

# Terms of Reference



PREVENTION. CARE. RECOVERY.

Te Kaporeihana Āwhina Hunga Whara

## Review of ACC's Fraud Unit

### 1 Purpose

1.1 The purpose of this review is to undertake an independent assessment of ACC's Fraud Unit in relation to its:

- Structure (including an interfaces with other internal business units),
- Reporting arrangements,
- Culture,
- Operating approach (including methodology, application of that methodology and mechanisms to share learnings), and
- Capability and capacity.

1.2 This review should take into account any across-Government initiatives or innovations in this area (e.g. NZ Police), and consider relevant best practice where appropriate.

### 2 Background

2.1 ACC has recently developed a new desired culture and agreed a set of Corporate Values. This, together with recent public concerns about ACC's fraud management practices, means that it is timely to review the way the ACC Fraud investigation services are organised and provided.

2.2 ACC currently has a dedicated Fraud Unit as part of its Risk & Assurance and Fraud Team. This Unit is responsible for the implementation of fraud detection and investigation practices, and for undertaking prosecution and/or other actions in situations where any potential significant provider, staff or claimant fraud is suspected. In addition, the Unit also supports ACC line managers in fraud prevention and education programmes.

2.3 There are 29 staff in the Fraud Unit, which is headed up by the Risk & Assurance and Fraud Manager. The members of the Unit are located in 7 sites across New Zealand.

2.4 The Fraud Unit interfaces with other business units in ACC, especially the Provider Monitoring Unit and the Operations Business Units. However, there has been a lack of clarity and communication between these interfaces in the past. In addition, the process for sharing any learning arising from actual or potential frauds is not consistently implemented within ACC.

2.5 An independent assessment of the structure, reporting arrangements, culture, operating approach, and capability and capacity of the Unit is therefore sought. This independent assessment will inform the Chief Executive of possible ways forward. This work may also form the basis for future consultation with staff in the Unit.

### **3 Key Deliverables**

3.1 There is one key deliverable from this work:

- a) The completion of a report for ACC's Chief Executive which details key findings from the review and proposes suggested future actions, if necessary.

### **4 Indicative timeframes**

4.1 It is anticipated that this work will commence mid May and be completed by 30 June 2007. The following indicative timeframes are provided:

- a) Completion of independent assessment, including interviews with key stakeholders, review of relevant background materials and research into best practice. 8 June 07
- b) Preparation of a draft report for discussion with the Chief Executive. 22 June 07
- c) Completion of the final report (may include presentation of findings). 30 June 07

### **5 Scope**

5.1 The scope of this review will primarily focus on ACC's Fraud Unit, however consideration of other key investigative business units which interface with the Fraud Unit may be required.

5.2 Analysis of business needs from key stakeholders, e.g. Operations Group management, may also be required.

5.3 Examination and consideration of any across-Government initiatives or innovations in the Fraud area, e.g. NZ Police, should also be given.

### **6 Key Contacts**

6.1 The following people are the key contacts for this review.

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