



26 February 2026

Tēnā koe

### **Official Information Act request**

Thank you for your email of 9 December 2025, requesting information about a copy of internal policies on Low-Trust Client Management.

I have considered part of your request under the Official Information Act 1982 (the Act). Please find my decision on this part of your request set out below.

*5. All documents relating to the "CSI Low-Trust Client Management" classification*

*Including:*

- *the internal policies or guidelines relied upon*

Please see the attached **Appendix** which provides the following resources that we have identified as relevant to this part of your request:

- Low Trust Client Management Overview (intranet resource)
- Low Trust Client Management Policy

I will be publishing this decision letter, with your personal details deleted, on the Ministry's website in due course.

If you wish to discuss this response with us, please feel free to contact [OIA\\_Requests@msd.govt.nz](mailto:OIA_Requests@msd.govt.nz).

If you are not satisfied with my decision on your request, you have the right to seek an investigation and review by the Ombudsman. Information about how to make a complaint is available at [www.ombudsman.parliament.nz](http://www.ombudsman.parliament.nz) or 0800 802 602.

Ngā mihi nui

pp.

Anna Graham  
**General Manager**  
**Ministerial and Executive Services**

## Low Trust Client Management Overview

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This page provides an overview of Low Trust Client Management.

On this Page:

### What is Low Trust Client Management (LTCM)?

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Low Trust Client Management (LTCM) is an outcome of an integrity intervention, investigation, or prosecution, and/or where dishonest behaviour has been identified.

Under the LTCM Policy, only Client Service Integrity (CSI) can apply LTCM to a client record.

[LTCM Policy \[http://doog.le/documents/resources/helping\\_clients/procedures\\_manuals/integrity/nfiu/low\\_trust\\_client\\_management\\_policy\\_october-2025.pdf\]](http://doog.le/documents/resources/helping_clients/procedures_manuals/integrity/nfiu/low_trust_client_management_policy_october-2025.pdf)

LTCM supports fraud prevention by making it easier to do the right thing, and harder to do the wrong thing

LTCM affects how clients interact with MSD channels and how services may be provided to them.

LTCM clients are asked to provide verification to support applications for assistance and declaring changes in circumstances that may affect entitlement.

In most cases, LTCM is temporary. However, a small number of people are assigned LTCM permanently following sentencing.

LTCM applies to those who have been:

prosecuted for benefit fraud and received a sentence (two years or permanently)

investigated for benefit fraud and had an overpayment debt established relevant to the investigation (one year).

LTCM may be applied temporarily (for one year) where there has been:

dishonest use of hardship assistance and/or a payment card

dishonest use of an identity or other document or form

dishonest use of MyMSD or another MSD channel.

CSI may also apply LTCM while investigating matters that are ongoing (for up to six months), or while awaiting a prosecution outcome after charges have been laid (for a period relevant to any Court proceedings including appeals).

LTCM may remain on a client record for the applicable period irrespective of any current entitlement or changes to entitlement, including when the client exits the benefit system before LTCM expires.

As part of supporting fraud prevention, any MSD staff member may also recommend a client has LTCM applied to their record. In these cases, CSI determine its application in line with the LTCM Policy.

LTCM may be reconsidered on a case-by-case basis to support the outcomes MSD is seeking to achieve, including employment. In these cases, CSI staff will determine whether to remove LTCM from the client record.

**Remember:** Only CSI staff are allowed to add or remove LTCM Special Cautions under the Policy.

### How does LTCM work?

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Clients with an LTCM Special Caution (LTCM clients):

will generally complete all transactions face-to-face

can view all their details in MyMSD, this includes payment details, payment card details and appointments, but they can't make any changes in MyMSD or upload documents

are required to validate information for each transaction, including providing verification of income and cash assets where relevant

cannot be appointed as an agent for another client, unless they have been appointed Power of Attorney (PoA) or Enduring PoA by the Courts.

When a LTCM client phones the Contact Centre, the CSR will:

check that the details currently held in the system are correct and up to date

update any non-financial related information (e.g. phone number) and advise the client that they are required to attend an appointment to have the transaction completed

schedule an appointment with a case manager

advise the client of the appointment time and date

advise the client of what information they are required to provide at their appointment.

LTCM clients are excluded from phone-based case management.

If an LTCM client is generally unable to attend face-to-face appointments, they should be encouraged to appoint an agent to act on their behalf.

When making an exception to a face-to-face appointment, or to accept verification via post/fax or email, common sense should be applied e.g. where there is illness/injury, the client has bail conditions, or due to the client's work hours and/or location.

## Processing standards

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MSD's processing standards are the main point of reference when completing transactions for LTCM clients.

[Processing standards \[https://dooglegovt.nz/resources/helping-clients/processing-standards/index.html\]](https://dooglegovt.nz/resources/helping-clients/processing-standards/index.html)

In general, LTCM clients must always provide evidence of:

costs, or any new or increases to costs  
new or changed income and assets.

Please ensure forms are filled out and signed, and forms and any supporting documents that are required to be scanned are scanned and linked to the client's record.

## LTCM clients with agents

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Where a LTCM client has an agent appointed to act on their behalf it is the same as if it is the LTCM client making contact. This includes the need to provide verification.

[Agents \[https://dooglegovt.nz/resources/helping-clients/procedures-manuals/work-and-income/core-procedures/agents/\]](https://dooglegovt.nz/resources/helping-clients/procedures-manuals/work-and-income/core-procedures/agents/)

## Exclusions from LTCM

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LTCM does not apply to clients in receipt of Student Allowance.

There are also some circumstances when it is not appropriate for a client to attend face-to-face appointments. The following client groups will be excluded from LTCM processes:

Remote Client Unit (RCU) clients - these clients receive a separate specialist case management service.

Residential Support Subsidy (RSS) - these clients are in a residential support service and are required to contribute most of their main benefit towards their care. Most residential support client transactions are managed by the Specialised Processing Unit in Whangarei.

Clients who are hospitalised for more than 13 weeks - generally these clients are seriously incapacitated and have limited ability to attend appointments. In most cases these clients will receive the hospital rate of payment.

## Recommending a client for LTCM

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As part of supporting fraud prevention, any MSD staff member may also recommend a client has LTCM applied to their record. In these cases, CSI determine its application in line with the Policy.

Please contact your local CSI site liaison if you think a client should be considered for LTCM, or to discuss whether making an allegation of fraud is more appropriate.

[Client Service Integrity contacts for Service Delivery staff \[https://dooglegovt.nz/business-groups/helping-clients/service-delivery/debt-and-fraud/client-service-integrity/fraud-intervention-services-contacts.html\]](https://dooglegovt.nz/business-groups/helping-clients/service-delivery/debt-and-fraud/client-service-integrity/fraud-intervention-services-contacts.html)

[What to do if you suspect benefit fraud \[https://dooglegovt.nz/helping-you/fraud-toolkit/suspecting-client-fraud/\]](https://dooglegovt.nz/helping-you/fraud-toolkit/suspecting-client-fraud/)

## Reconsidering LTCM

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LTCM may be reconsidered on a case-by-case basis to support the outcomes MSD is seeking to achieve, including employment. In these cases CSI determine whether LTCM should be removed.

Please contact your local CSI site liaison if you think LTCM should be reconsidered for a client you are working with.

[Client Service Integrity contacts for Service Delivery staff \[https://dooglegovt.nz/business-groups/helping-clients/service-delivery/debt-and-fraud/client-service-integrity/fraud-intervention-services-contacts.html\]](https://dooglegovt.nz/business-groups/helping-clients/service-delivery/debt-and-fraud/client-service-integrity/fraud-intervention-services-contacts.html)

## Fraud Suspicion

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Staff should make a [fraud suspicion referral \[http://dooglegovt.nz/helping-you/fraud-toolkit/suspecting-client-fraud/index.html\]](http://dooglegovt.nz/helping-you/fraud-toolkit/suspecting-client-fraud/index.html), whenever they

suspect a client may be committing benefit fraud.

A fraud suspicion may come about as a result of an interview, a phone conversation or a processing action.

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Content owner: [Client Service Integrity](#) Last updated: 09 December 2025

Released under the Official Information Act (1982)



# Low Trust Client Management Policy

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Last Review Date:	October 2025
Next Review Date:	October 2028
Approved by:	Organisational Health Committee
Owner:	General Manager Integrity and Debt

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## Purpose

This Policy came into effect from 24 November 2025, and sets out the purpose, criteria and application of Low Trust Client Management (LTCM).

## Policy Statement

MSD has a responsibility to protect the integrity of the benefit system. Most clients are honest about their situation and want to do the right thing. MSD wants to make it easy for clients to do this.

Every day MSD works closely with clients to help them towards independence, while also supporting fraud prevention. MSD's overall approach to integrity issues is to intervene early when concerns are raised.

LTCM is an outcome of an integrity intervention, investigation, or prosecution, and/or where dishonest behaviour has been identified.

LTCM affects how clients interact with MSD channels and how services may be provided to them.

LTCM clients are asked to provide verification to support applications for assistance and declaring changes in circumstances that may affect entitlement.

LTCM is not a sanction imposed on a client's benefit for failure to fulfil their obligations.

## Scope

This Policy applies to all MSD employees, however only the Ministry's Client Service Integrity (CSI) business group can apply LTCM to client records.

## Policy principles

In line with MSD's Purpose, Strategic Direction Te Pae Tawhiti, and Māori Strategy Te Pae Tata, clients will be treated with dignity and professionalism, and MSD practices, processes and decisions will be objective, fair and consistent.

There is legislation which requires MSD to manage and minimise the risk of abuse of the support systems it has responsibility for.

The Public Finance Act 1989 and the Public Service Act 2020 set out the responsibilities of Ministers and Chief Executives for effective and efficient fiscal management.

As part of fraud reforms in 2012, Cabinet agreed to initiatives that allow the Ministry to take a more targeted and comprehensive approach to welfare fraud that encourages compliance, deters offending or dishonest behaviour, and provides appropriate consequences to people who commit, or benefit from, welfare fraud [CAB Min (12) 35/13 refers].

## Policy considerations

MSD places considerable trust in the honesty of clients. This helps to avoid onerous verification requirements for applicants applying for assistance or in complying with their ongoing obligations and allows quick and easy access to assistance for those in need.

LTCM is a way for MSD to:

- Support integrity of the benefit system, and prevent fraud, by making it easier to do the right thing and harder to do the wrong thing
- Respond to dishonest behaviour, other than or in addition to overpayment debt, a warning, penalty, and/or prosecution.

## LTCM criteria

LTCM applies where someone has been:

- prosecuted for benefit fraud and received a sentence of home detention or imprisonment (permanent)
- prosecuted for benefit fraud and received a sentence other than home detention or imprisonment (two years)
- investigated for benefit fraud and had an overpayment debt established relevant to the investigation (one year).

LTCM may apply where there has been:

- dishonest use of hardship assistance and/or a payment card (one year)
- dishonest use of an identity or other document or form (one year)
- dishonest use of MyMSD or other MSD channels (one year).

CSI may also apply LTCM while investigating matters that are ongoing (for up to six months), where an assessment is made on the balance of probabilities that there has been dishonest conduct, or while awaiting a prosecution outcome after charges have been laid (for a period relevant to any Court proceedings and/or matters under appeal).

As part of supporting fraud prevention, any MSD staff member may recommend LTCM should apply. In these cases CSI determine its application in line with the criteria above.

LTCM remains on a client record for the applicable period irrespective of any current entitlement or changes to entitlement, including when the client exits the benefit system before LTCM expires.

LTCM can be reconsidered on a case-by-case basis to support the outcomes MSD is seeking to achieve, including employment. In these cases, CSI determine whether LTCM should be removed.

## LTCM conditions

LTCM is applied by adding the LTCM 'Special Caution' tag to an individual's client record.

LTCM clients are generally restricted to read-only access for MSD's online channels, including MyMSD. This means that they cannot declare a change in circumstance, apply for assistance or supports, or upload documents online.

LTCM clients who use MSD's phone channels will be directed to attend a face-to-face engagement relevant to the reason they are calling.

LTCM clients are asked to provide verification to support applications for assistance and declaring changes in circumstances that may affect entitlement.

LTCM clients cannot be appointed as an agent for another client. Agents who become LTCM will be removed as an agent from client records unless they have verified that they have authority over the client they are acting for, as granted by a current Power of Attorney (PoA) or Enduring PoA.

## LTCM exclusions

LTCM does not apply to clients in receipt of Student Allowance.

There are some circumstances when it is not appropriate for a client to attend face-to-face appointments, including Remote Client Unit clients who are managed separately, and Residential Support Subsidy clients and clients who are hospitalised for more than 13 weeks. These clients are excluded from LTCM processes.

## Responsibilities

Person/Party	Responsibilities
General Manager Integrity and Debt	<ul style="list-style-type: none"> <li>Maintain oversight of the Policy.</li> </ul>
National Manager Client Service Integrity	<ul style="list-style-type: none"> <li>Manage day to day implementation of the Policy</li> <li>Ensure compliance with the Policy by Client Service Integrity staff</li> <li>Provide periodic reporting on application of the Policy, including to support assurance for the Policy.</li> </ul>

## Definitions

Word/ phrase	Definition
Special Caution	A system alert that provides additional details about security, safety or specific important information on a client, to enable MSD staff to respond in an appropriate manner.

## Related policies

MSD Prosecution Policy.

## Appendix

No appendices.