



Report

To: Hon Carmel Sepuloni, Minister for Social Development and Employment

From: George Van Ooyen, Group General Manager Client Service Support

Date: 7 October 2021

Security level: IN CONFIDENCE

Wage Subsidy Scheme: Investigation referrals to the SFO

Action: For Information

Executive summary

- 1 The Ministry of Social Development (MSD) have referred 10 Wage Subsidy Scheme (WSS) investigation cases to the Serious Fraud Office (SFO).
- 2 The SFO will issue a short press release on Monday 11 October 2021, confirming they have received a referral of some cases from the Ministry and that enquiries into these have commenced.
- 3 MSD will not be issuing a press release but will manage any media enquiries that result.

Recommended actions

- 4 It is recommended that you:
 - a) **note** the contents of this report
 - b) **agree** to forward a copy of this report to the Minister of Finance.

agree / disagree

George Van Ooyen
Group General Manager Client Service Support

Date

Hon Carmel Sepuloni
Minister for Social Development and
Employment

Date

Context

- 5 Investigations into WSS misuse are ongoing. As at 24 September 2021, there were 1,061 cases referred for investigation of which 539 have been resolved.
- 6 In early September 2021, MSD contacted the SFO s6(c) OIA [REDACTED]
- 7 Following preliminary analysis, the SFO has formally accepted the referral of 10 s6(c) OIA [REDACTED] cases and have commenced initial enquiries into these.
- 8 The ten cases s6(c) OIA [REDACTED]
- s6(c) OIA [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]
- 9 s6(c) OIA [REDACTED].
- 10 The SFO has received specific funding in its appropriation to tackle fraud arising from the COVID-19 pandemic which will be used to conduct these investigations.
- 11 Two MSD Investigators will be seconded to the SFO to support the continuation of these investigations, and lessons learned will be fed back to support further integrity enhancements of the scheme.
- 12 The SFO will issue a short press release on Monday 11 October 2021, confirming they have received a referral of some cases from the Ministry and that enquiries into these have commenced, but does not intend to make further comment.
- 13 MSD will not be issuing a press release but will manage any media enquiries that result. Reactive lines have been prepared and these will be shared with your office.
- 14 The SFO are briefing Hon Poto Williams, Minister Responsible for the Serious Fraud Office, concurrently.
- 15 Note, the next quarterly update on our on-going approach to Wage Subsidy integrity is due to your office this month.

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Responsible Manager: Warren Hudson, General Manager Integrity and Debt

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