

Corruption Scan

March 2026



"Transparency International NZ, within its limited resources and capacity, undertakes high level monitoring of corruption to inform strategy and therefore advocacy and educational priorities. We acknowledge that the information we can obtain is limited to publicly available sources and some may be subject to change, for example, if appeals overturn current decisions."

1. Public sector corruption (not including political)

The public sector remains generally free from corruption and there are multiple integrity checking systems. However, corruption is occurring, and is more likely to occur where there is:

- a large amount of funding being allocated on large multiple-stage or multiple-player projects or procurement;
- limited monitoring/auditing including where regulatory power is devolved (eg licensing) or there are gaps in regulatory capacity or oversight;
- opacity or non-compliance in financial systems;
- conflict of interest not recognized, declared or addressed.
- an intent to deceive

1.1 Corruption and Misconduct Issues

Misconduct monitoring: Changes to the Public Service Act in 2025 generated increased oversight of public sector misconduct by the Public Service Commissioner, requiring notification to the PSC of serious misconduct cases and annual reporting to PSC of investigation outcomes. This appears to have increased the oversight by PSC of misconduct within the Public Service. For further transparency the Commissioner is required to publish a report, annually on these investigations on the Commission's website. We have not yet seen the first report but it is expected.

Corruption and misconduct prosecutions and convictions that have reached the courts and the news in 2025 are listed below. Some have taken years to get to prosecution. Some have not yet reached stage and so remain at the charge level

1.2 2025 (publicly notified) cases of corruption and alleged corruption with a public sector connection

Auckland Council Building Inspector Case: In February 2025, a former building inspector was sentenced in the Manukau District Court for accepting over \$35,000 in cash and home renovations (such as a new carport and heat pump) to sign off on building inspections. A linked company director, currently under name suppression, has pled not guilty and that case is proceeding.

An employee of **Customs Support for Toll Group**, used their knowledge of border controls to assist the importation of 83kg of methamphetamine into Napier Port in February 2023, was due to be sentenced in March 2025. Toll Group was not used for the importation. Customs faced challenges in sharing information with the individual's employer while charges were before the court.

South Auckland Road Maintenance Corruption: In December 2025, a contractor was sentenced in the Auckland District Court to 12 months' home detention. He was the third subcontractor sentenced for providing kickbacks to a former Broadspectrum manager in exchange for roading contracts.

Immigration New Zealand/Samoa Bribes (April 2025): An Auckland business owner was sentenced to prison in the Auckland District Court in April 2025 for bribing Immigration New Zealand employees in Samoa. The bribes were paid to facilitate the illegal recruitment of overseas workers, who were then exploited in New Zealand.

Auckland District Health Board (ADHB) Bribery: In October 2025, a medical equipment company director was sentenced in the Auckland District Court to four months of community detention. He pleaded guilty to making 28 payments totalling over \$170,000 to a senior ADHB manager to secure supply contracts.

IT Contractors \$4.1m Scheme (May 2025): Two former IT contractors were sentenced in the Auckland High Court to three years' imprisonment for their roles in a massive bribery and kickback scheme.

Wellington District Court (Aug 2024-2025): Three people appeared in the Wellington District Court in August 2024 on charges of bribing enforcement (Corrections) staff, with the trial set down for 2026.

Public Sector Procurement Case: Three individuals face ongoing proceedings in 2026 related to allegations of bribery and corrupt use of official information to secure public sector construction contracts.

A former Police Officer pleads guilty to charges of leaking police intelligence to a gang member boyfriend (October 2025)

Air New Zealand baggage handler was a "logistical organiser" for a syndicate importing methamphetamine through Auckland Airport (Jan 2025).

1.3 Public Sector devolved power: Driver licensing

- **Vehicle Testing:** A police investigation is underway after serious misconduct was uncovered at a Vehicle Testing New Zealand branch, with drivers allegedly accepting bribes to pass people taking their practical requests (since 2023). 322 people had to resit driving tests, and 40% of those failed. Driver testing officers from at least three VTNZ branches have been dismissed for alleged serious misconduct over the past two years.
- NZTA initially revoked 459 commercial truck driver licences after uncovering **widespread fraud in conversion documents**. All affected drivers were born in India, though most licences were converted from the UAE. The action followed an audit that revealed major inconsistencies in overseas licence records. However following engagement with industry, NZTA has decided to instead suspend (rather than revoke or cancel) the majority of drivers from operating commercially and only revoked the licences of 124.

1.4 Other cases - NZ Police.

- A report by the Independent Police Authority found breaches of integrity in NZ Police at high levels in relation to the Deputy Commissioner who was accused of sexual impropriety and has subsequently been found guilty of possessing child sexual exploitation material. Whilst corruption was not found, there were issues of serious misconduct and the case raises the question about whether New Zealand should reinstate criminal offences for "misconduct in

public office". In response the government is establishing an [Inspector-General of Police](#) to provide the highest level of independent oversight. This new role will oversee police conduct, with the IPCA transitioning into a strengthened oversight body.

- More than 100 New Zealand police officers are under investigation after an audit via an AI tool revealed over [30,000 alcohol breath tests, conducted between July 2024 and September 2025](#), were "falsely or erroneously recorded. Over 30,961 tests were identified as invalid out of 4.6 million total, with many incidents occurring in the Waitematā, Wellington, and Canterbury districts. It isn't yet clear what the contributing factors are and there is much more to know from the investigation.

1.5 Work to improve and measure integrity

There has been a considerable amount of action over the last two years. Public sector integrity frameworks are in place to guide improvement, notably the [OAG's Integrity Framework 2024](#).

The Public Service Commission also publishes [Standards of Integrity and Conduct](#). In 2025 the PSC published its [Action Plan](#) to strengthen integrity. The OAG also assessed the PSC action in its report [Promoting Integrity](#), i.e how the Commission promotes integrity in the public service; whether the codes of conduct, guidance, and standards it issues are relevant, current, and easy to find and understand; and what the Commission does to ensure that public servants know about and use these documents. The OAG's report recommended that:

- the PSC's work could be more proactive;
- the PSC ensures strategies reflect key risks and vulnerabilities in the public service;
- PSC considers how it will influence the parts of the wider public service that it has less direct contact with;
- the Commission needs a more systematic approach to collecting data about the integrity performance of the public organisations required to comply with its codes of conduct.

2025 also saw an encouraging level of cooperation between agencies. The Serious Fraud Office, in collaboration with NZ Police and Public Service Commission lead a joint **Anti-Corruption Taskforce** six month pilot programme. This involved a select number of agencies completing self-assessments and providing data to PSC, presumably on cases of fraud and other integrity breaches. A report showing trends, gaps and recommended actions may have been provided to the Minister but nothing has been published at the date of this report. Participating agencies in the pilot are Inland Revenue (IRD); Accident Compensation Corporation (ACC); Department of Corrections; Ministry of Social Development (MSD); Land Information New Zealand (LINZ); Sport New Zealand.

Other agencies have been cooperating on organised crime, COVID fraud, and migrant exploitation/fraud.

During 2025 the Public Service Commission ran its [Public Service Census](#). The results have been publicly available and are accessible. Some key learnings under integrity are:

- nearly all public servants (95%) felt they had a good understanding of what it means to be a politically neutral public servant.
- Most people said it was important to them that their organisation is open and transparent with the public (91%).
- Most believed their organisation is working for the long-term good of New Zealand (87%), which is a measure of stewardship.
- There was less confidence that people in public service organisations get jobs based on merit. 30% disagreed or strongly disagreed, and a further 26% neither agreed nor disagreed.

- Of the people who were directly involved in preparing advice for ministers, 71% agreed or strongly agreed that their organisation is free and frank in their advice to ministers.
- About 3 in 4 public servants believed the culture in their organisation supported people to act with integrity (74%). Even more felt their own manager led by example in ethical behaviour (83%).
- There was an increase in the proportion of staff who felt they could trust their colleagues to do what was right, with 82% agreeing or strongly agreeing compared to 78% in our 2021 Public Service Census.
- Most people (90%) said they knew what to do if they experienced or witnessed wrongdoing or inappropriate behaviour, but fewer (70%) said they felt safe to speak up about those issues.
- Bullying and harassment remains a problem with 12.1% of the participating public servants reporting having experienced bullying or harassment in the last 12 months in their current workplace. The most common sources of inappropriate behaviour were current or previous managers and colleagues or direct reports within the same agency. Sexual and racial harassment and unfairness due to a disability were also reported as problems.

1.6 Strengthening of National Procurement Rules – more transparency

The [Government Procurement Rules](#) have been updated to a 5th edition in 2025, and include several measures in increased transparency, including a mandatory requirement for agencies to make their procurement policies publicly available; integration of the [Supplier Code of Conduct](#) (or an equivalent) into all contracts; and the requirement for agencies to take steps to enable appropriate scrutiny of their procurement activities, meaning documentation should be made available when appropriate. In the due diligence section, there is a new requirement for agencies to verify a supplier's beneficial ownership before awarding contract. There are additional requirements on agencies to publish information on contracts awarded via opt-out, and those from secondary procurement processes worth more than \$100,000, including All of Government. This change closes a significant gap in the transparency of how contracts are awarded. The proof will be in the pudding, ie. Whether the rules are implemented.

1.7 Public Service Commission long term insights briefing on the future of public service integrity (November 2025). Key points from Executive Summary:

- New Zealand takes integrity seriously and we have developed a strong foundation that has served us well domestically and on the international stage.
- Recent external assessments describe New Zealand as having relied on a strong pre-existing culture of ethics and a trust-based public service with traditionally low corruption. These concerns include: a reactive approach to unethical behaviour rather than proactively strengthening the system to prevent it; weak formal checks and balances in key areas (e.g. lobbying) compared to other jurisdictions, and • a lack of overarching anti-corruption strategy and leadership.
- Royal commissions of inquiry and other integrity investigations and reviews over the last few years have also identified challenges in areas like conflicts of interest, unauthorised disclosure, whistleblowing processes, and sensitive expenditure.
- Trends and drivers pose both opportunities and challenges. These include:

- Social trends around increasing polarisation and faltering social cohesion (amplified by mis- and dis-information), and demographic change may alter the fundamental societal values that dictate how integrity is defined
 - The media has an important integrity role in scrutinising and reporting on government, and changes in the media landscape present both challenges and opportunities.
 - Growth in transnational and serious organised crime in New Zealand (e.g. drug trafficking at the border) will also bring pressures for public service integrity and impact corruption levels
 - Technological trends are grouped around the uptake of AI tools, as well as ongoing concerns about increasing cybersecurity risks and challenges around privacy.
 - Economic trends are front of mind, especially in terms of the direct impact that the fiscal context has on the public service and its work.
 - Economic challenges continue to be unequally spread across the New Zealand population, with flow-on effects for public trust and social cohesion
 - Political trends around the health of democracy and levels of politicisation of the public service (both at the level of individual states and at the international level) have further direct implications for public service integrity in New Zealand.
 - Relatedly, the state of multilateralism and a potential trend towards deglobalisation are likely to have cultural impacts in terms of global leadership and who sets the tone in the integrity landscape
 - Three hypothetical mini-scenarios could be slow decline ('the boiling frog'); 'integrity in freefall' or 'integrity at the centre'
- There are a few key areas where taking action is likely to serve us well regardless of how the identified trends play out:
 - Data and measurement
 - Workforce development
 - Public education
 - Fraud and corruption
 - Coordination and alignment

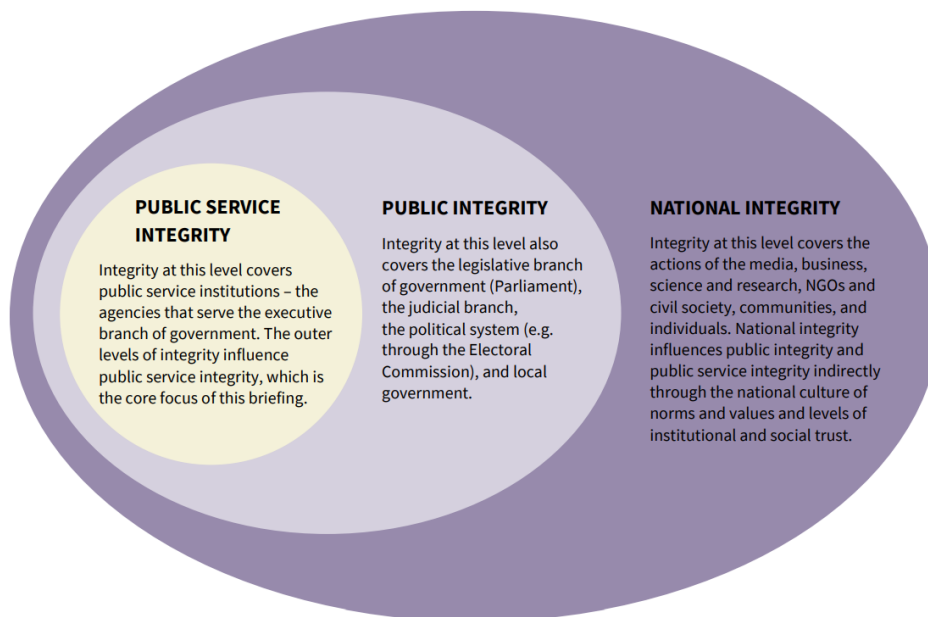


Figure 1: Public service integrity in context

1.8 Officers of Parliament and Inspectors-General provide ‘checks on power’ through their direct connection with the public, their independence and their investigative powers.

Ombudsman.

- Completed a total of 8,163 [official information and Ombudsmen Act complaints in](#) 2024/25, 30 percent more than the previous year
- Managed a significant increase in the volume and complexity of protected disclosures and enquiries, in an environment where a growing number of New Zealanders are becoming more aware of the whistle-blower law. Completed 278 protected disclosures and enquiries. 26 percent more than last year.
- Investigated and made findings into a whistle-blower’s claim that senior managers at the Accident Compensation Corporation manipulated figures in official information responses to avoid negative repercussion
- Reviewed the Official Information Act practices and capabilities of government agencies.
- Publishes OIA and LGOIMA complaints
- Received a complaint from a hospital whistle-blower to go to the Ombudsman which led to Health New Zealand strengthening nationwide safety checks on employees and contractors working with children
- Developed a self-assessment learning tool designed to help councils improve the way they manage requests under the Local Government Official Information and Meetings Act 1987 (LGOIMA)
- Wrote to Wellington Water following a self-initiated investigation into the LGOIMA practices of several councils and council-controlled organisations.
- Published an opinion on a complaint from a radio journalist against the Pharmaceutical Management Agency (Pharmac)
- Releases report into aged care facilities.

Controller and Auditor-General reports and advice 2025 (relevant to integrity & anti corruption)

- Decision by Te Kawa Mataaho Public Service Commission to purchase social media advertisements about the industrial action taken by public sector unions in October 2025.
- School Audits 2024
- Government Funding of I am Hope
- NZ’s Climate Finance Investment in the Pacific
- How the Executive reports on, and is held to account for its performance
- Letter to Wellington Water Limited – in response to requests received to look into various aspects of Wellington Water's governance, procurement, contract, and cost management practice
- Insights into Local Government 2024
- Promoting Integrity in the Public Service 2025
- Letter to CE of Tauranga City Council regarding concerns about spending
- Advice: Managing offers to public officials and organisations (gifts hospitality etc)
- Letter to the Chief of Defence Force about a pattern of accepting gifts and hospitality that is inconsistent with good practice in public organisations.
- Reviewed how conflicts of interest in the Fast-track Approvals process were identified and managed.
- Oranga Tamariki – inquiry into procurement and contract management
- How public organisations are fulfilling Treaty settlements
- Mind the gap: Governing cyber security risks

- Regulating vehicle safety inspections
- Guide: Monitoring integrity in public organisations

Inspector-General of Intelligence and Security

[Annual Report 2024-25](#)

- In 2024 several current or former NZSIS employees raised with the IG closely-related criticisms of past operations and conduct in a particular branch of the Service. It was the first instance of the office handling any matter under the Protected Disclosures (Protection of Whistleblowers) Act 2022.
- Reviewed how the GCSB collects and analyses intelligence on transnational organised crime. This work supports other agencies with responsibilities for investigating serious transnational criminal offending, including the New Zealand Police and the New Zealand Customs Service.
- Reviewing the current or planned use of artificial intelligence by the NZSIS and GCSB
- Review of NZSIS and GCSB election-related activities

Complaints 2024-25				
Received from	About GCSB	About NZSIS	About Both	Total
Members of the public	2	15	3	20
Intelligence agency employees/former employees	1	1	0	2
Total	3	16	3	22

Table from IGIS Annual Report 2024/25

Inspector General of Defence [Annual report 2024/25](#)

This entity is in establishment mode.

Office of the Parliamentary Commissioner for the Environment – the third Officer of Parliament. The work of this office focuses on environmental systems, though it comments on legislation where that may impact the environment (eg Fast Track). During the year it provided research into NZ’s natural resource footprint; and a report on the drivers of forestry in NZ

2. Political corruption

2.1 **Perceptions** of political corruption often stem from observed behaviour of elected officials and they have the effect of eroding trust in democratic institutions and increasing citizen dissatisfaction. Public discourse during the year reflects some of these concerns.

Actual investigations of political corruption issues are infrequent and can be clouded by the reality of decision-making power; the desire of other parties to have influence on or control of the use of that power and the intoxicating effect of 'mandate' and 'righteousness'. This is why those holding power must also uphold and strengthen elements of a robust democracy (transparency, accountability, public participation, judicial independence, electoral integrity rights, separation of powers, merit-based appointments, independent scrutiny, access to information) during their time in leadership.

2.2 There have been **no prosecuted cases** of corruption or fraud by people holding political positions during the last year.

2.3 **Allegations:** It has been reported that the Serious Fraud Office has opened an investigation into the Otara-Papatoetoe Local Board election in the 2025 Local Government Elections, following a court judgement. The election result was overturned by the Court following an appeal. The Judge determined that the irregularities were sufficient to question the outcome. A party is now seeking a judicial review of that decision so more is to be learned. Allegations were made about serious breaches of the Electoral Act. This is the first reported case alleging significant breaches of the Electoral Act.

There have been **allegations** of misconduct at a Charitable Trust, including allegations of misuse of census and voter data to support outcomes in 2023 election. It is publicly reported that the NZ Police is investigating misuse of data. Inquiries undertaken (eg by the Public Service Commission) have focussed more on the responsibility of the agencies. A separate long-standing investigation by Charities Services into the trust regarding political donations to a political campaign concluded in December 2025 with a "forced" governance overhaul to avoid deregistration.

2.4 **Government legislative approach, erosion of public participation, revolving doors.**

There has been considerable public disquiet about the approach of the coalition government towards executive control, legislative process, public participation, protecting independent judiciary, and public appointments. The Government retorts that it is getting things done, and has an electoral mandate to take action at pace for the good of New Zealand. Concerns have been expressed about:

- Increased concentration of power of executive built into legislation (eg Fast Track Approvals Bill) in a unicameral system where power is already concentrated.
- Substantial use of urgency, restricting public participation.
- Attempts to override Treaty responsibilities (Treaty Principles Bill, Regulatory Standards Bill).
- Restraints on voting opportunities (Electoral Amendment Bill)
- The use of secondary legislation to override primary legislation (eg Regulatory Standards Bill and several other pieces of legislation which could create a 'parallel regulatory constitution')
- Urgent repeal of legislation against the advice of government agencies (eg Smokefree legislation) and allegations of very close links between responsible Ministers and affected industries.
- Appointments of former, and (recently) current politicians to senior leadership roles in state owned enterprises, commissions, crown entities, statutory bodies and government departments.

2.4 Political Donations and lobbying

Public perceptions of undue influence by donors are widespread. A [2023 New Zealand Election Survey](#) found 43% of New Zealanders believe donors exert "undue influence" on politicians, with significant concerns regarding the "revolving door" between government roles and lobbying. The research showed that the perceptions are strongest on the left, but they also penetrate deeply into groups who vote for the parties on the right and into the business community.

Companies and shareholders associated with the government's fast-track projects gave sizeable donations to [National, ACT, and New Zealand First](#). A contract with a specific supplier was signed off in the Coalition Agreement.

A Public law expert has [noted](#) in the press that in a political system where a lot of the money used for campaigning comes from private sources, it would be difficult to bar parties from being involved in decisions which impact donors. He gives a similar example is union contributions to the Labour Party and subsequent workplace relations legislation under the previous government. He also noted that on the Fast-Track legislation there, there is a layer between donations and decisions. However NGOs have complained of a lack of transparency including about release of information such as fast-track lists.

There has been substantial journalism and advocacy regarding the connection between powerful [industry groups and public policy](#): This includes allegations of influence from property investors, tobacco & nicotine industry and retail, alcohol industry and firearms groups, farming, mining and infrastructure.

TINZ has submitted that much more timely transparency of donations should be made public (eg real time) so the public can see who is trying to influence decisions. TINZ, the Helen Clark Foundation and Health Coalition Aotearoa have also joined to call for lobbying regulation, political funding transparency, reducing towards the 'revolving door' between parliament/public sector and business; and a tighter focus on managing conflicts of interest.

2.5 Conflict of Interest

As noted allegations have a been made about conflicts of interest between Ministers and industry groups. Politicians refute claims of undue influence, pointing to the declarations made in Cabinet. The Department of Prime Minister and Cabinet maintains a register where a Minister has declared a conflict of interest and how it has been managed. A [general summary](#) is made publicly available. The Office of the Ombudsman reviews the summary and has consistently confirmed that the summary is consistent with the more detailed record held by the Cabinet Office.

2.6 Procurement Favouritism

The Auditor-General has criticised the government's "unusual and inconsistent" procurement process in giving substantial funding to an initiative, due to Coalition agreement. Established conventions generally discouraged ministers from directing the public service in making contractual decisions "It is for Ministers to make overarching policy (such as an intention to fund counselling services for young people), but it is for the public service to ensure robust, fair and transparent spending of public money - including selecting a supplier and ensuring value for money."

The [Auditor-General advised the Ministry of Health](#) that several aspects of procurement process were inconsistent with good public procurement, including supplier selection; no fair or competitive

process; limited analysis of appropriateness of the supplier and not a clear justification of why opting out of the National Procurement rules was appropriate.

Noting also in 1.6 above that the current government has strengthened transparency in the National Procurement rules.

3.0 Local Government

Elections: The final turnout number for the 2025 local elections has increased to 39.4% after the counting of special votes. This is a similar turnout to the 2022 local elections. Auckland City (**29.33%**), Hamilton City (**32.97%**) and Waikato District (**35.03%**) recorded the lowest voter turnout numbers. Chatham Islands (**68.34%**), Kaikoura (**60.85%**) and Mackenzie District (**60.43%**) recorded the highest voter turnout numbers.

Noted earlier, issue in Otara-Papatoetoe local Board elections.

Foreign interference: NZSIS threat environment report has advised that local government leaders need to be on high alert for hidden espionage threats. The NZSIS is sufficiently worried that it has produced and updated several booklets for council and central government staff on how to spot foreign state activity and [espionage attempts](#) in New Zealand and while travelling.

Financial & Infrastructure Crisis: The [Office of the Auditor-General](#) reported that council debt has doubled since 2017, with some councils near limits, creating risks for emergency responses. Revenue is forecast to rise 37% (\$233.1 billion) over 2024-34 to address infrastructure deficits. The OAG review of council [Long-Term Plans](#) found that councils are planning significantly higher rates increases than in previous decades to manage debt and infrastructure needs.

[Simplifying Local Government \(2025 Proposal\)](#): The government initiated consultation (running until Feb 20, 2026) on proposals to simplify the local government framework, as detailed in the [dia.govt.nz report](#).

3.0 Official Statistics on Corruption

3.1 Ministry of Justice statistics on corruption of a public official and corruption generally show variation over ten years but a sharp increase in the last two- three years.

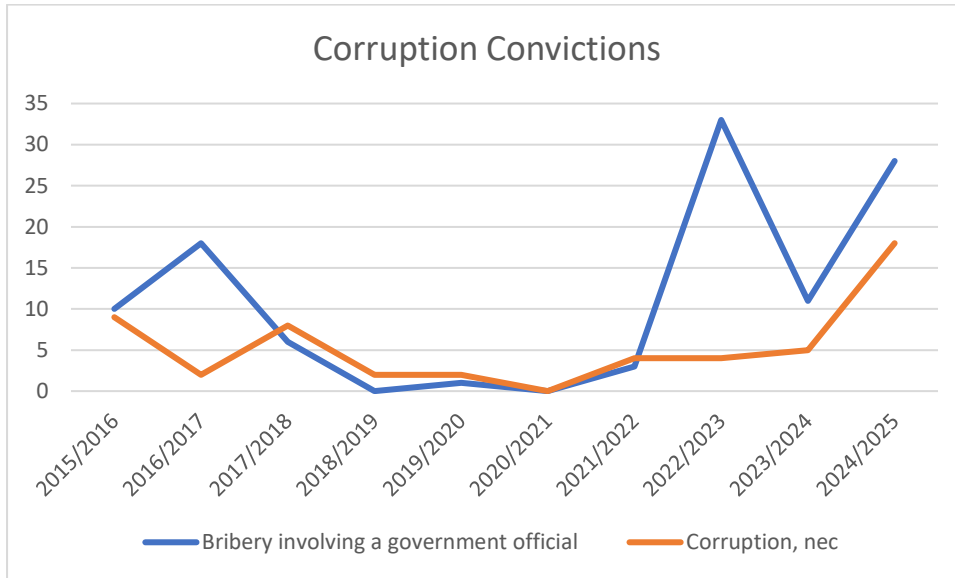


Figure: TINZ from MoJ Stats

Corruption, nec means Corruption not elsewhere classified.

Note: It is not clear whether the numbers indicate distinct people or or number of convictions (eg could be more than one conviction per person – this is being checked).

3.2 From a legislative perspective, New Zealand has no singular fraud or corruption offence. Fraudulent behaviour is charged under offences involving deception and dishonesty, such as ‘obtaining by deception’ under the Crimes Act 1961. Corruption offending, including bribery, is deceptive and dishonest by its nature, and fits within the behaviours associated with fraud. It is charged under the Crimes Act and the Secret Commissions Act 1910.

4.0 Regulatory systems to detect, prevent and counter all types of public and private fraud and corruption. Investigative/agency activity, reports and long-term insights in 2025

4.1 Serious Fraud Office activity

Complaints to New Zealand's Serious Fraud Office ([SFO](#)) climbed 40% over 2023-2025, reaching 1,364 in 2024/2025, as the agency prosecuted cases worth a combined NZ\$174.5 million involving everything from COVID relief schemes to multimillion-dollar kickbacks

The office handled 54 defendants across 23 separate prosecutions during the year, securing 10 convictions on 140 charges. Most complaints came from the public, though the agency also opened 10 cases on its own initiative based on intelligence and received 10 referrals from other government organizations.

Year	Complaints Received	Year-Over-Year Change
2022/23	975	Baseline
2023/24	1,205	+23.6%
2024/25	1,364	+13.2%

The SFO opened seven new investigations during the 2024/25 year. Four dealt with fraud perpetrated by trusted professionals. One involved foreign bribery allegations. The office also commenced 22 preliminary inquiries, which allow limited investigation before committing full resources. About one-third of those inquiries related to corruption allegations, including the foreign bribery case. The office concluded 12 active investigations - Seven new ones opened, four advanced to prosecution, and five closed without charges.

The agency received 30 protected whistleblower disclosures during the year, up from 23 the previous year. These confidential reports help detect fraud that might otherwise go unnoticed.

The SFO reduced its baseline spending by 3.5 percent, which required cutting 12 positions while creating six new ones focused on intelligence and detection.

In late 2024 and throughout 2025, the SFO faced [severe condemnation from the Court of Appeal](#) for conducting "unlawful fishing expeditions". The courts described the SFO's methods as a "significant overreach" and "oppressive," leading to the collapse of a long-running fraud investigation.

4.2 SFO Long term Insights Briefing, October 2025, key points

- Around the world, and in New Zealand, fraud is the most common and fastest growing crime type. Domestically it is affecting hundreds of thousands of people every year, driven by rapidly advancing technology, increased digitisation, financial strain and changes in our social fabric.
- SFO estimates \$601 million to \$12.97 billion (estimated) taxpayer dollars lost to fraud and error (including corruption) each year in New Zealand.
- Corruption independent of fraud is even more difficult to measure, and New Zealand lacks a concrete estimate on its scale.
- Fraudsters are increasingly leveraging advanced technologies such as AI and large language models to create more sophisticated and widespread fraudulent schemes, including highly convincing phishing attacks and deepfake identities.

- Technological advancements also present challenges for law enforcement agencies when investigating and prosecuting fraud cases. The volume of information that needs to be analysed in fraud cases has grown exponentially in the digital era
- Technological advancement has also led to increased use of cryptocurrencies in fraud, complicating traditional financial tracking and detection.
- Collaborative approaches are becoming increasingly critical as countries recognise the importance of intelligence sharing, including through public–private partnerships
- In New Zealand there are some existing public–private initiatives, like the Police-led Financial Crime Prevention Network, which sees law enforcement partner with major banks. However there remains scope for further partnerships, especially in the prevention and education space.

4.3 Inland Revenue

New Zealand remains in a sustained recession, and this has affected business viability and tax avoidance and evasion. Inland Revenue’s debt owed by [customers is expected to hit \\$10b soon](#). This has driven IRD to chase non-payers, and the liquidation of almost 900 NZ businesses with tax owing.

Inland Revenue (IR) in New Zealand has significantly ramped up its compliance and enforcement activities for the 2024-25 financial year, driven by additional funding from the government to tackle tax evasion, fraud, and debt.

There were 50 prosecutions initiated, a 32% increase from the previous year, and 17 arrest warrants issued. Notable cases included a former tax agent sentenced for COVID relief fraud and several convictions for tax evasion.

A considerable number of COVID Wage Subsidy cases progressed to conviction during 2025, including a former Chartered [Accountant was jailed for 5 years](#) 11 months after pleading guilty to 29 charges including Wage Subsidy and Small Business Cashflow Scheme fraud, and money laundering. The charges were jointly brought by Inland Revenue and the Ministry of Social Development.

Inland Revenue reports some concerning practices in the horticulture sector, including people being paid under the table. In 2024-25 IR found \$45m of undeclared tax in the horticulture industry.

4.4 Commerce Commission

Cartel cases prosecuted and convictions 2025: bid rigging on Northern Corridor construction project, and another case of cartel behaviour in the courier business (price agreement). Three other cartel cases in relation to pressure by supermarkets on who suppliers supplied to, agreement on prices between real estate franchisees and discussions on quotes for bids in building industry. The Commission plans to prosecute two businesses for targeting elderly and vulnerable consumers with misleading sales tactics.

4.5 Financial Markets Authority

Cases prosecuted by FMA during the year included for share market manipulation, theft from elderly clients, and misconduct by advisors and licensees.

There has been a rise in the number of misconduct cases related to suspected and more complex mortgage fraud. The FMA says the range of perpetrators includes real estate agents, conveyancing lawyers, valuers, mortgage advisers and brokers, and those involved in credit and mortgage approvals. Mortgage fraud is when people intentionally misrepresent or lie about information in

their loan documents, or try to illegally make a profit from a mortgage. The FMA has also prosecuted one person for insider trading and appealed sentence of another.

4.6 Reserve Bank

ASB Bank Limited (2025): In December 2025, the RBNZ filed civil proceedings against ASB in the High Court for, at minimum, seven breaches of the AML/CFT Act, with issues dating back to December 2019.'

4.7 Department of Internal Affairs

Cases prosecuted by DIA during 2025 included an illegal online lottery, and several cases of non compliance with or breaches of Anti money laundering legislation and breaches including by a casino, money remitters, a derivatives issuer. DIA also entered into enforceable undertakings with two trust and company services providers.

The DIA will replace the current three-supervisor model by mid 2026, becoming the sole supervisor of financial services.

4.8 Customs

The government's focus on organised crime saw Customs increase its work in this area, including major drug seizures, uncovering of smuggling syndicates at the air border, targeting illegal cigarette manufacturing and tobacco smuggling in Auckland. A case of Insider Threat (FedEx employees) was concluded with sentencing.

4.9 Transnational and Serious Organised Crime

The government appointed a Ministerial Advisory Group on Transnational Organised Crime. This group operated from Feb–Sept 2025 with the aim of tightening operational responses to organized crime. It produced seven reports on various aspects of Transnational and Serious organised Crime. This group recognised the urgent threat of public sector corruption and trusted insiders.

"Corruption within institutions strengthens organised criminal groups, creating a cycle of criminal expansion and institutional decay. This includes agencies such as the Police, Corrections, Immigration and Customs, each of which has a crucial enforcement and intelligence role. These agencies work hard to stay corruption free, but they are vulnerable. We can see from experiences in Australia experience that organised crime groups will seek to corrupt these pressure points. If our institutions are corrupted, the road to recovery becomes incredibly difficult. "[Advisory Group final report Sept 2025](#)".

In relation to corruption, primary recommendations are:

- Developing a national anti-corruption strategy to strengthen and enhance oversight, promote inter-agency collaboration, and establish clearer lines of accountability;
- Adopting a coordinated and risk- based approach to managing corruption and insider threat risks, and
- Establishing a central authority to manage system-wide corruption and insider threat risks

Under each of these headings were more detailed practical steps to ensure the main actions had impact.

4.10 Financial Crime Group (including Financial Intelligence Unit (FIU))

Public monitoring reporting by the FIU (eg cash reports) seems to have ceased in early 2025.

An investigation targeting alleged money laundering using cash wages within the construction industry has led to 16 arrests. (October 2025). Police allege this comprises millions in transactions and exploitation by organised crime groups injecting proceeds of crime into labourers' wages at legitimate construction projects.

A Wellington man has been arrested as part of an FBI investigation into an organised criminal group that stole cryptocurrency valued at US\$265 million (\$450m). (May 2025)

There has been a focus on Mule Accounts, which are accounts used by criminals to move proceeds of crime internationally. The person who owns the account, a "money mule", may or may not know their account is being used for illegal activities. In 2024, banks reported finding almost 1000 "mule" accounts operating in New Zealand.

4.12 Need for a Beneficial Ownership Register

In December 2025 the government announced that it had committed to the implementation of a register of beneficial ownership. This followed advice from the Ministerial Advisory Committee on Transnational, Serious and Organised Crime, criticism and recommendations from the Financial Action Task Force and advice from government agencies of the benefits of a Register.

Trusts remain highly vulnerable as identified by the Financial Intelligence Unit (FIU), DIA, and Inland Revenue Department (IR). They report that companies with multiple natural persons listed as shareholders usually indicate one or more trusts behind the company's control or ownership structure. However, as trusts do not have to be registered, there no public record. The beneficiaries of those trusts, likely the ultimate beneficial owners of the company, remain unknown. This provides considerable concealment opportunities for criminals.

4.11 Immigration – migrant exploitation

Immigration NZ prosecuted a minimum of [15 cases of breaches of immigration law](#) during 2025. Many of them included breaches of human rights and abuse of workers:

- Multiple cases of Supplying false or misleading information to INZ December 2025 to support visa applications for foreign workers (fake jobs, business records, companies, wage arrangements). Workers not always getting work.
- Multiple cases of Migrant exploitation - Long hours, poor or no accommodation and under minimum wage rates and no entitlements. Sometimes unlawful deductions. Migrants often charged a fee for 'services' or as loans.
- One case of migrant exploitation that included rape, and another exploiting women as sex workers.
- Long running case relating to slavery case- Samoan national, workers denied basic employment rights.
- Some organised crime groups have links to criminal syndicates who exploit vulnerable Vietnamese migrants by using them to live in residential properties to set up sophisticated indoor cannabis growing systems.

4.13 Overseas Investment Office – civil court action

1 September 2025. The High Court has ordered two individuals and their companies to pay \$961,600 in penalties for purchasing residential properties on behalf of overseas buyers without consent. A portion of these penalties reflects profits from the sale of development properties.

A NZ Real estate agent, bought a property on behalf of her mother. invested in two blocks of residential land for development with an overseas-based business partner. To avoid triggering the Overseas Investment Act, the parties used companies that concealed the overseas buyer's involvement. A final penalties hearing will be held in April 2026 to determine the quantifiable gain from properties that have not yet been sold.

1 January 2025. The High Court has ordered a lawyer to pay \$275,000 in penalties for recklessly enabling breaches of the Overseas Investment Act 2005. In 2011 and 2014, the lawyer recklessly structured transactions and gave legal advice that resulted in three overseas persons acquiring forestry blocks in Auckland and Tairāwhiti without consent. The lawyer did not carefully review the restrictions imposed by the Act when giving advice and structuring the transactions; he derived no financial benefit other than legal fees. The three overseas persons have previously been ordered to pay civil pecuniary penalties.

4.14 Real Estate Authority – professional tribunal decisions

Heard at least 99 cases during 2025 calendar year, findings including s misconduct, eg conflict of interest between agent and purchaser, Confidentiality breaches, non disclosure, dishonesty and deception.

4.15 Sports Tribunal NZ

Drug Use – cannabis, Duromine, cocaine, Trafficking - Ipamorelin – Tesamorelin

Sports involved: boxing, basketball, squash, surf life saving, athletics

No cases of match fixing, but reports of Kiwi footballers being [targeted by international match fixers](#).

4.16 Professional Regulatory bodies

Some reported including a lawyer struck off for his involvement in a major mortgage scam; and a case involving fraud and deception of a client;

4.17 NZSIS Security Threat Assessment 2025: Key points relevant to corruption

Some foreign states have attempted to exploit people inside public and private sector organisations in a deceptive, corruptive, or coercive manner, to gain influence and further their interests.

Grievances and polarising issues in the online information space are almost certainly driving support for a range of violent extremist ideologies within New Zealand. No one ideology currently stands out as presenting a greater threat.

5.0 Private Sector Corruption – risk factors

<p>Construction</p>	<ul style="list-style-type: none"> • high financial stakes; • unique projects, making cost comparison more difficult; • high government involvement without sufficient controls; • multiple contractual links and layers; multiple project phases; and project complexity • irregularity of projects, creating pressure to win contracts; • concealment of work without reasonable supervision; • low standards of transparency; • intertwined interests cemented by bribery; • industry fragmentation with different codes of conduct; • a lack of due diligence by those financing projects.
<p>Financial systems</p>	<ul style="list-style-type: none"> • ignoring or skirting loopholes that enable money laundering • conflicting business and ethical interests • opportunity to manage funds for people who have less financial acuity • opportunity to position investments as attractive • insufficient independent oversight
<p>Business and Trade</p>	<ul style="list-style-type: none"> • high financial stakes; • business growth involves risk, ethical risk not always considered • lack of transparency inherent in trade dealings where there are different expectations in other jurisdictions • insufficient checks eg internal audit, governance to detect fraud • conflicts of interest not always managed eg within networks and relationships • Gaps in cybersecurity • tax mitigation can turn into tax evasion
<p>Migrant Labour industries eg horticulture, hospitality</p>	<ul style="list-style-type: none"> • Vulnerable workforce, unwilling to speak out; • Family and community networks can negatively reinforce poor behaviour • Casual labour arrangements can enable exploitation • Low returns and vulnerable industries may lead to exploitation
<p>Property Market/Real Estate sector.</p>	<ul style="list-style-type: none"> • Potential for substantial financial gains if not discovered • Opaque trust arrangements • Complexity of mortgage payments can disguise wrongdoing

6.0 Perpetrators

6.1 For the past three years TINZ has been lightly monitoring fraud and corruption cases to understand more about the types of cases being prosecuted, who is doing the crime and the monetary value. Our information is limited to that published on media sites and court reports as well as through regulatory agency reporting. Therefore, this represents a very small proportion of fraud offences. In 2025:

- **Occupations** held by those convicted (in our list) were half individuals/fraudsters (beneficiaries, professional fraudsters, or occupation unknown). The second largest group comprised business owners/company directors. Smaller numbers were contractors, sole traders, professionals (accountant, doctor, engineer), agents (tax, insurance), two government employees and two company entities.
- **Types of fraud** (in our list) included about 1/3 COVID related, other govt fraud (MSD, ACC), tax fraud, migrant exploitation. Smaller numbers were involved in general personal fraud including cancer fraud and business fraud, trade fraud, insurance fraud, ponzi schemes, immigration fraud, investment fraud, and money laundering.
- Not all cases had a **monetary value** applied, but the total of the recorded convicted cases in our (limited) list was \$31,000,000.00 with the largest amounts being \$4 million for a Ponzi scheme; \$4 million for an IT contract fraud scheme, \$2 million money government fraud. COVID related fraud amounts spanned \$13K to \$1.7million.
- **Investigating and Prosecuting** agencies noted were NZ Police, Serious Fraud Office, Department of Internal Affairs, Commerce Commission, MSD, MBIE, Financial Markets Authority, Inland Revenue and Immigration NZ (MBIE). There were several cases of agencies working together especially in relation to COVID fraud.
- **Gender, geography.** Two-thirds of those convicted were men. Auckland dominates as the primary centre for corruption/fraud related cases (noting 33% of New Zealand's population live in Auckland). Other areas are Hamilton, Christchurch and South Island, and Wellington.

6.2 Size and type of Prosecuted Fraud in New Zealand – NZ Police

Convictions for different types of Fraud are changing. In corruption cases actors are also often charged with obtaining benefit by deception.

ANZSO C subdi- vision	ANZSOC group	2010 / 2011	2011/ 2012	2012/ 2013	2013 / 2014	2014 / 2015	2015/ 2016	2016 / 2017	2017 / 2018	2018/ 2019	2019 / 2020	2020 / 2021	2021 / 2022	2022 / 2023	2023 / 2024	2024 / 2025
081: Obtain benefit by deception	Identity theft	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Tax offences	7,056	7,976	4,524	4,609	2,605	2,623	3,161	2,570	1,782	1,127	1,483	850	625	720	953
	Social services offences	1,345	1,563	1,181	1,150	1,367	725	619	298	145	40	54	59	29	13	93
	Counterfeiting of currency	29	14	5	10	16	15	21	11	13	24	57	57	11	87	60
	Obtain benefit by deception, nec	15,486	14,318	16,274	12,624	14,145	12,135	11,672	11,846	9,703	9,057	9,374	7,091	6,858	6,618	6,648
082: Deceptive business practices	Fraudulent trade practices	896	710	833	650	182	237	601	474	243	330	58	119	53	45	106
	Misrepresentation of professional status	31	83	36	72	61	105	20	15	24	31	40	7	26	38	96
	Embezzlement	1,090	907	2,136	1,052	879	663	998	383	1,185	376	446	343	459	271	303
	Deceptive business practices, nec	110	62	72	42	41	107	45	101	37	51	36	8	18	23	29

6.3 Cyberfraud and other scams

Kiwis lost a gross total of \$265 million to fraud Nov 24-Nov 25 with fraudsters and scammers using innovative methods to prey on vulnerable people.¹). Of the \$265 million defrauded, about \$126 million of reported scams involved authorised payments, where individuals were tricked into approving the transaction themselves. The remaining \$139 million came from unauthorised transactions, where scammers accessed accounts without the account holder's knowledge.

The biggest amounts defrauded came from products and services scams, which accounted for around \$76 million of the total \$265 million. Relationship and trust scams made up about \$31 million, and compromised credentials scams account for \$84 million.

Together, these 3 types of scams make up nearly three-quarters of the total amount defrauded, with the rest spread across a range of other scam types.

[The Cyberthreat Report 2025 by NCSC](#) says that:

- State-sponsored actors are actively targeting New Zealand. They are generally motivated not by financial gain but by national objectives such as gaining strategic advantage. Instances in 2024/25 included compromise of a virtual private network (VPN) appliance in a medium-sized telecommunication company, • brute-forcing attempts against a central government organisation, and • spear-phishing of senior public servants
- The commercialisation of cybercrime means cybercriminals have more tools. Criminals 'rent' effective attack tools, and specialise in different elements of the attack. New technologies such as AI are accelerating their work and effectiveness. In 2024/25, 88 reports of ransomware were recorded by the NCSC, compared to 63 the year before. This includes Ministry of Health.
- Hacktivists are targeting New Zealand organisations as global conflicts escalate. Hacktivism usually seeks to cause disruption to business, sector, or state to promote political or social causes. Their activities still undermine trust, damage reputations, and disrupt services.
- Threat actors are exploiting supply chains, hidden dependencies and organisational blind spots to cause impact. Supply chain attacks are conducted by both financially motivated criminals and state-sponsored actor
- Known weaknesses and unpatched vulnerabilities are providing threat actors with easy access.

Of the 5995 reports received by the National Cyber Security Centre during the 2024/25 financial year, 331 incidents were triaged as incidents of potential national significance, meaning they received additional analysis and support. Hacktivists will usually target sectors with the highest potential for significant and visible disruption, such as government services, banks and other financial institutions, news media, transport, utilities and retail. In the 2024/25 year pro-Ukrainian and pro-Russian hacktivist groups both conducted global distributed denial-of-service (DDoS) campaigns against financial institutions and government sites, including in New Zealand.

¹ Payments NZ's first Reported Fraud Monitor report (an overview from 12 banks of gross reported fraud that has happened over the past 12 months)

SECTOR BREAKDOWN

The following table shows the sector breakdown of the 5,664 incidents handled through our general triage process

Agriculture, Forestry and Fishing	24	Not Specified	929
Arts, Recreation and Other Services	26	Professional, Scientific, Technical, Administrative and Support Services	49
Construction	40	Public Administration and Safety	11
Education and Training	21	Rental, Hiring and Real Estate Services	8
Electricity, Gas, Water and Waste Services	6	Retail Trade and Accommodation	45
Financial and Insurance Services	29	Technology	23
Health Care and Social Assistance	34	Transport, Postal and Warehousing	19
Individual	4343	Wholesale Trade	17
Information Media and Telecommunications	21		
Manufacturing	19		

Table from NCSC Cyber Threat Report

Reports referred to:

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[The Future of Public Service Integrity](#) Te Anamata o te Tapatahi o te Ratonga Tūmatanui Long-Term Insights Briefing 2025, Public Service Commission

[New Zealand Election Study](#), Rangahau Tōrangapū o Aotearoa

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Financial Intelligence Unit. Strategic Assessment: Ultimate Beneficial Ownership Central Register, September 2024

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