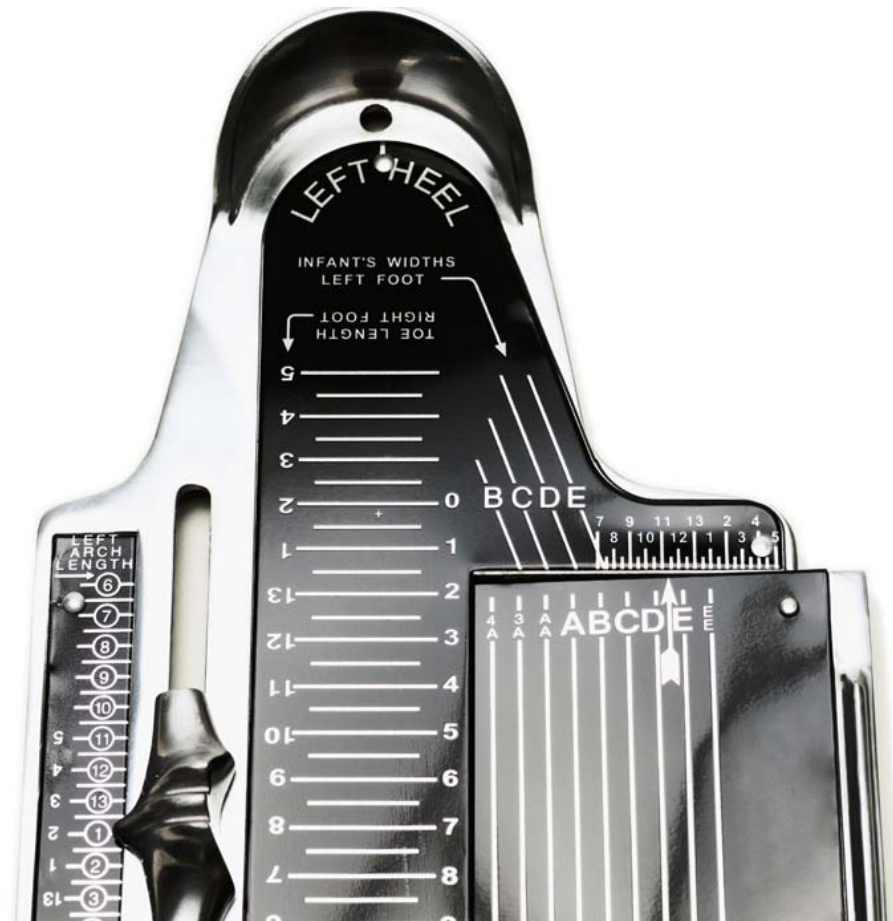


Accident Compensation Corporation Investigation Capability Reviews

RELEASED UNDER THE
OFFICIAL INFORMATION ACT

8 November 2013



CONFIDENTIAL

8 November 2013

9(2)(a)

Board & Corporate Secretary
Accident Compensation Corporation
PO Box 242
WELLINGTON 6011

Dear 9(2)(a)

RE: ACC Investigation Capability Reviews

We are pleased to attach our report concluding our independent review of ACC's investigation capability. Our findings and recommendations are attached for your consideration and comment.

We have outlined in the report what leading practice looks like to help ACC establishing an appropriate internal fraud capability. We have also taken a fresh look at the existing National Investigation Unit that was the subject of a review in 2007.

The offshore peer agencies have generously extended an invite for ACC to form a relationship and share experiences (see **Appendix D**).

Please do not hesitate to call either 9(2)(a) on 9(2)(a), or myself on 9(2)(a) 9(2)(a), anytime.

Yours sincerely

9(2)(a)

9(2)(a)

Partner

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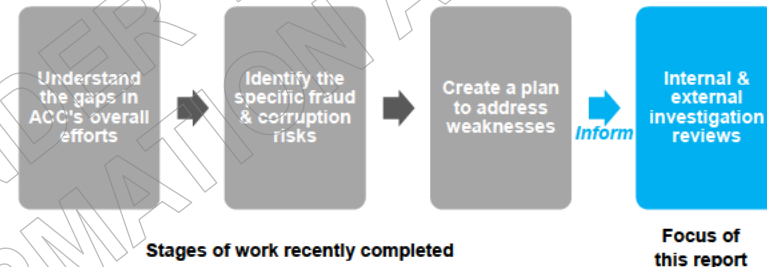
1. Executive Summary

In July 2013, we completed a counter fraud Gap Analysis and Fraud & Corruption Risk Assessment that established how well the Accident Compensation Corporation (“ACC” or “the Corporation”) approaches fraud and corruption risk, identifying what the risks are and assessing the effectiveness of existing controls in place.

ACC has close to 3,000 employees and each year receives, disburses and invests billions of dollars. Management recognises this profile creates an environment where there is a potential employee fraud risk. We were initially asked to provide ACC with advice around establishing an appropriate internal employee-focused fraud and corruption capability.

In 2007 an independent review was conducted of the National Investigations Unit that existed at that time. This Unit, in the main focussed on external fraud threats and investigations. Following the review changes were made to the Unit’s focus reporting line and internal structure. ACC considered that now was seen as a good opportunity to have a fresh look at the Unit to see how fit for purpose the Unit is today, reflecting on the gaps and recommendations made in 2007.

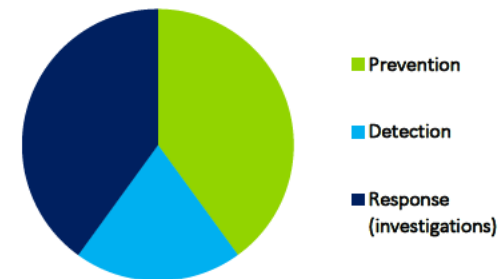
Through a combination of leveraging the experience of a number of peer agencies, interviewing the various stakeholders and applying our own experience in this specialist area, we have outlined recommendations that if implemented would see ACC’s have a more robust approach to the wide range of potential third party and employee-focused threats it faces today. To deliver on ACC’s desired counter fraud outcomes, the Corporation needs a new employee-focused prevention, detection and response capability. With a broader scope and an increased focus on customer service, the Investigators and Intelligence Analysts that are currently restricted to investigating client fraud can be more effective.



Internal fraud and corruption capability

With a clear mandate from the Executive, a new ‘business friendly’ Integrity Investigation Manager will initially have a total focus on prevention and detection efforts, working across the business to raise awareness of this business risk, providing education to new starters and experienced personnel and they will establish proactive detection initiatives.

Over time the individual will be seen by managers as a trusted advisor that focuses on prevention but can be relied upon to complete professional investigations when required, working very closely with HR.



Suggested Integrity Investigation Manager’s focus

They will build a good profile and will be perceived as fulfilling an important role for a mature business.

The individual will be a key participant in the recently formed Disclosure Committee at ACC that will adopt the role of an assessment panel that considers allegations as they come in and is kept up to date with investigations that are undertaken.

Review of National Investigation Unit

In our opinion the team within the National Investigation Unit (“NIU”) has made good progress since the changes implemented after the review in 2007. In a survey completed by 163 ACC personnel, more than 75% of the respondents said they:

- have a good or excellent understanding of the role of the NIU
- believe the Unit is responsive
- are satisfied with the NIU overall
- have had decision making supported by the NIU

The employees who provided negative commentary focused on poor turnaround times, the unit being separate from the network and staff not hearing back when they have referred information to the NIU.

There are a variety of areas where our review of the Unit against peer agencies suggests ACC could take a different approach. Three key issues in our opinion require attention:

Narrow focus

There is an almost exclusive focus on client (external) fraud at ACC, which has in our opinion been to the detriment to achieving prevention, deterrence and detection outcomes with providers and levy payers. A clear and more balanced strategy, endorsed by the executive, will be required to have a better focus. Efficiency gains made through more aggressive file screening, having intelligence support with each of the area teams and addressing the case management and workflow needs is also very likely to allow extra work to be undertaken without impacting the client-based savings made.

We have recommended in this report that the NIU’s scope increases to form an ACC Integrity Service that will address a more holistic view to countering fraud and corruption risk, focusing not just on investigations but also prevention and detection initiatives. Employee fraud and corruption risk and the on-going commitment to the fraud and corruption risk assessment also need to be better catered for.

In our opinion there are merits to have the expanded team reside in an ACC-wide area of the business. We have suggested a move from Claims management to Actuarial and Risk as one option to consider.

NIU leadership disconnected

The Investigation Unit is, in our opinion, missing a significant opportunity internally. We observed during the review a distinct lack of engagement between the Unit and the Executive. This issue is thought to have emerged from a desire by the manager of the NIU to be an invisible service line within ACC.

Our observation from comparing ACC with the peer agencies highlighted that ACC would benefit from widely communicating the units counter-fraud strategy and the initiatives it was working on to colleagues, providers and the public to proactively publicise what the team does and why. This encourages more open communication, increased compliance and an acceptance of the need and benefits for stakeholders when ACC undertakes this work.

Leadership in NIU Intelligence disconnected

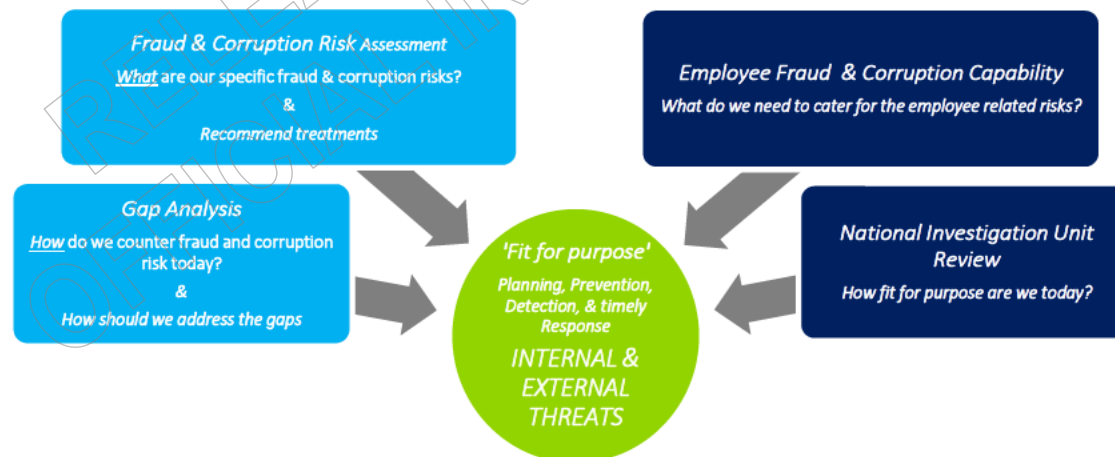
The centralised intelligence model the NIU uses is not customer focused. The feedback we received throughout the review was that this approach has consistently delivered a product and service that is not meeting the needs of the customers who are the investigators in the areas. We have suggested a re-think; possibly a move to regional Intelligence Analyst model that could see an early and sustainable improvement in investigator efficiency and customer satisfaction levels.

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2. Introduction

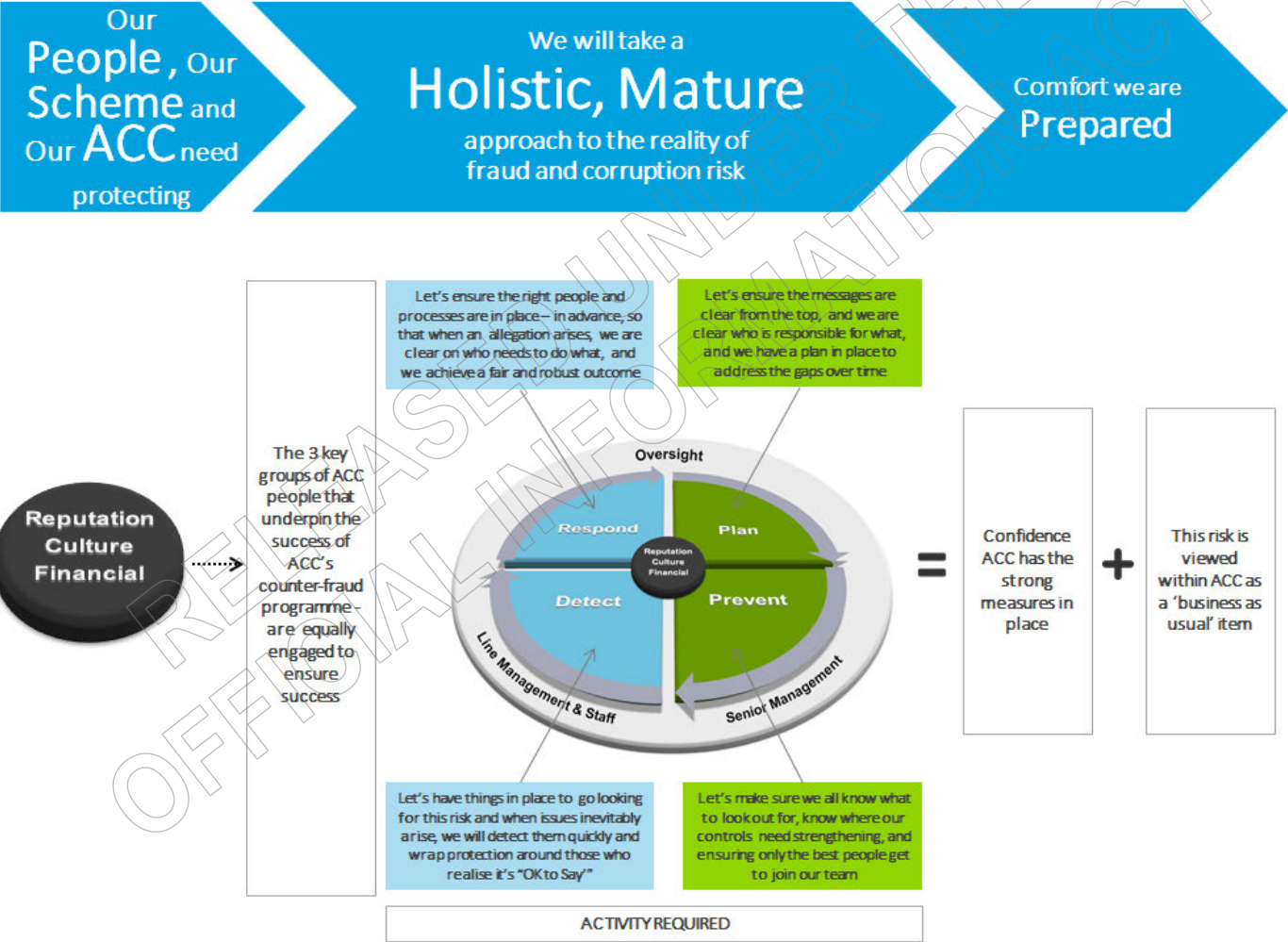
Background

- 2.1 The Accident Compensation Corporation (“ACC” or “the Corporation”) has not had an employee fraud and corruption focused capability for several years. With the exception of the Malcolm Mason employee issue that arose in 2009, fortunately there have been very few other issues detected in recent years involving employee dishonesty. Recognising that the corporation has a variety of potential threats, a view reinforced by the risk assessment, the Corporation initially asked us to provide advice around building an employee focused capability.
- 2.2 We then undertook a Counter-Fraud Gap Analysis to better understand how it approaches fraud and corruption risk. This benchmarking exercise highlighted some strengths and weaknesses when compared with a better practice model. ACC also undertook for the first time an entity-wide fraud and corruption risk assessment which focused on identifying the variety of specific risks the Corporation faces today. The assessment identified around 150 risks with two thirds involving employees, assessed the effectiveness of controls which overall are effective, and proposed several control improvements to areas with moderate to high residual risk.
- 2.3 We were also asked to have a fresh look at how ‘fit for purpose’ the National Investigation Unit (“NIU”) is today, reflecting on the independent review of the Unit carried out in 2007.



Alignment with ACC's new Counter-Fraud Outcomes Model

2.4 A model was developed at the end of the Fraud Risk Assessment to help describe what the Corporation's is aiming to protect, the approach to take, and what the goals are. This review is intended to provide advice around the capability required to deliver on the desired outcomes in this model.



Scope of this Review

- 2.5 The objective of the first phase of work was to provide a practical plan to build a sensible, cost-effective employee-focused capability that would leverage lessons learnt elsewhere and identify areas for ACC to avoid. This work would explore the options of increasing ACC's focus on the inevitable employee-focused threat by capturing the views of a range of pre-approved peer entities who have established an employee-focused capability.
- 2.6 The objective of the second phase was to understand and comment on the extent to which the NIU has:
- an unambiguous strategy and clear objectives that align with the Corporate strategy for fraud
 - a commensurate organisational structure
 - the optimum capability & capacity to deliver on the strategy
 - an efficient and effective set of tools and technology to complete the work
- to support ACC in the achievement of its goals.
- 2.7 Both phases were to leverage the findings of the Gap Analysis and Fraud Risk Assessment to ensure the capability ACC has going forward is fit for purpose and caters for the identified gaps and risks.

Limitation of this Review

- 2.8 The terms of this engagement and the scope of the work you asked us to undertake is different from an audit or a review engagement, and the assurances associated with these reviews are not given. The financial and other information contained in this report have been provided by ACC's personnel. Our review was based on enquiries and the exercise of judgement. There is, therefore, an unavoidable risk that some issues may remain undiscovered. Our review cannot be relied on to prevent or detect specific or actual incidents of fraud or error.
- 2.9 Due to the size of the NIU, we have interacted with all of the key managers and a selection of the operational team members. As such have not interviewed all of the personnel in the Unit.

Fieldwork

2.10 We completed the internal fraud capability phase in May and June. The review of the NIU was then completed in August and September. This involved contact with a number of third parties who were all keen to help ACC where they could. We also spent time with members of the ACC Executive, senior managers and ACC operational staff. Our principal ACC contacts, and project sponsors, were:

- 9(2)(a) (Company Secretary) – sponsor and engagement oversight; and
- 9(2)(a) (Associate Company Secretary) - assisted with the overall review and coordination of the interviews and provision of information.

2.11 We were provided with full access to relevant financial, personnel and other operational documents. As with the Gap Analysis and Fraud Risk Assessment work, all ACC personnel fully engaged with our enquiries and review.

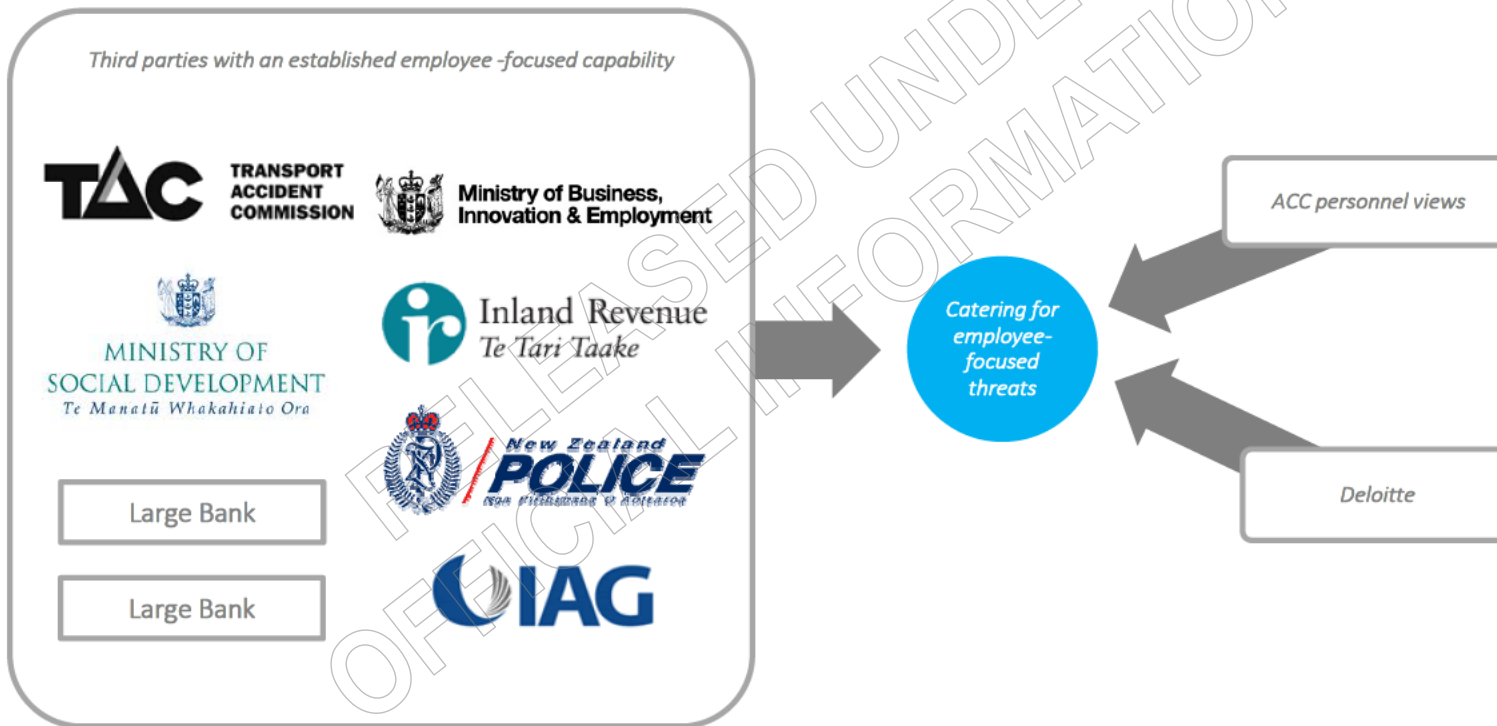
2.12 At the conclusion of our fieldwork we discussed our key findings with 9(2)(a). We also provided ACC with a copy of our draft report on 13/9/13.

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3. Internal Investigation Capability Review

Approach

3.1 To understand what ACC should have in place to manage potential employee related fraud and corruption risk, we interviewed key personnel from external organisations that have already built and maintained a capability. We did this to leverage their considerable experience. We blended that advice with the views of ACC personnel and our own experience in this space (refer Appendix A).



3.2 The conversations that took place covered a number of subjects. We have outlined our key observations and recommendations below.

Strategy and Objectives

- 3.3 A common theme for those responsible for responding to allegations that involve serious wrong doing by employees is the need to be supported by clear messaging from the top of that organisation and through to all employees. The messaging works best when it is unambiguous and is delivered by the Chief Executive. The messaging outlines what the organisation's attitude is to employee ethics and integrity issues, and also covers how seriously it will take the education, prevention, detection and response to issues that arise.
- 3.4 If the position is stated to be 'zero tolerance', it is imperative that the policy statement is backed up by action when issues arise.
- 3.5 In that messaging from the top, strong and positive ethics and integrity related statements are a feature. Those charged with enabling the policy are well known across the business as being fully supported from the top and having a clear mandate to deliver on the position set by the CEO and Executive.
- 3.6 Operating protocols are clear and agreed – as the organisation needs to understand where responsibilities sit.

Recommendations

1. **The CEO and Executive Team should consider their position and communicate in clear 'business as usual' terms what the organisation's attitude to fraud is**
2. **The Disclosure Committee is well placed to 'operationalise' that position.**
3. **As the scope of the fraud policy is being expanded to cater for serious wrongdoing, which is a positive step, the desires of the senior team should be clearly reflected in that document. This will include:**
 - **what the position is and why it is important;**
 - **a commitment to providing proactive education for new starters and the longest serving team members;**
 - **highlighting the mechanism to report concerns; and**
 - **how ACC will conduct a robust and transparent investigation when issues arise.**
4. **Develop a set of protocols to reinforce and clarify exactly who is responsible for what.**

Process

3.7 A common theme emerged from the interviews. What has proven successful with both private and public sector organisations is having a group that regularly meets to oversee the proactive and reactive measures taking place by the organisation regarding its employees. A multi-disciplinary group works the best with senior personnel representing the following areas of the business:

- Senior Manager from the business
- HR
- Legal
- Risk & Assurance
- The Investigator (who will coordinate or undertake the investigations)

3.8 This group or Committee assembles on a scheduled basis to review the proactive efforts and to be provided with updates on the investigations underway.

3.9 The group is visible and transparent to the business. Employees know of its existence and the role it performs, and as there are various skills represented, the risk of challenging the process and the outcomes is reduced. All allegations are assessed and a conservative line is taken when deciding whether to investigate or not. Feedback of the allegation outcomes are provided back to the business by the group to ensure continuous improvement.

3.10 The investigators who implement the strategy are focused on prevention, detection and response. In entities where allegations against employees are regularly made, the broad split of focus tends to be 40% on prevention, 20% on detection efforts and 40% investigating allegations.

3.11 **Key Prevention** initiatives include:

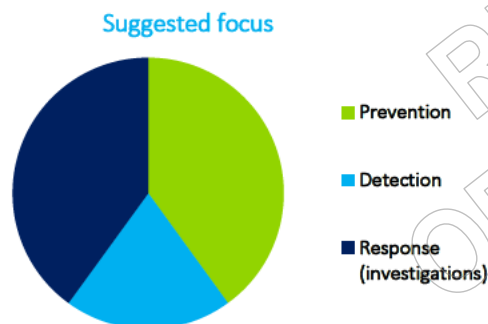
- Developing awareness training material
- Delivering awareness sessions for new starters at induction
- Delivering awareness sessions for managers and staff at scheduled sessions
- Working with the assurance / risk managers to foster continuous improvement to the control environment
- Working very closely with HR to ensure alignment across all aspects
- Providing reporting to the business around emerging trends, key initiatives and progress on investigations

3.12 *Key Detection* initiatives include:

- Complete familiarity with the fraud and corruption risk register
- Working closely with business owners to develop risk profiles that can be run across the transactional data by the Business Analysts
- Working with the Intelligence Analysts in the broader investigation team to leverage their tools and business understanding
- Working with managers to tailor alerts

3.13 *Key Response* initiatives include:

- Taking a lead role in the committee that forms to assess new allegations
- Provide reporting and updates to the committee regarding active investigations
- When allegations arise, providing well considered advice to the committee around the various investigative options available to the business, and the associated risks and benefits
- Leading the investigations involving allegations made against employees
- Maintaining very close communication with HR and business managers as investigations progress
- Where necessary, preparing the referral files and liaising with Law Enforcement agencies, Crown Prosecutors and counsel.
- Ensuring all available lessons are fed back into the business.



Recommendations

1. The existing Disclosure Committee is well placed to perform the function of assessing all employee-related allegations involving serious wrong doing, beyond focusing on 'Protected Disclosures'.
2. As suggested later in this section, a suitably qualified 'Integrity Investigation Manager' who has the right profile should be a key member of this group, working very closely with the HR representative.
3. The committee could periodically report to the ACC Board Audit and Risk Committee.
4. The Integrity Investigation Manager will be accountable for ensuring the business has every opportunity to leverage the experience built here to improve controls.
5. ACC should expect the Integrity Investigation Manager to initially focus 50/50 on prevention and detection initiatives. As allegations increase (due to increased levels of awareness) and detection initiatives become more business as usual, the balance should move towards a split shown in the diagram to the left.

Tools, Technology and Systems

- 3.14 The two banks, Inland Revenue Department (“IRD”), the Ministry of Social Development (“MSD”) and the NZ Police are in our view were the more effective of the entities we spoke to at leveraging business as usual data to look for employee related risks. A standout common theme involves having a very good relationship with the business data owners and their analysts. The effective Internal Investigators work hard to have ease of access to the information together with the ability to scan the data warehouses for activity that may fit certain risk profiles. When the various business rules are triggered, assessment and intervention where necessary can occur based on indicators in the data
- 3.15 The Police have developed an ‘Early Intervention’ programme which is intended to support and assist employees who may be facing personal or professional difficulties that could escalate into a performance or misconduct issue. It is a voluntary and confidential process which involves employees meeting ‘red flag’ business rules in the employee related data that results in an intervention.
- The data in the Police context is their ‘client’ database, PeopleSoft, tactical options data (front line decision making involving various use of force options) and complaint data.
 - The employee’s supervisor is advised of the alert that has triggered, and they have an off the record ‘Intervention’ discussion with the employee.
 - While the data types and the Police context may not seem relevant to ACC, it is the principle of firstly understanding what may be indicators of an increase in motivation and rationalisation¹ for an ACC employee to do the wrong thing, and secondly receiving a proactive ‘heads up’ that an employee who may be at risk should have the option of being spoken to.
- 3.16 In terms of the tools and systems successfully deployed elsewhere, the following are consistently deployed by internally focused personnel:
- Ready access to data mining capability (The combination of ACC’s Business Information and Reporting team “BIAR” and the NIU’s Intelligence Analysts have this capability)
 - Access to i2 Analyst Notebook capability to assist with detection and investigation efforts (ACC already has this tool and iBase)
 - Access to pre-arranged third parties that can provide specialist computer forensic and forensic accounting resources
 - Access to additional investigative resources that are able to work closely with managers in the business during what is typically a stressful time
 - Video conferencing to facilitate committee meetings
 - Digital dictaphone and transcribing support
 - e-Learning for employees to learn about red flags and reporting concerns

¹ Refer to the ‘ACC Employee Fraud Diamond’, page 24, ACC Gap Analysis and Fraud & Corruption Risk Assessment Report

- Email & internet usage monitoring
- A central reporting database that has strictly controlled access

3.17 Successful Integrity Investigation Manager build repeatable awareness training that they can roll out to employee awareness sessions, whether they are being delivered for new starters or experienced personnel.

Recommendations

1. When recruiting the Integrity Investigation Manager, ensure the person has a proven ability to work alongside people in the business such as the BIAR team, and that they have a good grasp of how business data can be exploited in this context.
2. Consider the merits and application of an Early Intervention type of approach in the ACC context. Perhaps this could be one of the proactive initiatives for the new Integrity Investigation Manager to explore.
3. Equally have the new person use the above tools and systems list to identify any gaps in the ACC toolkit.



Structure

- 3.18 Where the responsibility for employee focused prevention detection and response efforts is pushed down too far in an organisation, the peer agencies have found from their experience the effectiveness reduces considerably. The other common observation is to encourage an independent perception of the role, the placement within the organisation in an area that has a business-wide view such as risk, assurance, legal or if there is one, the Office of the Chief Executive.
- 3.19 The ratio of internal investigators focused on this effort to total employees hovers around one FTE per 1,000 to 2,000 employees.
- 3.20 Internal investigators are often part of a broader investigation team, physically working alongside their fellow investigators focused on external threats. When working well, the internal investigator's proactive prevention efforts are highly visible to their fellow investigators. Equally there is typically some form of a 'Chinese wall'² element where the employee focused detection and investigation work has additional security and sensitivity applied. This approach also applies when Intelligence Analysts from the broader team are called on to help the investigator make sense of the data mining efforts.
- 3.21 As mentioned in the previous section, where additional resource is required, using external resources can be preferable to avoid the awkwardness of externally focused investigators who rely heavily on front line contributors, being perceived as the people who investigate colleagues.



Recommendations

1. If the recommendation to have a manager of a broader scoped 'Integrity Services' is adopted (see later sections), incorporating internal and external threats and the fraud risk assessment work, the leader of that function would be at an appropriate level within organisation (3rd tier reporting in to a member of the Executive team). The Integrity Investigation Manager would report in to that manager.
2. Create one FTE Integrity Investigation Manager position, incorporated within Integrity Services.
3. While ACC has a substantial team focused on external threats, feedback from the peer agencies, ACC managers and NIU staff suggests it may be unwise to deploy the external investigators to investigate employees.

² A Chinese wall is an information barrier implemented within an organisation to prevent exchanges of information that could cause conflicts of interest. (www.wikipedia.com 2013)

People

3.22 The profile of the individuals who have had more success as employee focused managers became quite clear from the peer agencies and is consistent with our own observations. The entities have reflected that the type of work that is carried out demands a specific type of individual. The effective examples possess these qualities. They tend to be :

- Extremely good communicators and 'business friendly'. They are not perceived as a stereotypical 'policeman' who may be focused on a prosecution.
- Comfortable interacting with senior managers who may, when such allegations surface, be subject to significant stress.
- Very strong relationship builders that are very closely aligned with senior HR personnel.
- Experienced at conducting very sensitive employee focused investigations, ideally with some experience in a commercial environment.
- Strong investigation background with very strong interviewing skills.
- Preferably CIB (or equivalent) trained and qualified to provide comfort regarding the integrity of the investigation and where required the prosecution process.
- Experience in exploiting technology to detect and respond to employee related issues.
- Has an established network with peer agencies.

Recommendations

- 1. ACC should consider establishing a new Integrity Investigation Manager position.**
- 2. The critical success factor will be the profile of the person. Taking in to account the points outlined above, ACC should carefully seek out a business friendly senior investigator who has experience investigating sensitive matters and has a proven ability to adopt the role of trusted business adviser, very familiar in taking a holistic view to employee integrity related issues.**

Alignment

- 3.23 To be effective, the review concluded that employee focused investigators require very strongly alignment and relationships with the organisations HR function. Some organisations have a dedicated HR team member assigned to the integrity function.
- 3.24 Senior and operational managers should expect the Investigator to be:
- Culturally aligned with the business. This applies to the overt and discrete initiatives undertaken
 - Absolutely aligned with the CEO's position on employee integrity related issues
 - Very aware of business processes and priorities
 - Sensitive to business owners needs to have a well-balanced, transparent process around their employees
- 3.25 The investigators are well connected with peers working within other agencies in the private and public sectors. The effective investigators are viewed as being at 'the front of the pack'.

Recommendations

1. **Consistent with earlier comments, we cannot over-emphasise the need for the integrity Investigation Manager to be very closely aligned with ACC's HR team.**
2. **ACC should have an objective to have the Integrity investigation Manager (over time) viewed internally and externally as a very professional adviser that provides a very high quality service, adding value to the trust and confidence in the brand.**

4. National Investigations Unit Review

Approach

- 4.1 To understand and comment on the extent to which the current National Investigation Unit has an unambiguous strategy, clear objectives, organisation alignment, a suitable organisational structure, capability, capacity and the right tools, we undertook the following phases of work:



Stakeholder feedback

Customer feedback

- 4.2 An important stakeholder group for the NIU are their 'customers'. We sent a short ten question survey to around 350 existing personnel who have either provided the NIU with information or work in an area of ACC that is more likely to interact with the Unit.
- 4.3 The survey had responses from 163 employees, which in our experience is an excellent response rate.

4.4 The survey was intended to seek feedback around their experience, views on what is going well and areas that could be improved. The questions asked were as follows:

No.	Question
1	Please describe how often you have interacted with the Investigation Unit
1a	If you have not interacted with the Investigation Unit, why is that? (more than one answer is ok)
2	What best describes the location in ACC you work? <i>(To align with the 3 Investigation Unit geographic areas)</i>
3	Please rate your level of understanding what the Investigation Unit does for ACC
4	What was the nature of the interaction? (you can choose more than 1)
5	How would you rate the responsiveness of the individuals(s) you interacted with?
6	If you have sent through information about specific concerns, please rate your overall level of satisfaction with the service provided
7	Rate how well the Investigation Unit helped you make better decisions
8	Are there any services that you would like the Investigations Unit to provide that are currently not offered?
9	What does the Unit do well that you would like to see more of?
10	What would you like the Unit to do differently?

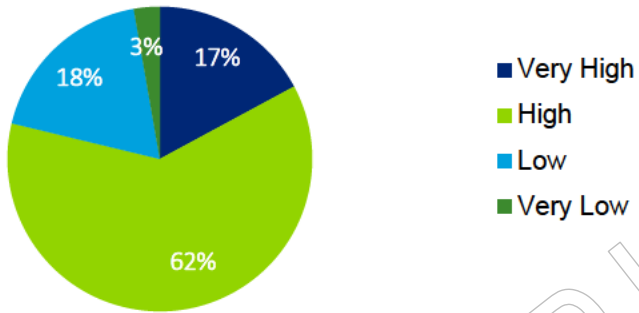
The 4 rating levels used were intentionally chosen to encourage the respondent to take a positive or negative position rather than offering a neutral option:

*Excellent/Very High
Good/High*

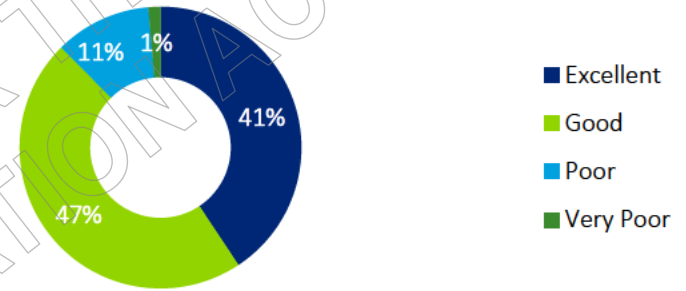
*Poor/Low
Very poor/Very Low*

4.5 The survey results reflect very good feedback relating to customer understanding, satisfaction levels, thoughts on responsiveness and how the Unit helps decision making:

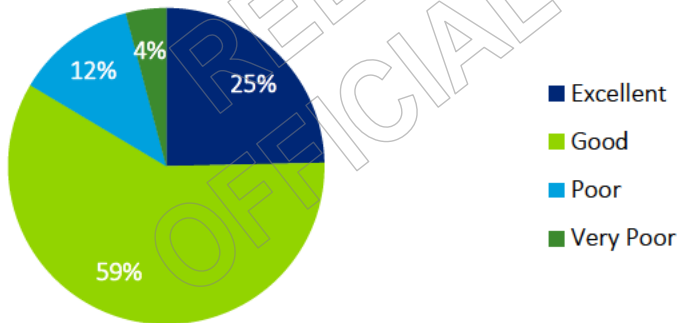
Understanding of what the NIU does



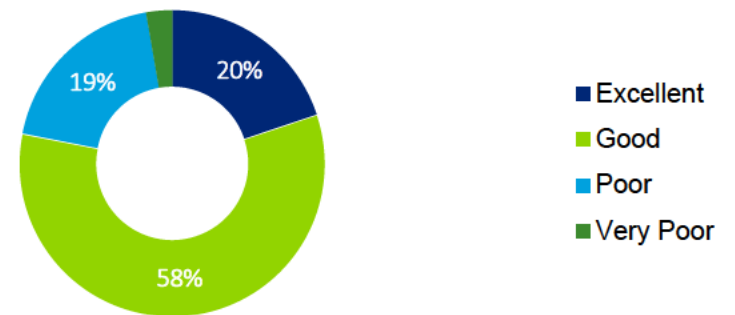
Responsiveness



Satisfaction with Unit

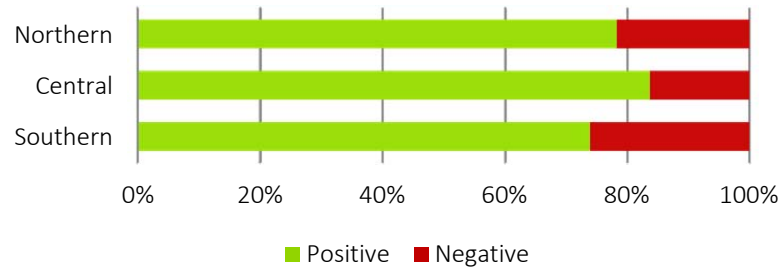


Assisted in decision making

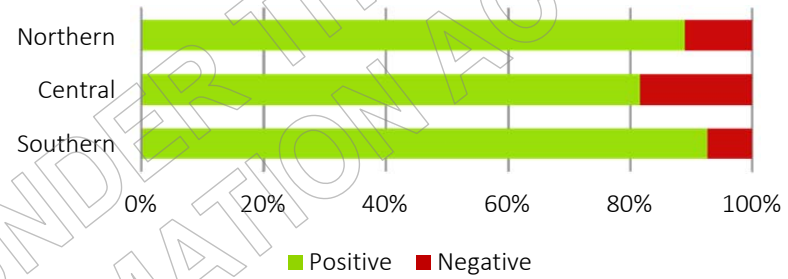


4.6 We then analysed the results to understand the percentage of positive and negative responses by geographic area. While there are subtle differences by area, overall the ACC customer ratings are high:

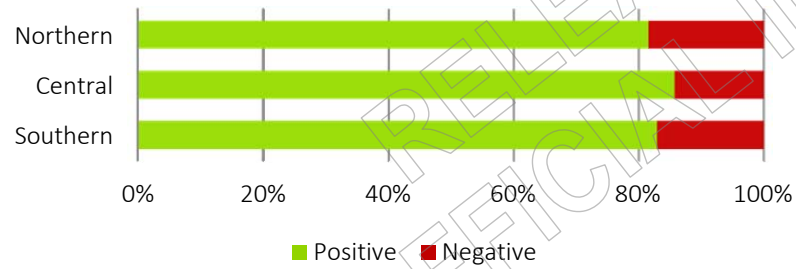
Understanding



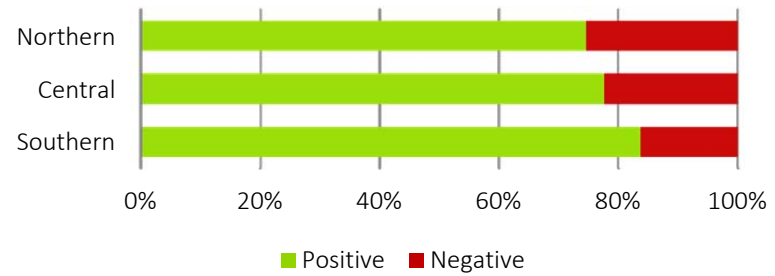
Responsiveness



Satisfaction



Assisting in decision making



4.7 A large number of respondents provided us with multiple comments. Their anonymised feedback is included at **Appendix C**. Some general themes that emerge are:

- Front line staff are more satisfied when they have investigators in the branch.
- Sharing a branch with an investigator has a direct correlation to integration between the Branch and Unit and increases perception and responsiveness.
- Responding to colleagues in a timely fashion is clearly an issue for many. Several have never heard back after sending information in to the NIU.
- The quality of the experience varies depending on the investigator interacted with.
- The Case Managers like surveillance.
- Providing education to Case Managers and Branch Staff is desired, covering what to look out for and what to do with the information.
- Investigators should provide feedback when a file they referred to the Unit is closed and why.
- A weekly/monthly newsletter on the intranet about emerging trends would be really helpful.
- Supply training to network staff regarding conflict resolution and other skills may be found in the Unit
- The Case Managers would like to see Investigator's KPI's align with their own. Having visibility over the NIU's timeliness expectations of investigators would help avoid the feeling referrals can sit indefinitely.

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4.8 We also produced a view of the words that the ACC employees used in their feedback. The words are displayed those words in accordance with their frequency below. The darker and larger the word, the greater the frequency in the survey responses. Please note this is based on a simple word count rather than providing an interpretation of positive or negative bias. The frequency of the more prominent words seems consistent with the observations made above.



Feedback from Senior Managers

4.9 We also spoke with a small number of ACC senior managers to receive direct their feedback. We combined this with feedback that was informally collected during the Gap Analysis and Fraud Risk Assessment phase of this work (Refer **Appendix B** of this report and **Appendix B** of the related Gap Analysis and Fraud Risk Assessment Report).

4.10 The feedback from the managers was that they value the function that the NIU performs. Key themes and suggestions around how the service could be improved emerged from those conversations:

- The Team has very low visibility within the Corporation, they seem to answer to themselves.
- Lack of alignment between network key performance indicators (“KPI”) and NIU KPI’s.
- Need snappy reports to highlight activity and produce ‘Emerging trends’ one pagers for the network personnel.
- Need to be better at closing the loop on information disappearing into the NIU.
- Need faster turnaround times.
- More hands on awareness training for network personnel.
- Case Managers work hard to build rapport with Clients, even more so in recent times. It is important the NIU personnel approach things in a consistent manner.
- Carefully select the matters that surveillance efforts are applied to. Surveillance is a great tool when used well.
- It is helpful when the investigators encourage informal discussions with network personnel, and shouldn’t always require a formal approach – at least initially.

Feedback from Crown Prosecutors

4.11 We spoke with representatives from the Crown Prosecutors at the three main centres, Auckland, Wellington and Christchurch. The key themes that emerged from those conversations were:

- The Prosecutors have good relationships with the investigators.
- There is an opportunity for ACC to fill a gap by putting together a clear prosecution and recovery strategy which the three offices are keen to help with. This would outline what the objectives and priorities are and how ACC would like their prosecutors to implement that strategy. The prosecutors would like to have goals to work towards that align with the NIU and wider ACC strategy;
- The quality of files the prosecutor receives are, generally, very good, especially when compared with other peer government agencies. Having ex-CIB personnel has helped. File quality can vary depending on the investigation staff that has been involved prior to it arriving at the Crown. On occasion, a file that has presumably made it through the Investigation Unit checking process can still require a lot of work. This though is the exception.
- The Auckland Area received special mention due to a noticeable and marked improvement in their prosecution file quality over the last 5 years;
- If consistency in the service received by ACC in the provincial areas is variable, ACC may see value in adopting a more centralised crown prosecution provider model, with Auckland, Wellington and Christchurch firms providing all of the support, increasing consistency. The prosecutors understand the additional travel costs during trial will need to be weighed up with the benefits in that assessment.
- There is a risk that files that sit for an extended period before being investigated and then taking an extended period to investigate run the risk of a stay of proceeding application made by the clients counsel. The investigators need to keep a close eye on ageing files.
- ACC could achieve greater financial returns and realise a higher degree of deterrent effect by pursuing civil recoveries when there are assets to recover.
- There appears to be an opportunity to prosecute more providers but any decision to pursue needs to be made in line with the strategy as outlined above.
- The Prosecutors see value in conducting a targeted 'blitz' on at risk areas.
- The Prosecutors are keen to provide training on the application of new legislation.
- The Prosecutors can provide coaching and advice to case managers involved in review meetings which the network personnel can find stressful.

Feedback from NIU Team Members

4.12 We held a SWOT workshop with a small number of senior people from the NIU to gain a better understanding of their perceived internal strengths and weaknesses and external opportunities and threats. This view could later be compared and contrasted with the perception of the interviewees and our own observations.



4.13 We later interviewed some NIU team members in 'one on one' settings. The key positive themes were:

- The team members are very passionate about the importance of their work
- The Investigators and Intelligence Analysts have a strong desire to provide a good product or service
- The recent awareness sessions run across the branches were very positive for the network staff and the NIU team.

4.14 The most significant negative aspects that came through in those conversations were:

Disconnected at the top

- The observation made was that Investigation Unit is missing a significant opportunity internally as there is a distinct lack of engagement between the Unit and the Executive.
- This issue is thought to have emerged from a desire by the Unit to be an invisible service line within ACC. This position is in stark contrast to the pre-2007 report era where the Investigation Unit (as it was then) had a high profile (for what we understand were the wrong reasons) perceived at that time to be causing negative perception issues for ACC.
- There is therefore a lack of connection between the activities the Unit performs and the strategy of ACC and the Executive. The team perceive in absence of that connection and an aligned strategy, the Unit creates its own priorities and work plans in isolation of the business.

Success criteria and a lack of focus on providers and levy payers

- The team are almost entirely focused on investigating claimant (external) fraud. This is due to the requirement to achieve dollar savings, and Client based fraud is the most effective place to achieve savings when claimants exit the weekly compensation scheme after an interaction.
- Provider investigations are avoided as they are time consuming and involve expensive prosecutions – often for a very small value defrauded from the scheme. Levy payers are another area of untapped potential to increase revenues to the scheme.

Leadership in the NIU Intelligence

- The Intelligence function has been consistently producing product that, on 90% of occasions, is not what the Investigators require. The staple product is in depth profiles on individual which can take several weeks to produce, during which time an investigation progresses.
- The feedback provided to the Manager Intelligence for several years has not resulted in a change to the service provided.

- The Analysts are adhering to the instruction of their manager. The investigators perceive the cause of this issue is a lack of appreciation by the Manager Intelligence of who the customer is and providing a service the customer wants. The position taken appears to be instructing the analysts to produce what is considered correct rather than providing what the customers' desire.
- This long term gap has resulted in Administrative Support personnel in the regions producing Intelligence product for their teams, effectively bypassing what the Intelligence Analysts spend a lot of time and effort producing. When detailed profiles are needed, what is produced by the Intelligence Analysts is very helpful. Providing more instances of a trimmed down product would be of more benefit on the majority of occasions.
- Tools such as the geospatial capability, purchased to add value to the intelligence product, is currently under-utilised and could be helpful to other parts of the business. The perception raised by some staff was that the manager of the NIU would prefer to keep those specialist capabilities within the Unit.






Case Management and workflow

- The introduction of a robust Case Management and workflow tool will remove a large amount of low value duplicated effort and reduce the risk of privacy breaches with spreadsheet and email workarounds in place.

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Reflecting on the 2007 report

Issue category	Issue raised in 2007	Progress		Result
		Observations	Result	
Alignment	<i>Previously positioned with Risk & Assurance for convenience rather than being driven by a business need</i>	The move from Risk & Assurance into Claims Management has been effective in improvements since 2007. The opportunity now is to broaden the scope of what is delivered.	Moderate improvement	●
	<i>No clear organisational mandate or approach which leads to differing views on how fraud should be approached by the organisation</i>	There does not appear to be a clear position on frauds of various levels being committed against the scheme by third parties. For example it is clearer that the Corporation takes a zero tolerance approach to employee fraud and corruption.	Minor improvement	●
	<i>General lack of understanding as to the role and function of the Unit across the organisation</i>	Survey results suggest that around 75% of colleagues understand what the NIU does.	Significant improvement	●
Culture	<i>Generally seen as detached from the rest of the organisation, approach perceived by other business units as being somewhat secretive and non-transparent</i>	Investigative staff present in some branches has significantly increased integration between branches and the NIU. However, the prevailing comment from branches is that the NIU's performance indicators are perceived as being invisible and inconsistent with the rest of the business.	Moderate improvement	●
	<i>Perception that some staff have transported a 'Police' culture, which is not well aligned with the philosophy of a welfare organisation</i>	Presence of investigative staff, particularly in the Northern region, has greatly increased the degree of interaction between branches and the Unit. Significant gains have been made – discuss cross-pollination of ideas/education re: fraud because of this	Significant improvement	●
	<i>Unclear organisational view of fraud prevention detection and investigation strategy</i>	The NIU is undertaking awareness activity which is evident in the survey. This effort is focused largely on the investigation of client fraud rather than including prevention and detection content.	Moderate improvement	●

Operating Approach	Little attention paid to fraud prevention	There have been some successful detection and prevention initiatives such as the Accidental Death Unit probe. A combination on fraud risk assessment awareness and working closely with the Levy/BIAR units will improve the position further.	Moderate improvement	
	Approach to investigations is overly formal, rigid and overbearing	The investigators are a lot more Case Manager friendly. The engagement of investigators by the network personnel can still be seen as too formal, but a balance needs to be struck when assigning investigators effort to matters. Encouraging a flexible approach by investigators would be positive.	Significant improvement	
	Perceived that Provider and Claimant investigations are at odds with the greater business direction of the organisation	We note there is almost no focus on provider fraud. Continue to improve messaging to the business around why the team does what they do.	Moderate improvement	
Capability and Capacity	Concern over investigations continuing for long periods despite no evidence being found	<ul style="list-style-type: none"> We note that 19.6% (145/740) of the investigations on hand in August 2013 were opened in 2009. If evidence suggesting the client is fit for work; or is currently working, cannot be obtained within 6 months we suggest the file should be closed. Investigators have 25 – 30 files on hand each, this should be 5 – 10 with faster turnover. 	Improvement required	
	Perception that a 'Police' approach is taken to investigations with a focus on prosecution	Fewer complaints made by clients and colleagues about the NIU. Increase interaction at an earlier stage with both the Case Manager and Client to identify whether there is even an issue worth investigating.	Significant improvement	

Peer Agencies

4.15 Having built up a good understanding of relative strengths and areas of improvement, we interviewed key personnel from a number of other agencies in New Zealand, Australia and the United Kingdom to get a sense of how they are approaching external investigations (The interviewees are outlined in Appendix B).



4.16 These conversations reinforced various aspects of the good progress made by the Unit, such as:

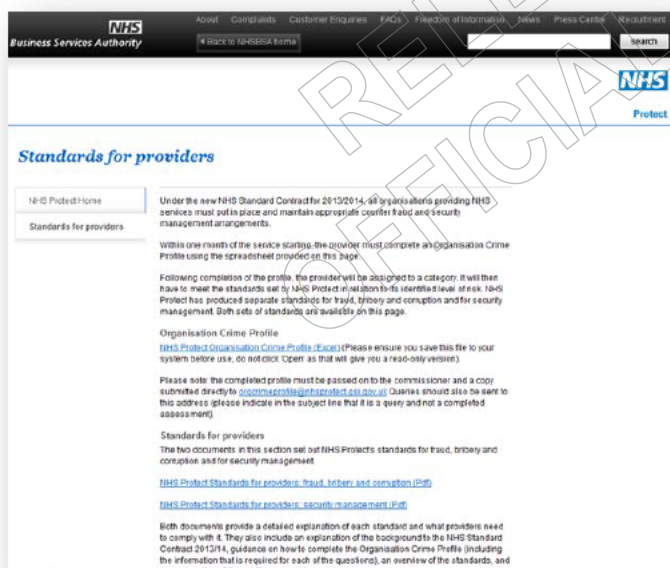
- the skillset of the investigators
- having access to a team of Intelligence Analysts
- achieving a high conviction rate
- with the exception of the workflow case management needs, having an excellent suite of investigative and analytical tools

4.17 There are many areas that are working well and do not require any change. For these we have not assigned much commentary as they are going well, rather we have focused on the advice provided by the other agencies that may help to address any gaps and improve the NIU.

Advice from the peer agencies

Staying connected with stakeholders

- 4.18 The leaders of the ACC investigation team should work closely with the Executive to develop a clear strategy that aligns with ACC's strategy. The business planning process for the team would then be undertaken with confidence from the Executive and the team that there is alignment.
- 4.19 Rather than having an invisible profile, peers strongly suggest ACC would benefit from widely communicate the units counter-fraud strategy and the initiatives to colleagues, providers and the public to proactively publicise what the team does and why. This encourages more open communication, increased compliance and an acceptance of the need and benefits for stakeholders when ACC to undertakes this work.
- 4.20 We note the SFO has a helpful guide outlining how to interact with the Office on their website which may be of interest. http://sfo.govt.nz/f374.25520/SFO_Guide_to_Investigations.pdf.
- 4.21 Like the SFO, NHS Protect (who are charged with prevention, detection and response across the NHS in the UK) have FAQ's on their website. Like the SFO, they publicise their recent cases to increase awareness and to achieve a very hard to measure deterrent effect with clients, providers and levy payers: <http://www.nhsbsa.nhs.uk/Protect.aspx>.
- 4.22 NHS Protect also provides guidance on their website outlining their counter-fraud related expectations of medical providers: <http://www.nhsbsa.nhs.uk/3577.aspx>



- 4.23 In relation to staying engaged with ACC colleagues, The Transport Accident Commission (“TAC”) has developed an e-Learning fraud module that their client facing staff completes. They have achieved a 95% completion rate by their colleagues which has proven to be a very effective way of educating and staying connected to the TAC’s investigators key customer group.
- 4.24 Peers provide a wide variety of educational material to external stakeholders via their websites, attending industry meetings and through in person training and e-Learning.
- 4.25 The peers suggest ACC get really close to provider groups and an effective mechanism can be through participating in industry gatherings such as scheduled meetings and seminars. This responsibility can be shared by Investigators. When provider investigations or themes arise, ACC should be proactive in approaching the industry groups to share the insight and encourage them to communicate to their members. This encourages information being supplied about other activity by providers and should have a deterrent effect.
- 4.26 To help build relationships internally, peers who run similar teams strongly encourage the holding of informal meetings over a coffee with members of the Executive.

The lack of focus on providers and levy payers

- 4.27 The NIU focuses team effort almost exclusively on client fraud. The key driver of this is due to an understandable expectation to achieve savings for the scheme by removing people defrauding the scheme through intervention. The savings are calculated using an actuarial method. We note that peers in the private and public sector also use this method.
- 4.28 Agencies such as Worksafe and NHS Protect recognise the need to also address provider and levy payer fraud risks. We note this concern is shared by NIU personnel and managers we spoke to across ACC. The Crown Prosecutors also mentioned the lack of focus on Providers.
- 4.29 The peers have suggested that while having the requirement to achieve client related savings is very important, the strategy and activities of the NIU should also reflect the need to assign some priority to providers, and to a lesser degree levy payers. TAC has a very approximate 60/40 split between client and provider focus, and Worksafe have a ~80/20 split between client and provider focus. The focus on levy payers is a minor component of their provider percentage.
- 4.30 When adding a focus on providers, the peers think ACC should consider the important deterrent effect of prosecuting providers, and monetary value of the fraud is a minor consideration when deciding whether to pursue an investigation and if the evidence supports it, prosecution.

Investigation process

- 4.31 The NIU's current approach, where investigators hold 25 to 40 files each, is in our opinion inefficient. The view of peer agencies is each investigator should have no more than 10 investigations, and much less if they are holding complex cases.
- 4.32 The organisation receives approximately 1,400 allegations per annum from the public and internal sources. Around 12% are removed from the scheme or have their entitlement decreased, and around 1% make it through to prosecution. The NIU recognises a large proportion of the 1,400 allegations spend too long in the investigation process, consuming effort, before a decision is made to remove them from the process.
- 4.33 Other agencies complete more vigorous triage assessment of the complaints when they arrive. Some use weighted scoring tools to assist with this process. The common objective is to only provide investigators with files that are likely to proceed through to a desired and tangible outcome. This does not necessarily mean pursuing a prosecution, as the cessation of weekly payments to a person defrauding the scheme is also a fantastic result.
- 4.34 Other agencies have frequent status reviews across their file load, frequently applying a rigorous assessment of whether the matter still warrants the investigators effort.
- 4.35 We understand the NIU has started improving this approach. Reinforcing the need for change is the age of the file load and recent case load data indicates there is an issue:
- 145 open investigations from 2009
 - 38 open investigations from 2010
 - 70 open investigations from 2011
 - 211 open investigations from 2012
 - 276 open investigations from 2013
- 4.36 Like all of the agencies including ACC, IRD recognise they can't investigate all matters and evaluate their allegations based on the following criteria:
- Importance
 - Deterrence
 - Materiality
 - Public interest
 - Social impact
- 4.37 The peer agencies have consistently suggested a maximum time frame for client related enquiries is 6 months. This excludes prosecution files. The maximum investigation period for a provider is 12 months. Peers have experienced negative publicity when individuals have been investigated for extended periods and the passing of time also presents practical challenges such as witnesses not being able to recall historical events.

4.38 WorkSafe, NHS Protect, TAC, MBIE and the IRD have strongly suggested managing such a high file load will result in:

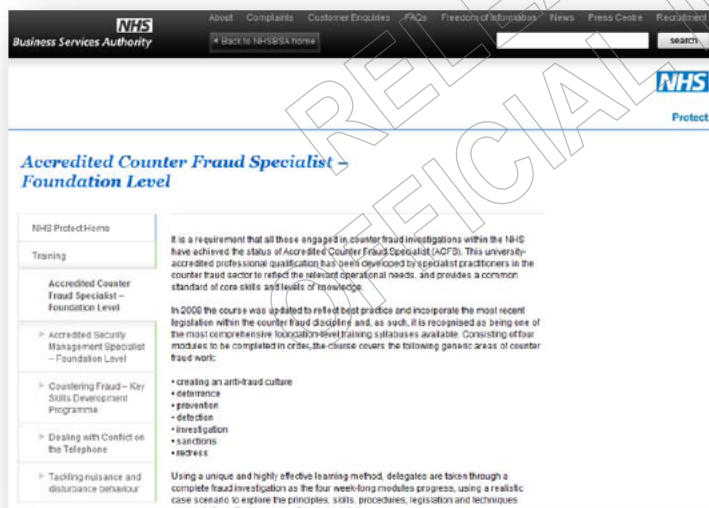
- a lack of investigator focus and satisfaction
- longer case turnaround times
- increased risk of client and case manager complaints
- investigators and support personnel spending too much time undertaking administrative tasks for a greater number of files

Focus on more than response

4.39 The peer agencies recognise the need to apply effort not only to investigating allegations, but also to prevention and detection efforts. Their experience suggests the NIU should broaden its focus to include:

- Prevention initiatives: Typically consisting of delivering awareness training to colleagues and providers, ensuring controls are strengthened in the business when frauds occur and helping assess fraud risks when the organisation takes on new initiatives, offers new services or acquires new technology.
- Detection efforts: This work tends to focus on generating profiles to search across client and provider business data for indicators of fraudulent behaviour. The large bank leverages a capability similar to ACC's BIAR team to aggressively mine client data for fraud indicators.

4.40 ACC could consider the model adopted by NHS Protect. Their personnel who investigate client frauds are 'Counter-fraud Specialists'. By definition, their responsibilities include prevention responsibilities, helping with detection initiatives and investigating allegations. They provide accredited counter-fraud training at multiple levels for personnel working in this space across the UK : <http://www.nhsbsa.nhs.uk/4064.aspx>



Intelligence support

- 4.41 Peer agencies have stated that producing an intelligence product that is not used by the investigators is an expensive waste of effort and resources. Intelligence is key but it has to be focused and what the investigators need to effectively carry out their job.
- 4.42 One agency said that the intelligence team need to understand the expectations of their customer and they must provide what the customers want without pushing their own agendas. We note that due to slow turnaround times for the in-depth profiles currently produced, NIU administrators have been asked by investigators to produce a trimmed down version, satisfying the investigators needs.
- 4.43 The agencies consistently recommend that Intelligence Analysts should ideally be physically close to the investigative team as this results in efficient provision of the service the customer wants. A common failing experienced by the peer agencies was also noted that some intelligence professionals gravitate to the production of more challenging, in-depth but time consuming strategic intelligence product, often to the detriment of the production of greater quantities of tactical product.
- 4.44 To ensure consistency when analysts are geographically dispersed, ACC should consider maintaining some form of centralised quality control, peer review, and coordination function.

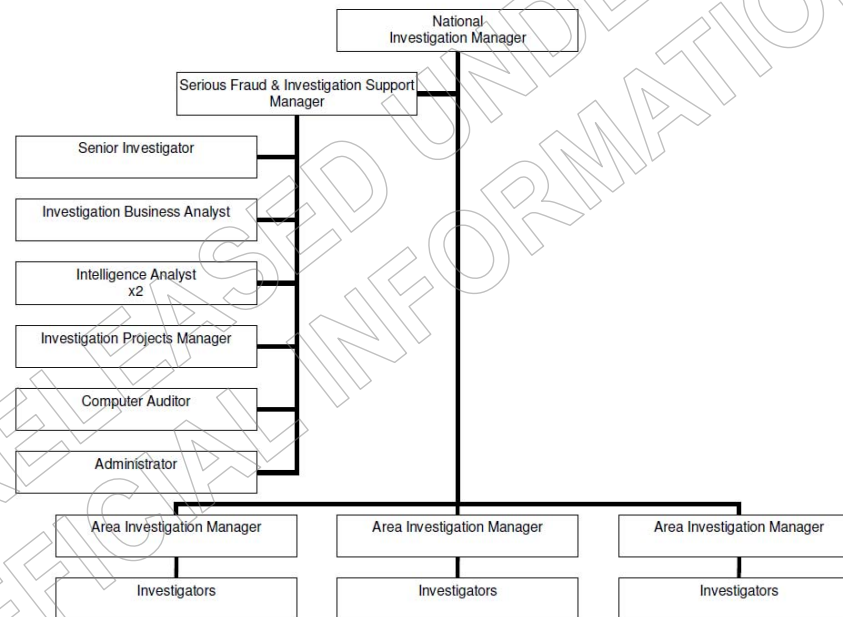
Case Management and workflow

- 4.45 The agencies all have different case management systems, and we have not been exposed to any that come highly recommended by the peer agencies.
- 4.46 NHS Protect originally purchased an 'off the shelf' package for a reasonable cost, and then experienced significant unplanned increases in expenditure when they required post implementation modifications to be carried out. They ended up disposing of that system and had two consultants customise a ground up tool which they are pleased with. The key piece of advice is having multiple investigators involved in the selection, design and testing process.
- 4.47 The absence of a case management and workflow tool will result in NIU managers and personnel wasting effort.

Structure

- 4.48 This review was also asked to assess the extent to which ACC has a commensurate organisational structure to meet the requirements of a fraud or investigation capability.
- 4.49 After the review in 2007, the Unit was moved to reside in claims and the following structure was adopted. Broadly speaking, the structure underwent some minor changes in 2010, and still reflects the Area investigation team model with a centrally located intelligence and support capability.




Proposed structure in the 2007 report



Investigation Unit Structure Review

- 4.50 The NIU review has identified a number of positive aspects and a number of barriers to the team being more successful than it operates today. Some of these pressure points could be attributable to the structure of the unit.

4.51 Based on the understanding of the ACC's strategic direction, review principles were identified to inform the review and selection of a unit structure. The table below describes the design principles defined.

Category	No	Design Principle	Relative Priority & scoring values		
			Best=2 	Good=1 	Poor=0 
Benefit	1	The structure supports an efficient and effective organisation.	<i>Highly supportive</i>	<i>Moderately supportive</i>	<i>Minimally supportive</i>
	2	The structure aligns with the strategic direction of ACC.	<i>Strong alignment</i>	<i>Some alignment</i>	<i>Little alignment</i>
	3	The structure supports strengthening ACC's relationship with its Customers.	<i>Highly supportive</i>	<i>Moderately supportive</i>	<i>Minimally supportive</i>
Authority/ Responsibility	4	The structure provides a basis for improved speed and accuracy of decision-making.	<i>Strong improvement</i>	<i>Moderate improvement</i>	<i>Minimal improvement</i>
	5	There is clear accountability for decision-making embedded in the structure.	<i>Clear accountability</i>	<i>Some accountability</i>	<i>Minimal accountability</i>
	6	The level of staff empowerment/ decision-making authority is appropriate for the strategy of ACC and nature of the position.	<i>Highly appropriate</i>	<i>Moderately appropriate</i>	<i>Minimally appropriate</i>
	7	The structure supports clarity around roles and responsibilities within the organisation.	<i>Highly supportive</i>	<i>Moderately supportive</i>	<i>Minimally supportive</i>
Span of Control	8	The number of direct reports and degree of supervision is appropriate for the strategy of ACC and nature of direct report positions.	<i>Highly appropriate</i>	<i>Moderately appropriate</i>	<i>Minimally appropriate</i>
Risk Management	9	The organisation structure does not have an over-dependence on the skills and availability of specific individuals.	<i>Minimally dependent</i>	<i>Moderately dependent</i>	<i>Highly dependent</i>
	10	The organisation structure has a positive impact on operational discipline.	<i>Positive impact</i>	<i>Neutral impact</i>	<i>Negative impact</i>

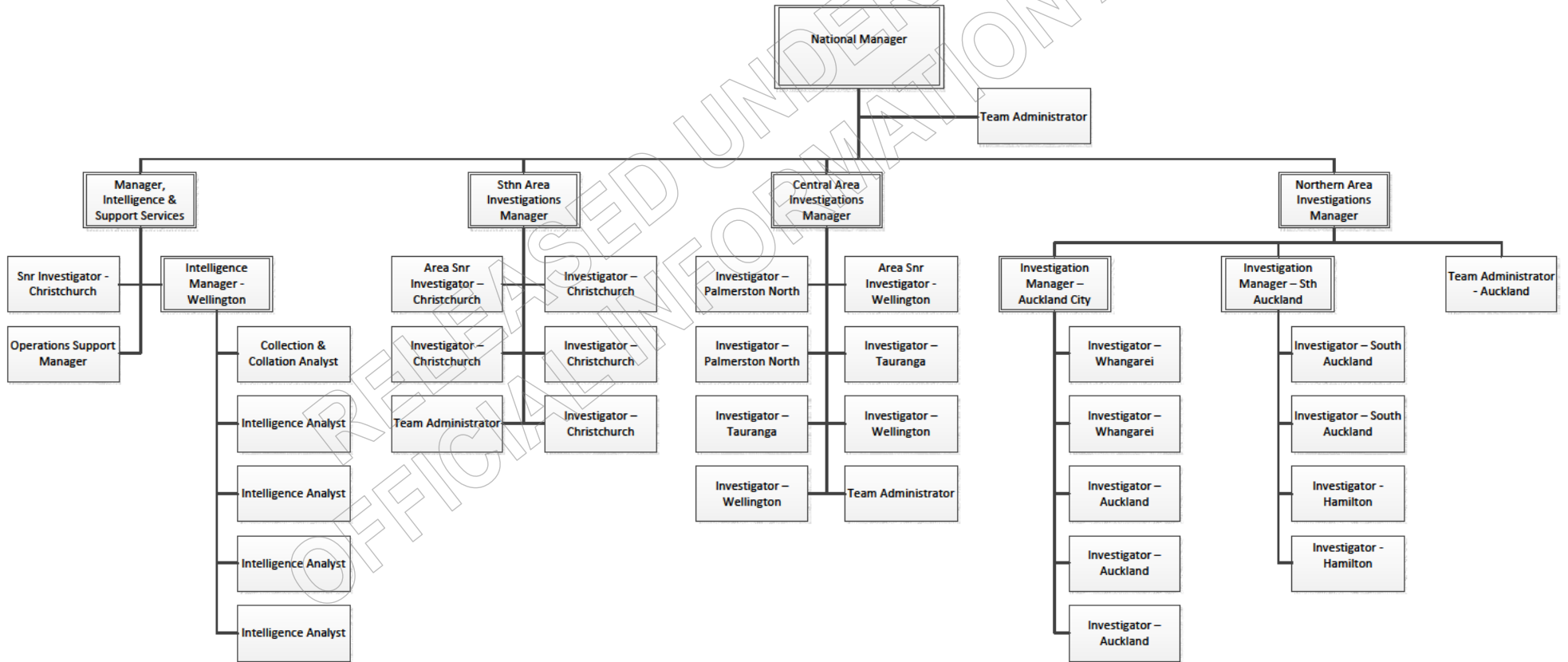
4.52 The analysis of the Unit's current state identified two review criteria for further analysis:

1. The structure of the Unit itself, and
2. The reporting line of the Unit within the business.

4.53 The review of the Unit structure considered two options:

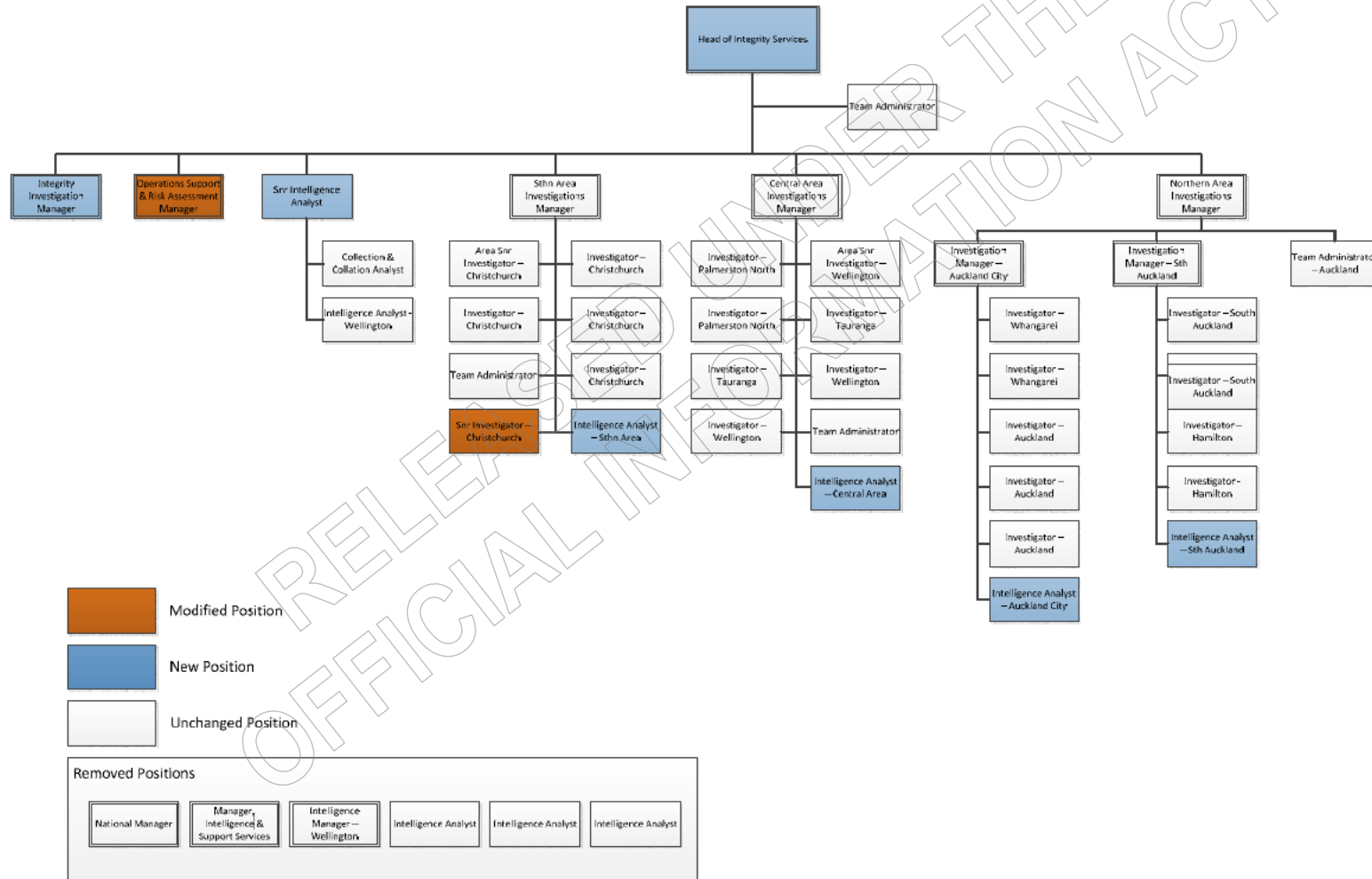
Option One – No Change: Option One proposes that no change is made to the existing structure. This option maintains status quo, and therefore does not address the structure related pain points identified. However, this option causes the least amount of disruption to the team.

Structure of the Unit under Option One:



Option Two – Customer Service Focus & Broadening of Scope: Option Two proposes that a change is made to the team structure in order to address the structure related pain points identified in the review. The focus for this option is on improving the Unit’s customer service, broadening the scope to introduce the Internal Investigations scope and adding the discipline of maintaining ACC’s ongoing fraud and corruption risk assessment.

Structure of ‘Integrity Services’ under Option Two:



4.54 The two Unit structure options were assessed against the design principles defined. The table below shows the outcome of this assessment:

No	Unit Structure Option	Benefit			Authority/ Responsibility				Span of Control	Risk Management		Total Score (Max 20)
		Supports efficient and effective organisation	Aligns with strategic direction	Supports relationship with Customers	Provides basis for improved decision-making	Embeds clear accountability	Appropriate staff decision-making authority	Supports clarity of roles and responsibilities	Appropriate number of direct reports	No over-dependence on skills or individuals	Positive impact on operational discipline	
1	Option One - Status Quo	◐	○	◐	○	○	○	○	●	◐	◐	6
2	Option Two – Customer Service Focus	●	●	◐	●	◐	●	◐	●	●	◐	16

4.55 The review of the Unit reporting line considered four options:

Option	Reporting Line	Description
1	Claims	The Investigations Unit currently reports in to the Claims Management area of ACC. This positioning has been a driver to focus almost exclusively on external, claims related fraud. However, it does not drive the ‘whole of business’ approach to fraud and corruption that ACC requires.
2	Actuarial & Risk	This option would see the Investigations Unit change its reporting line to the Risk & Actuarial Group. As well as being a good logical fit in terms of scope, this change in reporting line would support the ‘whole of business’ approach to the counter-fraud initiatives. The new Head of Integrity Services will need to work closely with the Chief Risk Officer who is in Actuarial and Risk.
3	Corporate Secretary	This option would see the Investigations Unit change its reporting line to the Corporate Secretary. This option would drive the ‘whole of business’ approach to the counter-fraud initiatives. However, this is not a logical fit in terms of the Service’s scope.
4	Government, Policy & Legal	While this option would see the capability reside in a function with a business wide view, Government, Policy & Legal does not have a focus on managing risk, and adding this Service could risk diluting this group’s focus.

4.56 The reporting line options were assessed against the design principles defined. The table below shows the outcome of this assessment:

No	Unit Reporting Line Option	Benefit			Authority/ Responsibility				Span of Control	Risk Management		Total Score (Max 20)
		Supports efficient and effective organisation	Aligns with strategic direction	Supports relationship with Customers	Provides basis for improved decision-making	Embeds clear accountability	Appropriate staff decision-making authority	Supports clarity of roles and responsibilities	Appropriate number of direct reports	No over-dependence on skills or individuals	Positive impact on operational discipline	
1	Status Quo	◐	○	◐	○	○	○	○	●	◐	◐	6
2	Actuarial & Risk	●	●	◐	●	◐	●	◐	◐	◐	◐	14
3	Corporate Secretary	●	●	◐	●	◐	◐	◐	◐	◐	○	11
4	Government, Policy & Legal	◐	◐	○	◐	◐	○	◐	◐	◐	◐	8

Structure recommendations

- 4.57 A change in reporting line for the Unit, from the Claims Unit in to the Actuarial & Risk group will enable the Service to operate across ACC.
- 4.58 The alignment with the Actuarial & Risk group will support the development of the required process discipline within the service.
- 4.59 A restructuring of the capability with a focus on customer service, employee focused prevention, detection and investigation and the addition of the fraud and corruption risk assessment discipline based on clearly defined roles and reporting lines will benefit the Service, its customers and the wider ACC.

4.60 These recommendations, if implemented, would result in the following changes to the current structure:

Current Position	Future Position Title	Status	Impact Description
National Manager	N/A	Disestablished	
Manager, Intelligence & Support Services	N/A	Disestablished	
Southern Area Investigations Manager	Southern Area Investigations Manager	Minor Change	Position reports to new Head of Integrity Services position
Central Area Investigations Manager	Central Area Investigations Manager	Minor Change	Position reports to new Head of Integrity Services position
Northern Area Investigations Manager	Northern Area Investigations Manager	Minor Change	Position reports to new Head of Integrity Services position
Snr Investigator - Christchurch	Snr Investigator - Christchurch	Minor Change	Minor change in reporting line. In future state position reports to Southern Area Investigations Manager
N/A	Integrity Investigation Manager	New Position	New position created with responsibility for Internal Fraud Investigation
Operations Support Manager	Operations Support & Fraud Risk Assessment Manager	Minor Change	Minor change in reporting line. In future state position reports to new Head of Integrity Services position. Position's scope increases to include Fraud Risk Assessment responsibility.
Intelligence Manager - Wellington	N/A	Disestablished	
N/A	Snr Intelligence Analyst	New Position	New position created to lead the Wellington based Intelligence Team. This is a team leader position with joint responsibility for intelligence analysis and team coordination
Collection & Collation Analyst	Collection & Collation Analyst	Minor Change	Position reports to Snr Intelligence Analyst position
Intelligence Analyst	Intelligence Analyst	Minor Change	Position reports to Snr Intelligence Analyst position
N/A	Intelligence Analyst – Southern Area	New Position	New position created responsible for intelligence analysis in Christchurch area. Position reports to Southern Area Investigations Manager
N/A	Intelligence Analyst – Central Area	New Position	New position reporting to Investigation Manager – Central Area
Intelligence Analyst	N/A	Disestablished	
Intelligence Analyst	N/A	Disestablished	
N/A	Intelligence Analyst – Auckland City	New Position	New position reporting to Investigation Manager – Auckland City
Intelligence Analyst	N/A	Disestablished	
N/A	Intelligence Analyst – South Auckland	New Position	New position reporting to Investigation Manager – South Auckland
N/A	Head of Integrity Services	New Position	New Position created to lead the team resulting from an increase in Integrity Service's scope

Appendix A – Internal investigation review interviewees

<i>EXTERNAL THIRD PARTIES</i>			
<i>No.</i>	<i>Role</i>	<i>Business Unit</i>	<i>Organisation</i>
1	Inspector	Professional Standards	NZ Police
2	Inspector	Professional Standards	NZ Police
3	National Manager Intelligence Unit	Integrity Services	Ministry of Social Development
4	Acting Manager	Integrity Services	Ministry of Social Development
5	Integrity Assurance Coordinator	Risk and Assurance	Ministry of Business, Innovation & Employment
6	Internal Investigator	Risk and Assurance	Ministry of Business, Innovation & Employment
7	Integrity Assurance Manager	Risk and Assurance	IRD
8	Manager Investigations	Forensics Group	Victoria Australia -Transport Accident Commission
9	Fraud & Security Risk Manager	Legal Risk & Compliance	IAG
10	National role - responsible for Internal Fraud	Risk / Legal area	Major bank 1
11	National role - partially responsible for Internal Fraud	Risk area	Major bank 2

Appendix B – National Investigation Unit review interviewees

ACC PERSONNEL			
No.	Name	Role	Area
1	Scott Pickering	Chief Executive	Executive
2	Herwig Raubal	GM Actuarial & Risk	Executive
3	9(2)(a)	Manager National Investigations Unit	Management
4	9(2)(a)	Southern Area Investigation Manager	Christchurch
5	9(2)(a)	Central Area Investigation Manager	Wellington
6	9(2)(a)	Northern Area Investigation Manager	Wellington
7	9(2)(a)	Investigation Manager Auckland	North Shore, Auckland
8	9(2)(a)	Investigation Manager South Auckland	Manukau, Auckland
9	9(2)(a)	Serious Fraud Investigation & Support	Intelligence Unit
10	9(2)(a)	Manager, Intelligence	Intelligence Unit
11	9(2)(a)	Senior Investigator	Christchurch
12	9(2)(a)	Investigator	Christchurch
13	9(2)(a)	Investigator	Wellington
14	9(2)(a)	Senior Investigator	Wellington
15	9(2)(a)	Intelligence Analyst	Intelligence Unit
16	9(2)(a)	Operations Support Manager	Intelligence Unit
17	9(2)(a)	Intelligence Analyst	Intelligence Unit
18	9(2)(a)	Northern Area Claims Management	Hamilton
19	9(2)(a)	Branch Manager - Hamilton	Hamilton
20	9(2)(a)	Investigator	Manukau, Auckland

EXTERNAL THIRD PARTIES

No.	Name	Role	Division	Organisation
1	9(2)(a)	Partner	N/A	Luke Cunningham & Clare, Wellington
2	9(2)(a)	Senior Associate	N/A	Luke Cunningham & Clare, Wellington
3	9(2)(a)s	Partner	N/A	Meredith Connell, Auckland
4	9(2)(a)	Partner	N/A	Raymond Donnelly, Christchurch
5	9(2)(a)	Senior Intelligence Analyst	Evaluation & Intelligence Unit	Serious Fraud Office
6	9(2)(a)	National Manager of the National Fraud Investigation Unit	Risk Assurance	Ministry of Social Development
7	9(2)(a)	Manager Fraud Investigations	Immigration	Ministry of Business, Innovation and Employment
8	9(2)(a)	Fraud & Security Risk Manager	Legal Risk & Compliance	IAG
9	9(2)(a)	Manager, Investigations	Hidden Economy, Fraud, Organised Crime	Inland Revenue Department
10	9(2)(a)	Manager, Investigations	Forensics Group	Transport Accident Commission (AU)
11	9(2)(a)	Manager, Investigations	Enforcement Group	Worksafe (AU)
12	9(2)(a)	Managing Director	NHS Protect	National Health Service (UK)
13	(Confidential)	National role - responsible for risk, compliance & integrity services	Risk, Compliance & Integrity Services area	(Major bank)

Appendix C – Customer survey comments

9(2)(ba)(i), 9(2)(a)

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9(2)(ba)(i)



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9(2)(ba)(i)

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9(2)(ba)(i), 9(2)(a)

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9(2)(ba)(i)

RELEASED UNDER THE
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9(2)(ba)(i), 9(2)(a)

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9(2)(ba)(i)

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9(2)(ba)(i)



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Appendix D – Offshore Peer Agency Contacts

9(2)(a)

Managing Director
NHS Protect

9(2)(a)

London, 9(2)(a)
Tel: (+44) 9(2)(a)
9(2)(a)

www.nhsbsa.nhs.uk/Protect.aspx

9(2)(a)

Manager, Investigations
Enforcement Group
Worksafe

9(2)(a)

Melbourne 9(2)(a)
Tel (+61) 9(2)(a)
Fax (+61) 9(2)(a)
Mob (+61) 9(2)(a)
9(2)(a)

www.worksafe.vic.gov.au

9(2)(a)

(has established a connection with the NIU already)

Manager Investigations
Forensics Group
Transport Accident Commission

Direct (+61) 9(2)(a)
Fax (+61) 9(2)(a)
9(2)(a)

www.tac.vic.gov.au

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