two submissions requested the proposed position of <b>Advisor Internal Integrity</b> be changed to a <b>Technical Advisor</b>.</p>	<p>The proposed <b>Advisor Internal Integrity</b> role will not be established.</p> <p>We will increase the establishment of <b>Technical Advisors</b> from two to three.</p> <p>However, all roles in this team will have a focus on education and support; proactively educating staff and supporting MSD to reduce the potential for, and instances of internal fraud and inappropriate access.</p>

## Integrity Services

What you said	Our response
<p>Many of you supported the proposed Integrity Services function:</p> <p>§9(2)(a) [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>	<p>The <b>Integrity Services</b> function will be established.</p>
<p>There was support for the proposed change in title for the <b>Risk and Assurance Regional Consultant</b> positions.</p>	<p>The title for the <b>Risk and Assurance Regional Consultant</b> position will change to <b>Regional Integrity Specialist</b>.</p> <p>The reporting line will remain as proposed, reporting to the <b>General Manager Workplace Integrity</b>.</p>
<p>We received feedback that the new proposed position of <b>Principal Advisor Organisational Integrity</b> and the new position title <b>Regional Integrity Specialist</b> may cause confusion with the Integrity and Debt group in Service Delivery.</p>	<p>We recognise the need for distinguishing between internal and external integrity functions at MSD. The new name of the Group, Workplace Integrity, reflects that the focus of this Group is on internal integrity.</p>

## Decision

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After considering all the submissions received, I am confirming my final decision. The new structure will be effective from 26 November 2020.

Relative to the proposal the key decisions are:

- the Internal Fraud team will be renamed to Internal Integrity
- formalise Assurance to a fully outsourced model and establish a Senior Advisor Assurance position
- the Manager Assurance Services, Principal Assurance Specialist and Assurance Specialist (currently vacant) positions will be disestablished
- the Technical Advisor position will increase in establishment from two to three
- establish an Integrity Services function along with a Principal Advisor Organisational Integrity
- the Manager Risk Advisory Services position will be disestablished
- the Risk Specialist positions will have a change in reporting line to Team Manager Risk Services
- the following positions will have a change in position title:
  - General Manager Risk and Assurance will change to General Manager Workplace Integrity
  - Risk and Assurance Regional Consultant will change to Regional Integrity Specialist
  - Manager Workplace Integrity will change to Manager Internal Integrity
  - Principal Risk Advisor will change to Team Manager Risk Services
  - Senior Investigator Internal Fraud and will change to Senior Investigator Internal Integrity

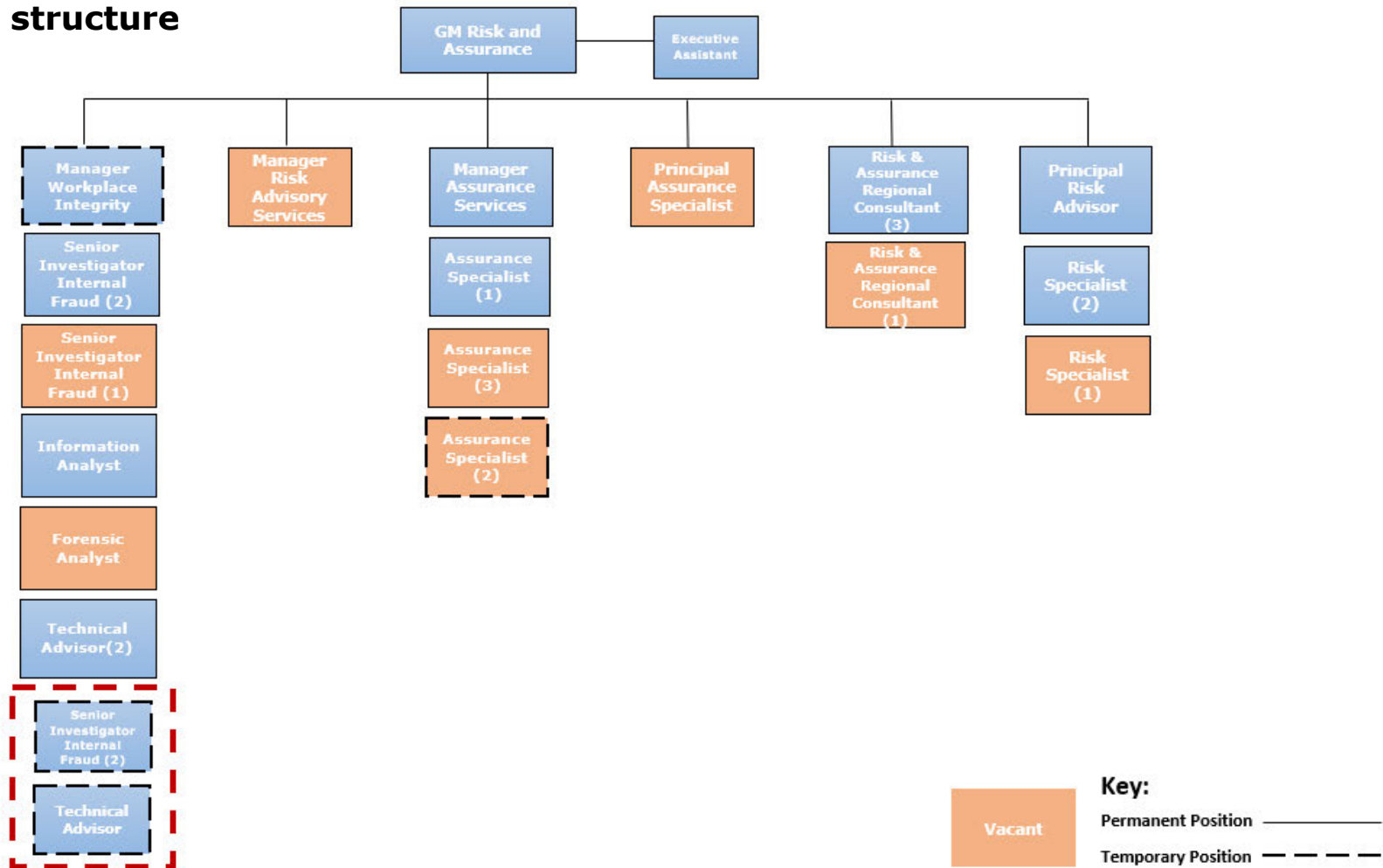
The following objectives were considered when making these decisions:

- to be practical and pragmatic
- to provide clarity and clear direction going forward
- to provide certainty where we can.



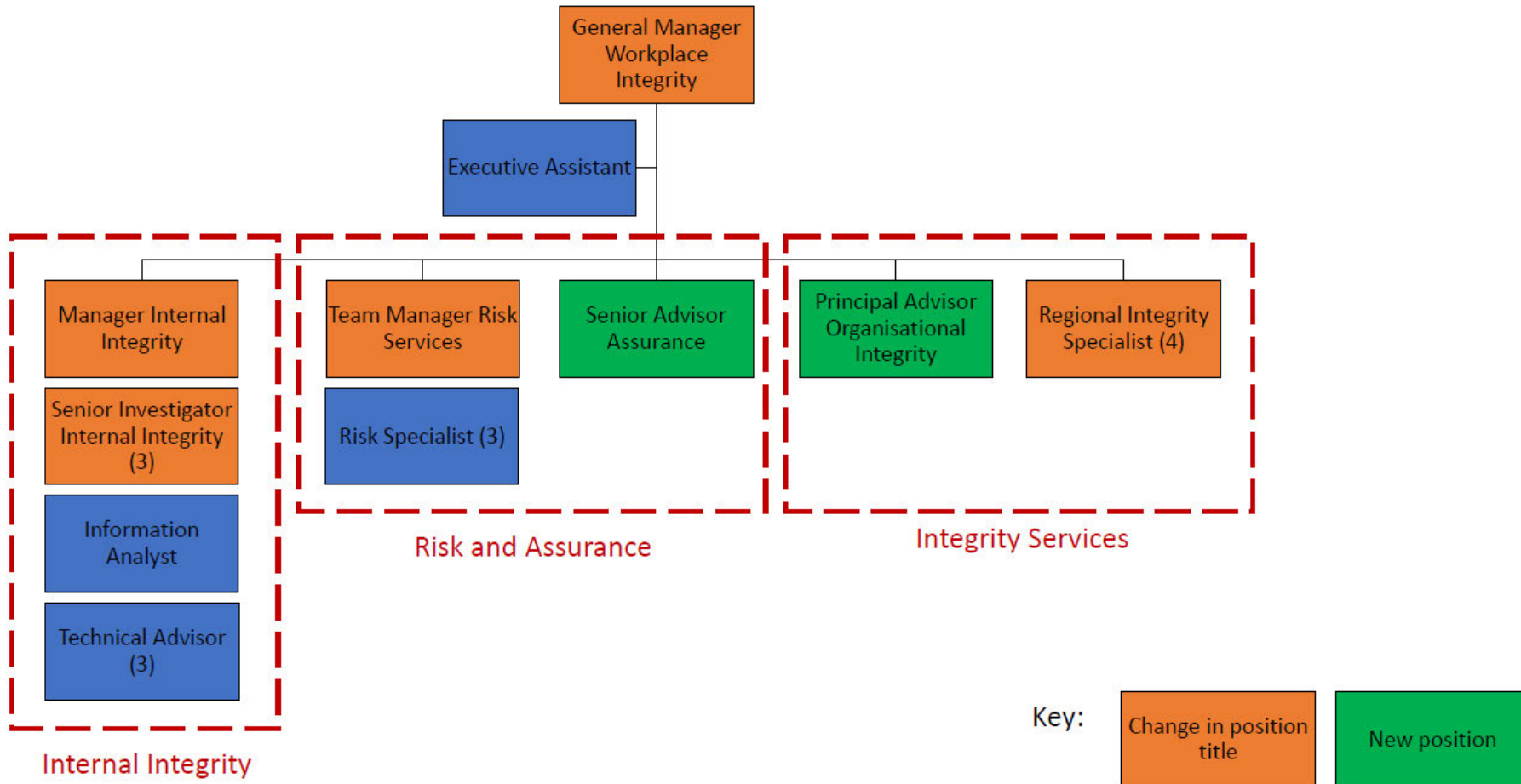
# Organisational charts

## Current structure



These temporary roles are focussed on wage subsidy

## New final structure



Note there are three temporary roles in Internal Integrity structure, focussed on wage subsidy

## Impact on individual roles

The table below identifies the changes to roles following the final decision on the new structure.

Current Position Title	Current Reporting Line	Confirmed Impact/s	New Position Title	New Reporting Line
General Manager Risk and Assurance	DCE Organisational Assurance and Communication	Change in title	General Manager Workplace Integrity	No change
Executive Assistant	General Manager Risk and Assurance	Change in manager's position title	No change	General Manager Workplace Integrity
Manager Assurance Services	General Manager Risk and Assurance	Position disestablished	N/A	N/A
Manager Risk Advisory Services	General Manager Risk and Assurance	Position disestablished	N/A	N/A
Manager Workplace Integrity	General Manager Risk and Assurance	Change in position title Change in manager's position title	Manager Internal Integrity	General Manager Workplace Integrity

<b>Current Position Title</b>	<b>Current Reporting Line</b>	<b>Confirmed Impact/s</b>	<b>New Position Title</b>	<b>New Reporting Line</b>
Principal Risk Advisor	General Manager Risk and Assurance	Will receive direct reports and HR delegations Change in position title Change in manager's position title	Team Manager Risk Services	General Manager Workplace Integrity
Principal Assurance Specialist	General Manager Risk and Assurance	Position disestablished	N/A	N/A
Risk and Assurance Regional Consultant	General Manager Risk and Assurance	Change in position title Change in manager's position title	Regional Integrity Specialist	General Manager Workplace Integrity
Risk Specialist	General Manager Risk and Assurance	Change in reporting line	No change	Team Manager Risk Services
Senior Investigator Internal Fraud	Manager Workplace Integrity	Change in position title Change in manager's position title	Senior Investigator Internal Integrity	Manager Internal Integrity
Forensic Analyst	Manager Workplace Integrity	Position disestablished	N/A	N/A

<b>Current Position Title</b>	<b>Current Reporting Line</b>	<b>Confirmed Impact/s</b>	<b>New Position Title</b>	<b>New Reporting Line</b>
Information Analyst	Manager Workplace Integrity	Change in manager's position title	No change	Manager Internal Integrity
Technical Advisor	Manager Workplace Integrity	Change in manager's position title Increase in establishment	No change	Manager Internal Integrity
Assurance Specialist	Manager Assurance Services	Position disestablished	N/A	N/A

## New positions

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There are two new positions in the new structure:

Confirmed New Position	Confirmed Reporting Line
Principal Advisor Organisational Integrity	General Manager Workplace Integrity
Senior Advisor Assurance	General Manager Workplace Integrity

Refer to Appendix A for the position descriptions.

## What happens now?

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Date	Action
Thursday 1 October 2020	Decision announced
Friday 2 October 2020	General Manager Workplace Integrity position will be advertised internally
From Wednesday 7 October 2020 onwards	Expression of interest process commences for new positions
Thursday 26 November 2020	Implementation of the new structure

## Employee support

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We understand that change can be difficult and stressful so if for any reason you would like someone to talk to about the change or any other pressure you may be facing, we encourage you to contact the free counselling service provided by the Ministry through our Employee Assistance Programme (EAP) Benestar. You can use BeneHub to find a counsellor in your area and book an appointment. You can call Benestar on 0800 360 364 or find further details online by searching for EAP on Doogie.