



17 December 2024

Dear [REDACTED]

Thank you for your request made under the Official Information Act 1982 (OIA), received on 10 November 2024. You requested the following:

All communications, including emails, text messages, and oral recollections of meetings, related to the recent data breach involving the leaking of New Zealanders' personal information held by the IRD.

On 19 November 2024, I sought clarification from you given the broad nature and scope of your request. You refined your request for the following information:

I request all correspondence, including emails, text messages, Teams messages, between staff members at General Manager level (Tier 3) and above, up to and including the Chief Executive, related to the recent data breach involving the leaking of New Zealanders' personal information held by IRD.

I identified 57 staff members at the General Manager level (Tier 3) and above whose emails, text messages, and Teams messages would be in scope of your refined request. However, I believe that the scope remains broad and would require substantial collation and research. A sample search of the mailboxes of 10 staff members of an Oversight Group established to oversee the review of custom audience lists and the unintended disclosures yielded over 3,600 items. Consequently, it is estimated that your request for correspondence between more than 5 times that number of staff members, would yield a significant volume of items, placing a considerable administrative strain on Inland Revenue's resources to determine whether they are in scope of your request.

Therefore, I have decided to refine the scope of your request further to be for correspondence, including emails, text messages, and Teams messages, between staff members at Tier 3 level and above who are members of this Oversight Group. I am partially refusing your request under section 18(f) of the OIA, as the information requested, as it pertains to the 57 staff members at Tier 3 level and above, cannot be made available without substantial collation or research.

Please also note information about Inland Revenue's use of custom audience lists related to Meta (Facebook) and our final independent review report into the matter are publicly available on our website:

- [About custom audience lists](http://www.ird.govt.nz/about-us/social-media/about-custom-audience-lists) (www.ird.govt.nz/about-us/social-media/about-custom-audience-lists)
- [Final independent review](http://www.ird.govt.nz/-/media/project/ir/home/documents/about-us/social-media/final-independent-review.pdf) (www.ird.govt.nz/-/media/project/ir/home/documents/about-us/social-media/final-independent-review.pdf)

Information being released

I have identified 23 emails and 10 corresponding attachments in scope of your request. Please refer to **Table 1** for my decisions. The correspondence released to you is enclosed as **Appendix A**. Attachments have been included where relevant, following the email (i.e. 1a, 2a, etc.).

Where information is withheld in **Appendix A**, the relevant withholding ground is specified. Some information is withheld and/or refused under the following sections of the OIA:

- 9(2)(a) – to protect the privacy of natural persons. Information relating to external parties, and some names, email addresses and phone numbers of Inland staff members are withheld,
- 9(2)(g)(i) – to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to Ministers of the Crown or members of an organisation or officers and employees of any public service agency or organisation in the course of their duty, and
- 9(2)(h) – to maintain professional legal privilege.

Please note that some of the information released to you may include documents generated in the course of developing final versions of such documents. Some of these drafts may include tracked changes and comments by staff members expressing their views and opinions. Therefore, I have decided to withhold 5 draft documents in full under section 9(2)(g)(i) of the OIA. Where drafts are superseded by a final version, this is either released to you or if the final version is publicly available, a link is provided to where the document is available on our website.

After careful consideration, we have decided to provide a summary of the document attached to Item 22, titled *Custom Audience Lists Incident Review*, rather than releasing the full document. This decision is based on privacy concerns for the individuals involved in the incident review. Additionally, the review of the incident is not yet finalised, and releasing the document before we have communicated the findings with the team involved would inhibit us from being able to perform our duties effectively. Therefore, a summary of the document is provided to you in accordance with section 16(1)(e), section 16(2)(a) and section 16(2)(c) of the OIA, as follows below.

Summary of the *Custom Audience Lists Incident Review*

The purpose of the review memo was to inform the Privacy Officer of Internal Assurance's findings from their assessment of the actions associated with the supply of personal identifiable information to Meta and to provide recommendations as to next steps. The focus of the review was on one specific incident of data sharing that occurred in February 2024.

The memo includes background on why Inland Revenue used custom audience lists (to ensure it reached the right customers with targeted advertising) and how the incident was identified during the process of responding to an OIA request.

The objective of the incident review was to understand the timeline of events leading up to the file being shared with Meta and to understand if actions aligned with Inland Revenue's policies and practices for sharing custom audience lists.

The review outlined the Internal Assurance's findings on the sharing of the CVS file, including the understanding of the timeline of events, the decision to share the file, the responsibility for the decision to release the file, the current state of the file, and their recommendations going forward. One of the primary recommendations was that Inland Revenue reviews its processes for oversight of customer data used for marketing campaigns. This includes creating a centralised view of all similar data shares, including: the teams responsible for the share, the type of data being shared, who it is shared with, the frequency of sharing and documentation of approval processes.

We believe this summary provides the necessary information relevant to your request while ensuring compliance with our obligations under the OIA.

Information out of scope of your request has not been considered for release and is redacted as 'not in scope'.

As required by section 9(1) of the OIA, I have considered whether the grounds for withholding the information requested is outweighed by the public interest. In this instance, I do not consider that to be the case.

Table 1: Correspondence in scope

Item	Date	Document	Decision
1.	1/10/2024	Meeting Notes - 1 October 2024	Partially released. Some information withheld under section 9(2)(a).
1a.	1/10/2024	Meeting notes – 1 October 2024	Partially released. Some information withheld under section 9(2)(h).
2.	7/10/2024	FW: Emailing: Social Media Usage Analysis Memo - draft-04-10-2024	Partially released Some information withheld under section 9(2)(a).
2a.	4/10/2024	Social Media Usage Analysis Memo - draft-04-10-2024	Partially released. Some information withheld under section 9(2)(g)(i).
3.	23/10/2024	Meeting Notes - 23 October 2024	Released in full.
3a.	23/10/2024	Meeting Notes - 23 October 2024.docx	Partially released. Some information withheld under section 9(2)(h).
4.	30/10/2024	Custom audience communications plan	Partially released. Some information withheld under section 9(2)(a).

Item	Date	Document	Decision
4a.	30/10/2024	Custom audience list - communications plan	Partially released. Some information withheld under section 9(2)(g)(i) and 9(2)(h).
5.	31/10/2024	RE: Custom audience communications plan	Partially released. Some information withheld under sections 9(2)(a) and 9(2)(g)(i). Some information not in scope.
5a.	30/10/2024	Custom audience list - communications plan	As per item 4a.
6.	31/10/2024	Re: Communications plan for Custom Audience lists	Partially released. Some information withheld under section 9(2)(a).
6a.	30/10/2024	Communications plan for Custom Audience lists	As per item 4a.
7.	31/10/2024	Your Brief	Partially released. Some information withheld under section 9(2)(a).
7a	31/10/2024	Peter - Briefing format and script.docx [DRAFT]	Partially released. Some information withheld under section 9(2)(a). Draft attachment withheld under section 9(2)(g)(i). Final version publicly available.
8.	1/11/2024	Briefing note on custom audience lists - in the MoR weekend bag	Partially released. Some information withheld under section 9(2)(a).
8a.	1/11/2024	BN2024/444: custom audience list internal review	Released in full.
9.	1/11/2024	Custom Audience Information	Partially released. Some information not in scope.
9a.	1/11/2024	Social Media Usage Analysis Review FINAL DRAFT Formatted version .docx	Draft withheld in full under section 9(2)(g)(i). Final document publicly available.

Item	Date	Document	Decision
9b.	1/11/2024	Question and answer short and longer lists.docx	Final draft partially released. Some information withheld under section 9(2)(g)(i) and 9(2)(h).
10.	1/11/2024	FW: Custom Audience Information	Released in full.
10a.	1/11/2024	Social Media Usage Analysis Review FINAL DRAFT Formatted version .docx	As per item 9a.
10b.	1/11/2024	Question and answer short and longer lists.docx	As per item 9b.
11.	1/11/2024	RE: [UNCLASSIFIED] Key Messages - Custom Audience List - PSC	Partially released. Some information withheld under section 9(2)(a).
12.	3/11/2024	RE: Custom Audience Information	Partially released. Some information withheld under section 9(2)(a). Some information not in scope.
13.	4/11/2024	RE: Updated landing page on Custom audience lists to review on Monday please - it's only a few paragraphs.	Partially released. Some information withheld under sections 9(2)(a) and 9(2)(g)(i).
13a.		DRAFT Custom audience list landing page - Copy.docx	Final draft partially released. Some information withheld under section 9(2)(g)(i).
14.	4/11/2024	RE: Updated landing page on Custom audience lists to review on Monday please - it's only a few paragraphs.	Partially released. Some information withheld under section 9(2)(a).
14a.	4/11/2024	Custom audience list landing page - Copy.docx	As per item 13a.
15.	4/11/2024	RE: Updated landing page on Custom audience lists to review on Monday please - it's only a few paragraphs	Partially released. Some information withheld under sections 9(2)(a) and 9(2)(g)(i).
15a.	4/11/2024	Custom audience list landing page - Copy.docx	As per item 13a.

Item	Date	Document	Decision
16.	4/11/2024	RE: [UNCLASSIFIED] Key Messages - Custom Audience List - PSC	Partially released. Some information withheld under section 9(2)(a).
17.	4/11/2024	EMBARGOED UNTIL 12 NOON ON TUESDAY 5 NOVEMBER 2024 - Pack - Custom Audience/Hashing	Released in full.
17a.	4/11/2024	Social Media Usage Analysis Review FINAL - November 2024.pdf	As per item 9a.
17b.	4/11/2024	Media Brief - Peter Opening - November 2024.pdf	Released in full.
17c.	4/11/2024	Media Brief - Q&As - November 2024.pdf	As per item 9b.
18.	5/11/2024	FW: Statement on IRD enquiry into hashing (A1028500)PC	Refused in full under section 18(g).
19.	5/11/2024	FW: Statement on IRD enquiry into hashing (A1028500)PC	Refused in full under section 18(g).
20.	5/11/2024	FW: Statement on IRD enquiry into hashing (A1028500)PC	Refused in full under section 18(g).
21.	5/11/2024	Media Briefing - Commissioner Peter Mersi - 5 November	Released in full.
21a.	5/11/2024	Media Briefing - Commissioner Peter Mersi - 5 November	As per item 17b.
22.	5/11/2024	FW: Custom Audience Lists Incident Review- Final Memorandum	Partially released. Some information withheld under section 9(2)(a).
22a.	5/11/2024	Custom Audience Lists Incident Review- Final Memorandum.pdf	Document summary released.
23.	6/11/2024	Custom Audience/Hashing - Update	Released in full.

Information refused in full

Three emails referenced in **Table 1** above (items 18, 19 and 20), contain information that is not considered official information under the OIA. This is because the OIA specifically excludes information contained in any correspondence or communication between the office of the Privacy Commissioner and Inland Revenue that relates to any investigation conducted by the Privacy Commissioner under the Privacy Act 2020. As this information does not qualify as official information, I am refusing to release it under section 18(g) of the OIA, the information is not held by Inland Revenue, and I don't believe it is held by any other agency.

Additionally, no text or Teams messages in scope of your request have been identified. Your request for this information is therefore refused under section 18(e) of the OIA, as the document alleged to contain the information requested does not exist or, despite reasonable efforts to locate it, cannot be found.

Information publicly available

I am refusing the release of the following documents, attached to correspondence in scope of your request, under section 18(d) of the OIA, as the information is publicly available:

Table 2

Item	Date	Document	Website address
7a.	4/11/2024	Media Briefing – Commissioner Peter Mersi	https://www.ird.govt.nz/media-releases/2024/inland-revenue-stops-using-custom-audience-lists
9a.	04/11/2024	Review and analysis of Social Media for Custom Audiences.pdf	https://www.ird.govt.nz/-/media/project/ir/home/documents/about-us/social-media/review-and-analysis-of-social-media-for-custom-audiences.pdf

Right of review

If you disagree with my decision on your OIA request, you can ask an Inland Revenue review officer to review my decision. To ask for an internal review, please email the Commissioner of Inland Revenue at: commissionerscorrespondence@ird.govt.nz.

Alternatively, under section 28(3) of the OIA, you have the right to ask the Ombudsman to investigate and review my decision. You can contact the office of the Ombudsman by email at: info@ombudsman.parliament.nz.

If you choose to have an internal review, you can still ask the Ombudsman for a review.

Publishing of OIA response

We may publish our response to your request on Inland Revenue's website (ird.govt.nz) as this information may be of interest to other members of the public. This letter, with your personal details removed, may be published in its entirety. Publishing responses increases the availability of information to the public and is consistent with the OIA's purpose of enabling more effective participation in the making and administration of laws and policies and promoting the accountability of officials.

Thank you again for your request.

Yours sincerely



Pip Knight
Service Leader, Marketing & Communications

Appendix A - 25OIA1586
Document 1

From: [Kirsty Gemmill](#)
To: [James Grayson](#); [Pip Knight](#); [Kieran Burlace](#); [Jay Harris](#); [Dawn Swan](#); [Thomas Allen](#); [Josh Green](#)
Cc: [Joanne Petrie](#)
Subject: Meeting Notes - 1 October 2024
Date: Tuesday, 1 October 2024 4:01:36 pm
Attachments: [Meeting Notes - 1 October 2024.docx](#)

Hi,

In Jo's absence, I have captured the key points from our meeting at 2:00pm.

Please let me know if you have any amendments you would like to make.

Many thanks.

Kirsty

Kirsty Gemmill | Service Leader | Governance, Ministerial & Executive Services |
Enterprise Design & Integrity | Inland Revenue
Kaiwhakahaere | Tari Whakahaere Ratonga Rangapū | Hinonga Hoahoa me te Tika | Te
Tari Taake

s 9(2)(a)

**Customer Audience Media
Oversight Group
1 October 2024, 2:00pm**


Attendees:

James Grayson, DC CCS-I
Jay Harris, CISO
Dawn Swan, Privacy Officer
Thomas Allen, Domain Lead, GMS
Kirsty Gemmill, Service Leader, GMES
Josh Green, Enterprise Stewardship
Kieran Burlace, Domain Lead, Marketing and Comms

Background

A potential issue has been identified around information that was provided to a third party.

What we are currently doing

- s 9(2)(h) 
- The Privacy Officer has suggested it could be a potential privacy breach under the Privacy Act, if we determine this was an unauthorised disclosure of personal information. However, the view is held that this is not a notifiable breach as it is not likely to cause serious harm to affected individuals. However, if we determine it is a breach, then it may be helpful to notify the Privacy Commissioner given their current review.

Next Steps

- s 9(2)(h) 
- 

Document 2

From: [Jay Harris](#)
To: [Tiers 1 and 2 - ELT](#); [Pip Knight](#); [Joanne Petrie](#); [Kirsty Gemmill](#); [Dawn Swan](#); [Karen Whitiskie](#); [Andrew Stott](#); [Thomas Allen](#); [Anne Apineru](#); [Alex Lockhart](#); [Conrad Bace](#); [Jesse Thwaites](#)
Subject: FW: Emailing: Social Media Usage Analysis Memo - draft-04-10-2024
Date: Monday, 7 October 2024 8:13:49 am
Attachments: [Social Media Usage Analysis Memo - draft-04-10-2024.docx](#)

Hi all,

Please find attached a Draft of the Review Document for comment.

Since this version of the draft was finalised more information has surfaced which will need to be addressed and considered. Additionally we are still waiting on some info from Meta and LinkedIn.

Jay

-----Original Message-----

From: Adwin Singh [s 9\(2\)\(a\)](#)
Sent: Friday, October 4, 2024 5:13 PM
To: Jay Harris [s 9\(2\)\(a\)](#)
Subject: Emailing: Social Media Usage Analysis Memo - draft-04-10-2024

Your message is ready to be sent with the following file or link attachments:

Social Media Usage Analysis Memo - draft-04-10-2024

Note: To protect against computer viruses, email programs may prevent you from sending or receiving certain types of file attachments. Check your email security settings to determine how attachments are handled.

Memorandum

To: Inland Revenue Executive Leadership Team
Date: 01/10/2024
From: Jay Harris, Chief Information Security Officer

Review and Analysis of Social Media Usage for Custom Audiences -
Executive summary

Background

Inland Revenue undertakes a wide range of marketing activities to help customers know about available support, new products or when they may have a return or debt due. This helps to ensure that as many taxpayers as possible can meet their obligations or claim their entitlements. Inland Revenue uses a variety of channels for marketing including billboards, digital advertising, videos, posters, radio and social media.

s 9(2)(g)(i)

Advertising campaigns are carried out by the marketing team directly through Meta (specifically Facebook), Google (including YouTube) and LinkedIn (IR has two LinkedIn accounts – one for Tax Professionals, the other general IR followers).

Targeted social media advertising uses custom audience lists – lists of specific customers for who the information is relevant. Custom lists include a range of data that will help identify those relevant people – for example first name, last name, email. However, the specific information will depend on the individual platform and how Inland Revenue uses it.

These lists are uploaded to the platform after a procedure called hashing takes place, which anonymises customer information, meaning an individual is not able to be identified from it. The platform then carries out matching which becomes the target/matched audience that the advertising will reach.

This process is used in other jurisdictions, including HMRC in the United Kingdom, as well as businesses and organisations as a way to target information to their customers.

Context for the review

On Monday 9 September 2024, RNZ published an article about Inland Revenue's use of taxpayer information for targeted advertising on social media platforms. This generated public concern and media attention about the privacy practices Inland Revenue uses to generate custom audience lists and share them for targeted social media advertising. Coverage was specifically on the use of anonymisation tools (called hashing) and the implications of this for protecting customers' personal information.

Concerns fell into three main categories:

1. s 9(2)(g)(i)
2. Taxpayers being unable to opt out of having their details provided to social media companies

3. The security controls used (hashing) do not make data anonymous. This concern was supported by reference to a press release from the United States Federal Commission and European Regulators, sharing this concern.

In response to public concerns, Inland Revenue chose to undertake an internal review to consider whether any of the concerns were valid and to ensure that practices used were compliant with the Privacy Act.

The review was led by Chief Information Security Officer Jay Harris. It set out to understand:


- whether IR's use of custom audience lists for targeted advertising complies with the Privacy Act 2020
- how IR provides Custom Audience lists to social media platforms
- data security and retention in the platforms
- whether user profiles are enhanced with the Custom Audience data (including hashing risks, and privacy and legal obligations).

The key finding of the review are as follows:

Use of lists and privacy


- The data uploaded to the platforms is not considered personal information as it is hashed, and therefore not identifiable. The Privacy Act describes personal information as information about an identifiable individual. This practice is not a privacy breach.
- Inland Revenue's Privacy Policy notifies that we will use email addresses and mobile phone numbers to send customers reminders about their tax affairs, and we send hashed information to third parties.

s 9(2)(g)(i)



Sensitive Revenue Information

s 9(2)(g)(i)



Providing custom audience lists to social media platforms

- The information provided to the platforms is securely uploaded through an IR browser. Where data is hashed, this is automatically performed with the browser of the IR device uploading the custom audience list. Both the hashing algorithm and transmission are compliant with NZISM specifications.
- The Office of the Privacy Commissioner has confirmed that the use of this method is not a Privacy Breach.

In the course of the review it was identified that there was an instance of an un-hashed custom audience lists being shared with Meta. This took place in early 2024 when Meta experienced problems with matching an uploaded hashed custom audience list. A Meta support person requested a raw (unhashed) file to try and solve the issue. They were provided this file under the agreement that it would be deleted once the issue was rectified. The file that was sent through contained the data of 268,068 customers.

- Sharing this file via email went against the approved approach for custom audience lists and is considered a non-notifiable privacy breach.

When this activity was discovered, Inland Revenue contacted the Office of the Privacy Commissioner to let them know that this unapproved sharing of personal information had occurred. The breach was not considered to be notifiable, but we have chosen to contact everyone who was included in the custom lists for transparency and to rebuild trust.

Historic use of custom audience lists on additional platforms

Through the review, additional historic examples of custom audience lists being used via an advertising agency for targeted advertisements were identified – specifically TradeMe in 2017. This platform is not currently used for targeted advertising with custom audience lists.

Data security and retention

s 9(2)(g)(i)

Enhancing user profiles with Custom Audience data

The social media platforms indicated that custom audience list information provided is not used to enhance or build profiles of the users.

Outcome of the review

Having undertaken the review, we believe that the process taken in using custom audience lists in targeted social media marketing is recognised as legitimate both in New Zealand and internationally.

However, our review has shown that separate non-notifiable privacy breaches had occurred while carrying out this activity and there continues to be ongoing public concerns about the practice. We recognise the importance of building and maintaining public trust as a cornerstone of an effective tax and social policy system.

For these reasons, Inland Revenue will be ceasing the use of custom audience lists for the foreseeable future.

s 9(2)(g)
(i)

Document 3

From: [Joanne Petrie](#)
To: [Peter Mersi](#); [Lisa Barrett](#); [David Carrigan](#); [Mike Cunnington](#); [Michelle Redington](#); [Jay Harris](#); [Karen Whitiskie](#); [Pip Knight](#); [Suzanne Sherris](#); [Rowan McArthur](#); [Gay Cavill](#)
Cc: [James Grayson](#); [Jane Elley](#)
Bcc: [Joanne Petrie](#)
Subject: Meeting Notes - 23 October 2024
Date: Wednesday, 23 October 2024 1:48:00 pm
Attachments: [Meeting Notes - 23 October 2024.docx](#)

Kia ora

Please find attached the notes and actions from today's meeting.

Nga mihi
Jo

Customer Audience/Hashing ELT Session
Wednesday 23 October 2024
11am – 1.45pm

Attendees:

Peter Mersi, Commissioner
Lisa Barrett, DC CCS-B
Mike Cunnington, DC Enterprise Services
Michelle Redington, CTO
David Carrigan, DC Policy
Dawn Swan, Privacy Officer
Jo Petrie, Management Support/Team Lead, Exec Services
Jay Harris, CISO
Rowan McArthur, Media
Gay Cavill, Media
Pip Knight, Service Leader, Marketing & Comms
Karen Whitiskie, Legal Services

Pip

Privacy Act requests have gone out refusing due to substantial collation.
Will sent those who cover both areas on 5 November.

Confirm the date with the PM Office and MoF – MoR aware and confirmed.

Dedicated phone line has been set up – will be included in the letters that go out – need to consider what questions will be asked.

Peter - Need to emphasise the point when it comes to LinkedIn there was a breach in the sense that name and country shared 'unhashed' but importantly shared through a secure encrypted channel, a machine to machine process and once the matching was concluded using the information that LinkedIn has that data was deleted. As far as we can ascertain there was no human intervention in that process and the process wasn't compromised.

Also need a message opposite to the unmatched names – we need to address this too.

Our list was deleted once matching and unmatching names was deleted and the matched list was deleted according to the terms of the agreement with LinkedIn.

Key messages for the Minister – include some questions he may be asked for him to consider a response. A different range of questions from the PM too.

Also questions around if we discontinue this can we still collect the revenue?

Need to ensure everything we say is factual and we have evidence to back it.

Our People Messaging

Featured news – media conference, we are going to stop this on the concerns raised, in undertaking the review we have two instances where the information left the organisation not in the identified form – the conference will announce this and comment on this.

Consider the timing of the Featured News and the message to affected staff.

Do a heads up on Featured News prior saying it is happening – Suzanne has messaging around this.

When we send letter to customers 268 after the briefing we will include a snapshot for our people.

Send Media invite on Monday 5 November to a list of Media people.

We will need to provide any updates to the Minister for their 2pm media briefing.

Agreed those in the room:

- Peter
- Rowan
- Gay
- Pip (to take notes)

Agreed to have a recording device in the room. Suzanne has an APP to do this so we can provide that as a transcript.

Pip will also take some key messages – MoR, MoF, PMO.

Agreed no follow up interviews.

Agreed to include the Independent Review by Geof Nighthingale – in the Briefing by Peter. Advise if asked that he would also be available to speak with Media.

Will provide both the Review and the Independent Review on the Custom Audience Landing Page – a link to the review will be published with the briefing on the media. Ensure that Geof's review is as a separate document not as an appendix. On the media page provide both our Review and the Independent Review document.

Agreed that we release the link to the Review Reports at 12 noon.
Will hand out the script at the beginning.

How will we manage questions they have once read the Review.

Action: Need a Q&A response in relation to approvals.

Agreed – we will take written questions after, no further interviews.

We believed we were engaging in a process that was keeping customers' information safe and secure.

'It is an unintended disclosure' – when it is describing in terms of Privacy it is a Privacy Breach – not notifiable though. It is non-notifiable – this means we do not have to notify the individuals. Use the 'It is an unintended disclosure'.

Use of Meta and LinkedIn – they have agreed to be named in the Report but not whether they should be named in the Opening Press Statement.

No response so far if HMRC have or are using this – **Dawn to follow up with Anil.**

Peter – wants to use that it is used in the privacy sector and other overseas jurisdictions – noting I cannot name them if we have not heard from.

Jay noted that this process is required by the social media outlet – confirmed that this meets out minimum standard to be used – we were always confident that the information was being transmitted in a way that we safe and secure.

Confirmed we are confident that the hashed data was never accessed as it was transmitted machine to machine similar to how people do internet banking.

Pip to provide some wording around why we use 'custom audience lists' in a targeted way – Suzanne sharing the reason of why we do marketing. Mike added – we are required to make every attempt to contact customers.

Jay – we will look at the opt out issue going forward.

Peter – soften wording – we would use an opt in or opt out – at a point in the future if we are considering re-starting these we would look at how to do it in a way that gave the public confidence for example, could include – this is a longer term option. Consider the wording used in the Press briefing – leave them with a message that we have stopped and in the foreseeable future.

Mike – if we look at doing this again we would do this differently. If drawn into a question that talk about opt in and opt out.

Agreed to go with Mike's recommendation.

Agreed on including early in the Brief for Peter as Commissioner's importance of keeping information safe etc.

Include in the Q&As – acknowledge how serious these breaches have been – up front – very serious but comforted by the fact that it was done machine to machine. Upholding the first one given the way the information was shared – human to human.

Taking these very seriously – the mitigation with the second breach is machine to machine etc – there is no evidence that it has in any way been abused.

Notifying the 268 – being transparent, know who they are, some had written in, what to let all of them know this has happened – it's the right thing to do. Want to maintain people's trust.

s 9(2)(h)

s 9(2)(h)

s 9(2)(h)

When referencing the 268k breach – include that no tax or income information was shared.

Consideration around the Privacy Commissioner's Report – still to come out. They are waiting to see our Report – get this to them prior to the independent review is done.

Report to be shared with both Geof and Privacy Commissioner close of play Thursday.

Peter – because we are saying we are stopping because of public sentiment – the use of hashing is irrelevant – we are confident they agree these are non-notifiable privacy breaches – expect them to agree and gone above and beyond to contact the 268. We need to know the Privacy Commissioner's view (if possible) before the Press Conference.

Consideration around further responses to OIAs post the Press Conference – Peter to have a copy – OIAs corre between us and advertising agencies – costings – OIAs – other agencies have been asked.

Action: Ensure we use the right terminology – “Custom Audience List” and “de-identified” – need to be consistent between the Review and Peter’s Briefing.

Q&A around the timing of this Press Conference – include the reason for timing – Peter is away, Review to be finalised and Independent Review to be done.

Jay – just noting - historic use of other social platforms e.g. TradeMe – fund evidence of using it once. Be generic on the platforms – Meta (Facebook), LinkedIn, Google (U-tube - comes under Google)

Next steps

- Rowan to send draft press brief and plan to Jo to send to PSC
- Jo to send PSC a draft copy of the Report (also advise there is an independent assessment to be done)
- Jay to advise GCSB and CGIO – embargoed until 5 November
- Jo to share Geof’s report when received with Rowan – develop any further questions for Peter and send through those given Peter is away next week.
- Send a copy of the Report to RAC – the day of the Press Conference – afternoon – FYI.
- Minister Offices messaging/brief – Pip will prepare these.

Document 4

From: [Pip Knight](#)
To: [David Carrigan](#); [Mike Cunnington](#); [Michelle Redington](#); [Rowan McArthur](#); [Gay Cavill](#); [Dawn Swan](#); [Jay Harris](#); [Karen Whitiskie](#); [Thomas Allen](#); [Kieran Burlace](#); [Kirsty Gemmill](#)
Subject: Custom audience communications plan
Date: Wednesday, 30 October 2024 11:17:48 am
Attachments: [image001.png](#)
[image002.png](#)

Kia ora all,

Please find attached the Communications plan for our wrap up of The Review into Custom audience lists.

 [Custom audience list - communications plan.docx](#).

We'll discuss this at the 3pm meeting tomorrow afternoon.
This is a working document, so feel free to add any comments.

Key things due this week are:

Today

- Key messages for the PSC. Jo will share these today. The key messages can be found at the top of this communications plan document. – *I don't think these need any additional reviewing but feel free to take a look.*

Thursday

- Finalise the back-pocket Q&As – *these still require some work, I've tagged a few of you in this document so please could you review your questions and thanks to those who already have.*

Friday

- The email copy & data checks going to the 268k customers must be finalised. This will be sent on 6 November and has been approved
- Key messages for the MoR & MoF and an embargoed final copy of the report.

Please let me know if you have any concerns and or feedback.

Ngā mihi nui,

Pip

Service Leader Marketing and Communications
Inland Revenue | P O Box 2198 | Wellington 6014
s 9(2)(a)

Communications plan

Includes communicating to all customers who were in the data file breach.

Risk: A significant number of the 268,067 customers respond/reach out.

Audience:

- 268k in breach
- 8,174 Privacy Request responses. Of these 362 were in the breach
- Over 500 additional Privacy requests that have come through since then
- Have a few other data checks to consider – exclusion flags i.e deceased
- Check for any complaints customers. If so – Complaints Management to reply directly and they will be removed from the 268k list.

Mitigations:

- Preparing our staff first.
- Having clear messages in the communication answering what we believe their concerns will be.
- Run a review over the audience to remove any high-risk customers and consider different approach i.e. those from the Privacy Request comms/media requests/those who've written to complaints either at IR or the OPC.

Stakeholders	Plan	Date
Minister	Heads-up conversation and update via sharing a summary of The Review - via the Status Report (depending on timings maybe a separate Briefing Note). Include Q&As for their office	Prior to launch date
Public Service Commission	Provide an update including heads up of our approach	Prior to launch date

Office of the Privacy Commissioner	Keep them informed of the situation and next steps for customers impacted. Share the review <TBC assume should do this prior to going live> ? what are the findings of their review???	Prior to launch date													
GCSB Govt Communications Security Bureau	Provide an update	Prior to launch													
Crown Law Office	s 9(2)(h)	Prior to launch													
Risk and Assurance Committee	Update to the Risk and Assurance Committee prior to launch														
Invite to media	Invite Media to briefing on 5 Nov in Asteron. 'Findings of our review into the use of custom audience lists'	Prior to launch													
Internal	<ul style="list-style-type: none"> • Snapshot & Te Matawai to prepare frontline for any inbound contacts & include example letters that will be sent to impacted customers • All staff email from Peter update on the media briefing & conclusion of review • Level 5 email prior to media briefing. Pip inform M&C <ul style="list-style-type: none"> ○ Include in the email: we are aware that a number of IR staff were included and these people will receive an email from IR informing them of this. 	Launch date ~5 Nov													
Customers impacted	<table border="1"> <thead> <tr> <th>Customer group</th> <th>Subsegment</th> <th>Approach</th> </tr> </thead> <tbody> <tr> <td rowspan="2">8,174 original privacy request customers – sent an email 30 September 24</td> <td>362 included in the breach</td> <td>CSI to send message through START</td> </tr> <tr> <td>7,182 not included in the breach</td> <td>CEDA to provide list for a follow up email through Marketing Impact</td> </tr> <tr> <td rowspan="2">517 privacy request customers – not yet sent an email</td> <td>19 included in the breach</td> <td>CSI to send message through START</td> </tr> <tr> <td>498 not included in the breach</td> <td>s 9(2)(g)(i)</td> </tr> </tbody> </table>	Customer group	Subsegment	Approach	8,174 original privacy request customers – sent an email 30 September 24	362 included in the breach	CSI to send message through START	7,182 not included in the breach	CEDA to provide list for a follow up email through Marketing Impact	517 privacy request customers – not yet sent an email	19 included in the breach	CSI to send message through START	498 not included in the breach	s 9(2)(g)(i)	Launch date ~ 5 Nov
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	XX? Complaints customers		Exclude from the above and complaints team to reply directly	
	267,678 Remaining breach customers	- Potentially exclude special files customers? - override the TA redirect rule - other standard exclusions to apply	CSI to send message through START	
Media	<ul style="list-style-type: none"> Proactive media briefing informing that we've completed the review and the key findings: <ul style="list-style-type: none"> Purpose of custom audience lists.... (use exe summary copy) & that we have ceased the use of custom audience lists Our decision is in response to considerable public concern which is why we undertook the review Within the review we found two instances of non-notifiable privacy breaches Note - we could note that proactively informing those impacted isn't something we're required to do but we feel it's the right thing. Note – we may need to state that there is an internal review in place. Mention accountability if negligence found Acknowledge the OPC review 			Launch date -5 Nov
Customers general	<ul style="list-style-type: none"> Update the website giving a high-level overview decision from the review – replace the existing content with a summary of how we had used custom audience lists Upload the publication of the review to the website 			Launch date after briefing
Social media	Proactive post explaining that we've stopped the use of custom audiences but why you might still see adverts from IR			After launch date (TBC)

Key messages

(to be updated when the review document is finalised):

- Overview:
 - Inland Revenue has been performing targeted advertising with the use of custom audience lists across various platforms, with the first being Meta (Facebook) in 2014.
 - On 9 September 2024, RNZ posted an article saying that Inland Revenue's privacy practices used for targeted advertising, specifically hashing was inadequate at protecting people's personal information.
 - The information provided to the platforms is securely uploaded through an IR browser. Where data is hashed, this is automatically performed with the browser of the IR device uploading the custom audience list. Both the hashing algorithm and transmission are within NZISM specifications.
 - The Office of the Privacy Commissioner has confirmed that this is not a Privacy Breach.
 - The platforms indicate that custom audience list information provided is not used to enhance or build profiles of the users.
 - The uploaded custom audience lists are deleted at a maximum of 28 days from when it was uploaded. The retention of matched list created from this varies per platform.
- Decision to no longer use custom audience lists:
 - We've listened to our customers and the public concern around this advertising approach.
 - Integrity is at the heart of what we do, and we want to make sure we get it right.
 - Findings of the review showed that the hashing process that was in place was acceptable. The review notes a number of best practices and recommendations, most of which Inland Revenue were already following, however in some instances more rigor would be required if we were to continue.
 - s 9(2)(g)(i)
- Data breach:
 - During the review process we found that there was an instance where a list was shared incorrectly with Facebook (Meta).
 - There was an issue where the hashed data was not matching correctly after it had been uploaded. The team working with Meta support shared a csv file for troubleshooting purposes to fix the matching issue. The file was only shared with the technical support person, however it was not hashed, which goes against our agreed processes.
 - Meta have a policy to only use the data for troubleshooting and have confirmed it was deleted afterwards.
 - We apologise for this error and will be contacting approximately 268,067 customers whose details were included in the file.

- We have notified the Office of the Privacy Commissioner, and they have agreed that this is not a notifiable privacy breach under the Privacy Act as there is no risk of serious harm to the individuals whose details were in the file and the breach had been contained. However, we will be contacting the impacted customers as we want to ensure them that we take their privacy seriously.
- Other advertising
 - We still need to provide important updates, information and reminders to help New Zealanders get their taxes and entitlements right. Therefore, you may still see ads from Inland Revenue, including on social media channels. However, these will not be targeted using custom audience lists.
 - Advertising channels and tactics are constantly changing, especially in the digital space. We need to make sure that we regularly review our processes and ensure that the channels we use are appropriate.
- Key findings of the CISO Review + link to it from the policy website
 - TBC

Likely reactions:

OIAs

PQs

Media articles

Interview requests (if we do one we will be expected to do multiple so may want to do a press conference instead)

Other things to consider:

-CCS wanting to trial using social media to contact OBBs via messenger

-annual report

-FEC 11 Dec

-Data review

	<p>On 5 November we will hold a proactive media briefing in Asteron, fronted by the Commissioner. At the same time deploy an email out to those impacted customers, apologising, explaining what happened and what information was shared.</p> <p>The media briefing will include:</p> <ol style="list-style-type: none"> 1. That we've concluded our review into the use of Custom Audience Lists and have decided we will no longer use this practice due to: <ol style="list-style-type: none"> a. Public concern b. During our review we discovered non-notifiable privacy breaches and there is now an internal review underway as to how and why this happened. c. <i>A non-notifiable breach is a breach where no serious harm has or is likely to occur and does not need to be reported to the Privacy Commissioner or affected individuals.</i> 2. The full review will be emailed to those who have rsvp'd to this briefing and will also be available on our website from x time. <p>Q&A: what new techniques are we doing to reach and inform customers? Will this cost more? Is this effective?...</p>	
Media invite	<p>Sent from the Media inbox</p> <p>Rowan to write and send Request RSVP</p>	Monday 4 November
Public Service Commission	<p>We have concluded our Review into the use of custom audience lists Today we'll be presenting our findings of the review via a media briefing in Asteron. Following the briefing we will be sharing the review on our website.</p> <p>Jo to share an advanced copy of the report</p>	Monday 4 Nov?
Office of the Privacy Commissioner	<p>We have concluded our Review into the use of custom audience lists Today we'll be presenting our findings of the review via a media briefing in Asteron. Following the briefing we will be sharing the review on our website.</p> <p>We will be raising our concerns of the non-notifiable breaches as we raised with you on <date></p>	Monday 4 Nov?

<p>GCSB & GCDO? Govt Communications Security Bureau</p>	<p>Jay to share Announcing that we're stopping but embargoed</p> <p>GCSB prior to 5 Nov as oia'd...</p> <p>Inform GCDO on the day - after the event</p>	
<p>Crown Law Office</p>	<p>s 9(2)(h)</p>	<p>6 November</p>
<p>G Risk and Assurance Committee</p>	<p>Jay to share / coordinate with Vanessa – to share a copy the day we release i.e. the media briefing and the report</p>	<p>Tuesday 5 November</p>
<p>Internal</p>	<p>Level 5 email re the media briefing i.e. be mindful that media will be on the floor</p> <p>FN about the media briefing and custom audience wrap up</p> <ul style="list-style-type: none"> • We have concluded our review into the use of custom audience lists • Later today we will be hosting a media briefing on level 5 of Asteron <p>Dedicate 0800 number & webmail subject: 'social media use enquiries'</p> <p>Snapshot – 5 November 2024 Privacy incident - emails sent to customers & public interest on custom audience lists On Tuesday 5 November we will be sending an email to over 250,000 customers informing them that their data was included in a non-notifiable privacy breach.</p> <p>And announcing this to the media as part of our conclusion into our Review into the use of Custom audience lists on social media.</p> <p>More information on The Review and breach can be found <here link to Te Matawhai page></p> <p>A copy of the emails send to customers can be found here. Those impacted will also have the email in their Start account. Customers who did not receive this correspondence will not have been included in the breach.</p>	<p>From Monday 4 November</p>

	<p>Te Matawhai</p> <p>-to include script & Q&As: use some of the questions from the original website: About custom audience lists plus add more:</p> <p>-How will I know if I was included in the breach?</p> <p>-What were the breaches</p> <p>-dedicate numbers</p>	
Customers general	<p>Website updated</p> <p>Custom audience landing page -with a summary of the review and link to The Review document.</p> <p>Copy</p> <p>Our official social media channels provide important updates, information and reminders to help you get your taxes and entitlements right. Social media is just one channel we use to reach customers. It is very effective at reaching people where they are.</p> <p>Until 12 September 2024 we used custom audience lists as a way to target customers on social media. We no longer use custom audience lists.</p> <p>We made the decision to stop using custom audience lists as we care about our customers and want to provide reassurance that we take their concerns seriously.</p> <p>A review into how we use custom audience lists was completed on <date> the full review can be found here <link></p> <p>Contact details – on the contact details page</p> <p>New phone line ‘Social media use enquiries’</p>	12pm 5 November
Customers impacted	<p>Two audiences:</p> <ol style="list-style-type: none"> 1. Customer was in the breach file but did not send a personal information request 2. Customer did send a personal information request AND was sent the email response in September or October 	Afternoon of 5 November/6 November

	<p>Data brief can be found here: Data brief template for START direct marketing campaigns (1).docx</p>	
Media	<p>The media briefing will include:</p> <p>That we've concluded our review into the use of Custom Audience Lists and have decided we will no longer use this practice due to:</p> <ol style="list-style-type: none"> a. Public concern b. During our review we discovered non-notifiable privacy breaches and there is now an internal review underway as to how and why this happened <p>The full review will be emailed to those who have RSVP'd to this briefing and will also be available on our website from x time</p>	Tuesday 5 November 11am
Social media	<p>Proactive post -we've stopped the use of custom audiences but why you might still see adverts from IR</p>	6 November or after

The Office's messages/Q&As:

On 5 November Inland Revenue will hold a proactive media briefing in Asteron, fronted by the Commissioner. This is to inform the public of the findings of our review into our use of Custom Audience lists and hashing.

Key messages:

- we will no longer use custom audience lists
- the Commissioner takes taxpayer privacy and information seriously
- the key reason for our decision is the public concern at having personal details passed to social media platforms without their consent
- in the course of the review we discovered two unintended disclosures of personal information to social media platforms, neither were categorised as notifiable

- there is no evidence that any customer details, hashed or unhashed, ever being used by social media platforms for anything other than the purpose agreed.

Key messages for the Minister(s)

This is an operational matter for Inland Revenue.

- *Inland Revenue officials have advised the Minister that there is no evidence that any customer details, hashed or unhashed, ever being used by social media platforms for anything other than the purpose agreed.*
- *Inland Revenue officials have advised the Minister that they are running an internal review into the unintended disclosures.*

s 9(2)(g)(i)

Commissioner Q&As

s 9(2)(h)


2. Why did you tell the Minister that IR “continuously” reviews its processes when you’ve only done 2 privacy assessments – one in 2016 and one following the original story run by RNZ in 2024?



“When informing the Minister that IR continuously reviews its processes, IR was referring to its Social Media Policy and Guidelines which are reviewed annually. These cover how an IR staff member should use social media personally, professionally and officially.”

Document 5

From: [Kirsty Gemmill](#)
To: [Pip Knight](#)
Subject: RE: Custom audience communications plan
Date: Thursday, 31 October 2024 8:56:54 am
Attachments: [image001.png](#)
[image002.png](#)

Not in scope



From: Pip Knight 
Sent: Thursday, 31 October 2024 8:52 am
To: Kirsty Gemmill 
Subject: RE: Custom audience communications plan



Nice capture. Not worrying unnecessarily.... I was writing additional Q&As at 3:38am!....thankfully I slept well until then.

I've tweaked the following key message and will check and Q&As:

- The first of the two unintended disclosures involved personal and contact information being shared. No financial or tax information was shared. While this is a non-notifiable breach meaning we do not have to notify these people of this disclosure, we have chosen to do this as it is the right thing to do.


Bring on Tuesday!

Pip

From: Kirsty Gemmill 
Sent: Thursday, 31 October 2024 8:38 am
To: Pip Knight 
Subject: RE: Custom audience communications plan

Hi there,

How are you doing?



s 9(2)(g)(i)

s 9(2)(g)(i)

Kirsty Gemmill | Service Leader | Governance, Ministerial & Executive Services | Enterprise Design & Integrity | Inland Revenue
Kaiwhakahaere | Tari Whakahaere Ratonga Rangapū | Hinonga Hoahoa me te Tika | Te Tari Taake

s 9(2)(a)

From: Pip Knight s 9(2)(a)

Sent: Wednesday, 30 October 2024 11:18 am

To: David Carrigan s 9(2)(a); Mike Cunnington

s 9(2)(a); Michelle Redington s 9(2)(a) Rowan

McArthur <Rowan.McArthur@ird.govt.nz>; Gay Cavill <Gay.Cavill@ird.govt.nz>; Dawn Swan

s 9(2)(a); Jay Harris s 9(2)(a) Karen Whitiskie


s 9(2)(a); Thomas Allen s 9(2)(a); Kieran Burlace

s 9(2)(a) Kirsty Gemmill s 9(2)(a)

Subject: Custom audience communications plan

Kia ora all,

Please find attached the Communications plan for our wrap up of The Review into Custom audience lists.

 [Custom audience list - communications plan.docx](#).

We'll discuss this at the 3pm meeting tomorrow afternoon.

This is a working document, so feel free to add any comments.

Key things due this week are:

Today

- Key messages for the PSC. Jo will share these today. The key messages can be found at the top of this communications plan document. – *I don't think these need any additional reviewing but feel free to take a look.*

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Friday

- The email copy & data checks going to the 268k customers must be finalised. This will be sent on 6 November and has been approved
- Key messages for the MoR & MoF and an embargoed final copy of the report.

Please let me know if you have any concerns and or feedback.

Ngā mihi nui,

Pip

Service Leader Marketing and Communications
Inland Revenue | P O Box 2198 | Wellington 6014
s 9(2)(a)



Document 6

From: [Andrew Stott](#)
To: [Pip Knight](#)
Subject: Re: Communications plan for Custom Audience lists
Date: Thursday, 31 October 2024 9:50:47 am
Attachments: [image001.png](#)
[image002.png](#)

Looks good

From: Pip Knight [s 9\(2\)\(a\)](#)
Sent: Wednesday, 30 October 2024 11:46 am
To: Andrew Stott [s 9\(2\)\(a\)](#)
Subject: Communications plan for Custom Audience lists

Kia ora Andrew,

As promised here is our Communications Plan for the wrap up of our review: [📄 Custom audience list - communications plan.docx](#)

Within the document are a few links to additional information including Peter's media briefing.

It would be great if you could have a read of the plan and media briefing and let us know if there is anything alarming/standing out that causes you concern.

Ngā mihi nui,
Pip

Service Leader Marketing and Communications
Inland Revenue | P O Box 2198 | Wellington 6014
[s 9\(2\)\(a\)](#)



Document 7

From: [Joanne Petrie](#)
To: [Peter Mersi](#)
Cc: [Suzanne Sherris](#)
Bcc: [Joanne Petrie](#)
Subject: Your Brief
Date: Thursday, 31 October 2024 2:51:00 pm
Attachments: [Peter - Briefing format and script.docx](#)

Kia ora Peter

Find attached your brief to media on Tuesday for your review.

Nga mihi
Jo

Jo Petrie
Team Lead & Management Support (CE & DC ED&I) – Executive Services
Enterprise Design & Integrity
Inland Revenue
PO Box 2198
Asteron Centre
55 Featherston Street
WELLINGTON 6011
s 9(2)(a)

Briefing format and invitees – 11am, Tuesday 5 November

Peter will conduct the briefing alone – Media team, Rowan McArthur and Gay Cavill will attend. He should sit at a table at the front so that there is plenty of room for broadcasting reporters to set up mikes.

We should also have our own recording device on the table.

At the outset it will be made clear that Peter will take questions following his briefing and that plenty of time will be available for that.

It will also be made clear that there won't be one-on-one interviews given following the questions. This is so that everyone has the same information from Peter and all have heard all of his comments.

Any follow-up questions reporters have later can be put through the media team.

The briefing script can be handed out at the beginning of the briefing.

The review report will be available online shortly after the briefing.

Media invited will cover all the major mainstream outlets:

Radio NZ – s 9(2)(a)

Stuff

NZME/Herald


Newstalk ZB

Business Desk


TVNZ

Draft Media Briefing Script


s 9(2)(g)(i)



s 9(2)(g)(i)



s 9(2)(g)(i)



Document 8

From: [Pip Knight](#)
To: [David Carrigan](#)
Subject: Briefing note on custom audience lists - in the MoR weekend bag
Date: Friday, 1 November 2024 4:09:00 pm
Attachments: [BN - Custom audience lists \(002\).docx](#)
[image001.png](#)

Kia ora David,

As just mentioned, attached is the BN that we shared with the MoR today. This is off the back of some questions he asked yesterday.

Ngā mihi nui,

Pip

Service Leader Marketing and Communications
Inland Revenue | P O Box 2198 | Wellington 6014
s 9(2)(a)





**Policy
Taukaea**
55 Featherston Street
PO Box 2198
Wellington 6140
New Zealand
T. 04 890 1500

Briefing note

Reference: BN2024/444

Date: 1 November 2024

To: Revenue Advisor, Minister of Revenue – Angela Graham
Private Secretary, Minister of Revenue – Helen Kuy
Revenue Advisor, Minister of Finance – Emma Grigg

cc: Mary Craig, Acting Commissioner
Mike Cunnington, Deputy Commissioner
James Grayson, Deputy Commissioner
Joanne Petrie, Executive Support Advisor to the Commissioner
Ane Scott, Executive Business Support to the Acting Commissioner
Governance and Ministerial Services

From: Pip Knight, Service Leader Marketing and Communications

Subject: **Custom audience lists – internal review**

Purpose

1. This briefing note provides an overview of the internal review into the use of custom audience lists. It also provides questions and answers to assist your office in responding to any queries on this issue.
2. You will receive a copy of the internal review on 4 November.

The review – key messages

3. Inland Revenue has concluded its review into the use of custom audience lists on social media platforms. On Tuesday 5 November, Inland Revenue will be sharing the findings from the review with the public via a stand-up media briefing, at 11am, at its Wellington office, Asteron.
4. We have made the decision to stop using custom audience lists in response to public concern. This means we are no longer providing customer information to social media platforms.
5. Public concern about privacy and protecting the public's perception of the integrity of the tax system are the key drivers in our decision to cease the use of custom audience lists on social media platforms.
6. Prior to the review, we believed that sufficient work had been done to ensure the security of customer details within the hashing and custom-list creation process. There is no evidence that any customer details, hashed or unhashed, have ever been used by social media platforms for anything other than the purpose agreed.

7. The terms of the agreements with Meta, LinkedIn and Google were explicit in stating that all hashed data was secured and used only for the purpose intended and then deleted within agreed timeframes.
8. The review concluded that hashing is effective as one layer of keeping information secure. In addition to hashing, the social media platforms have layers of security when transferring and storing data which means customer information has been kept safe and secure.
9. During the review we discovered two unintended disclosures which we will be informing the public of at the media briefing. We notified the Office of the Privacy Commissioner, and they have agreed that these are not a notifiable privacy breach under the Privacy Act as there is no risk of serious harm to the individuals whose details were in the file and the breach had been contained.
10. The first of the two unintended disclosures involved personal and contact information being shared to one platform as part of a troubleshooting process. This was a one-off event and no financial or tax information was shared. While this is a non-notifiable breach, meaning we do not have to notify these people of this disclosure, we have chosen to do this as it is the right thing to do.
11. The second disclosure involved sharing in an automated system-to-system process the first name, last name, and country code with a social media platform in a non-hashed format. This occurred over a longer period and was due to a process change in the information shared with the platform.
12. These disclosures are a concern which is why we are notifying those involved in the first disclosure, however they are not why we have ceased the use of custom lists.
13. We appointed an independent reviewer, Geof Nightingale to assess the review. His report will be available prior to the Press Conference.

Process for announcing the review findings

14. Below is a summary of the key actions we are taking as part of announcing the reviews findings:
 - Stand-up media briefing, at 11am on 5 November.
15. Following the stand up, the custom audience landing page on Inland Revenue's website will be updated with a summary of the review and link to The Review document. See link to website page: www.ird.govt.nz/customaudiencelists
 - Our media briefing will be published as a media release on our website.
 - Tax agents will be informed via their regular e-newsletter sent on 6 November.
16. On 6 November, customers impacted by the one-off unintended disclosure will be informed via email or letter.
17. We have ringfenced experienced frontline staff to help answer queries that may arise from the review's findings and those that have been impacted by the unintended disclosures.

Key risks

Losing trust and confidence in the tax system

18. These disclosures could impact peoples trust and confidence in Inland Revenue which is why we are being transparent at acknowledging our findings, contacting those impacted and stopping the use of custom audience lists altogether.

Government loses a key channel in reaching customers

19. Custom audience lists are a useful tool to reach out to our customers that may be entitled to support or have tax to pay. We are not aware of other government agencies using custom audience lists, however, by announcing that we are stopping this could inhibit other agencies using this tool in the future.
20. We will continue to use our other marketing channels to reach people and look at other ways to target customers without using custom audience lists. This will include using the tools already available on social media platforms that do not involve a custom audience list, i.e. using geographic targeting to reach people in certain regions.

Question and answers

Why did Inland Revenue undertake its review into Custom Audience lists?

21. In response to public concern, including media articles, OIAs and over 8,500 privacy requests, we made the decision to pause the use of custom audience lists and undertake a review of the practice.
22. Concern fell into three main categories:
 - Taxpayers are required to provide personal data for tax and social administration purposes and were concerned that they had no control over how their information might be used.
 - Taxpayers being unable to opt out of having their details provided to social media companies.
 - The security controls used (hashing) do not sufficiently de-identify people. This concern was supported by reference to a press release from the United States Federal Commission and European Regulators, sharing this concern.

Why did Inland Revenue use Custom Audience lists?

23. We are required to contact customers for a variety of reasons which supports the integrity of the tax system. We undertake a wide range of marketing techniques, helping customers know about available support, new products or when they may have a return or debt due. This helps to ensure that as many taxpayers as possible can meet their obligations or claim their entitlements.
24. Custom audience lists is just one of these techniques to reach customers with adverts relevant to their situations, such as Working for Families entitlements and Student loan due dates. We had been using custom audience lists for over ten years.

How did the two unintended disclosures happen and how many customers details were involved?

25. The first of the two unintended disclosures involved personal and contact information being shared to Meta (Facebook) support as part of a troubleshooting process.
26. On 8 February 2024, a file containing 268,000 customers' personal and contact details was shared with a Meta (Facebook) support employee without our appropriate levels of data protection applied. The information in the file contained first name, last name, email addresses, mobile numbers, date of birth, age, country, city and postcode.
27. The information was shared directly with Meta support because we were trying to fix a problem with a custom audience file. This is a file of people that we needed to reach to inform them that may have a tax bill due on 7 February 2024. The file, which had earlier been uploaded using our standard data protections, was not matching correctly, so we asked Meta support if they could help fix the problem. Meta support asked us to send the file so they could find the issue at their end. We incorrectly emailed an unprotected copy of the file to Meta support. This was a one-off incident and is outside of our normal processes.
28. While this is a non-notifiable breach, meaning we do not have to notify these people of this disclosure, we have chosen to do this as it is the right thing to do.
29. The second disclosure involved sharing the first name, last name, and country code with LinkedIn in a non-hashed format. This occurred due to a process change in the information shared with the platform. In 2020, LinkedIn updated its custom audience capabilities from just hashing and matching email addresses to also include first name, last name and country code. When we learned of this, we sought relevant approval to update our lists to include these as this would improve our match-rate. It was incorrectly assumed that the additional information would also be hashed. Only the email addresses continued to be hashed.
30. We are unable to contact the people from the second disclosure as we have not retained all the custom audience lists.

What accountability will there be for these unintended disclosures?

31. The two unintended disclosures are isolated instances. There is an internal review underway for the first instance.

Has Inland Revenue talked with other government agencies using custom audience lists?

32. No. We did reach out to some government agencies to ask if they use custom audience lists and did not learn of any using them. We are aware of private businesses who use custom audience lists.

How does Inland Revenue expect people to trust them after this?

33. Customers can and should maintain trust. The protocols around the handling of the information have been sufficient to ensure its security and there is no evidence of any intended misuse of customer details.

34. As noted, the two unintended disclosures are isolated instances. There is an internal review underway for the first instance.

**What new techniques is Inland Revenue doing to reach and inform customers?
Will this cost more? Is this as effective?**

35. We still need to provide important updates, information and reminders to help New Zealanders get their taxes and entitlements right.
36. Custom audience lists were just one channel we used to get these updates out. There are many other ways we do this, including digital advertising or social media posts that do not use custom audiences. Customers may still see ads from Inland Revenue, including on social media channels. However, these will not be targeted using custom audience lists. Using less target methods of advertising on social media will likely cost more as we'll be reaching a wider audience.
37. We are working with our existing advertising agencies on other cost-effective ways to ensure we're reaching our customers.

How much has Inland Revenue paid to social media platforms to create custom audience lists?

38. We are unable to break down the advertising cost just on custom audience lists, however we can confirm that our early analysis for total spend on all advertising, including custom audience lists in the 2023/2024 is \$0.766m.

Document 9

From: [Joanne Petrie](#)
To: [Peter Mersi](#)
Cc: [Suzanne Sherris](#)
Bcc: [Joanne Petrie](#)
Subject: Custom Audience Information
Date: Friday, 1 November 2024 4:11:00 pm
Attachments: [Social Media Usage Analysis Review FINAL DRAFT Formatted version .docx](#)
[Question and answer short and longer lists .docx](#)

Kia ora

Not in scope

Not in scope

Attached is the pretty much final report. Also attached are the Q&A for your review and you also have Geof's report already. I note our report now reflects suggestions from Geof.

Please let me know if you need anything further. Travel home safely.

Nga mihi
Jo

BACK-POCKET Q&As for after the briefing

Key points summary – ‘elevator pitch’

Clearly there are differing views on how easy or otherwise it is to unhash, hashed data. We are not here to get into detailed debate on that.

It has become very clear that there is public concern about this practice so we have stopped it altogether.

In using the custom audience tool over 10-years we had always believed sufficient work had been done to ensure the security of the data was properly protected.

And there has never been any evidence to show that customer details have ever been used by the platforms for purposes other than those agreed and intended.

The two breaches are not why we have ceased the use of custom lists. They are being looked at separately and will be dealt with appropriately.

Secondment to The Treasury

1. You’re currently working as Secretary to The Treasury and not Commissioner of Inland Revenue so why are you giving this briefing?

I was asked by the Public Service Commissioner to act as Secretary to The Treasury until a permanent Secretary starts in the role. The person who has been acting in this role is unfortunately unwell and given my many years of experience working at The Treasury, I have agreed to temporarily step into the role until a permanent appointment is made. With the short notice of this appointment, I will still be carrying out some activities as Commissioner of Inland Revenue while at Treasury. This is one such event, and demonstrates that I take the matter of customer privacy very seriously.

2. How did the two unintended disclosures happen and how many customers details were involved?

In the first a file containing names, email addresses, phone numbers, city, postcode, age and date of birth of individuals was released to a person in Meta (Facebook) technical support as part of trying to solve a problem with creating a particular custom audience list.

There had been far fewer matches showing than was usual. So, against the proper procedure, an unhashed file of 268,000 customer details was supplied to assist with fixing the problem. All people whose details were in the file will be contacted over the next few days with an apology and explanation.

The second unintended disclosure involved sharing in an automated system-to-system process the first name, last name, and country code with LinkedIn in a non-hashed format. Company information was also provided this way. The unintended disclosure occurred due to a process change in the information shared with the platform. In 2020, LinkedIn updated its custom audience capabilities from just hashing and matching email addresses to also include first name, last name and country code. When we learned of this, we sought relevant approval to update our lists to include these as this would improve our match-

rate. It was incorrectly assumed that the additional information would also be hashed. Only the email addresses continued to be hashed.

We have no evidence any of that data was ever accessed improperly at the platform end and it seems very unlikely it ever was.

It is difficult to say how many were involved in this disclosure because the lists were not stored, so, unlike the list in the first breach where we have the file, we can't say with real accuracy how many would have been affected or who they were.

But we would have to assume that it is a large number.

The information in the two unintended disclosures was at all times subject to legally enforceable contractual terms and conditions that required that the information: a) be used only for a specific custom audience related purpose (this includes not being used to enhance any user profile), and b) be subsequently destroyed/deleted.

3. Why did you ever believe it was ok to use custom audience lists and hashing?

Custom audience lists have been a very valuable tool for Inland Revenue with real benefits for customers because we could get messages that were directly relevant to them through platforms we knew they were using. Some lists would match up to 90% so we knew we were reaching customers who were intended to see the message.

I would say that Working for Families recipients, for example, were particularly well served because we could get them messages in a timely way that was relevant to them. This helped to reach customers who might need to provide more information or update their details in order to continue receiving working for Families payments. The ads reminded them what information they may need to check or update and linked them to the relevant webpage so they didn't miss payments.

The way the matching worked meant that the customer details we sent to the platform were hashed (deidentified) and only those details that matched ones that the platform already had in their similarly hashed database, became part of the custom audience list. Any that were unknown to the platform didn't match and were deleted as per the terms and conditions of the custom audience list agreement.

The terms of the agreements with the platforms were explicit in stating that all hashed data was deidentified, secured, used only for the purpose intended, and then deleted within agreed timeframes.

We have always believed that sufficient work was done to ensure the integrity of customer details within the hashing and custom audience list creation process.

And there has never been and still is not, any evidence of any data ever having been used for any purpose other than matching to create a custom list.

4. Did the review show that you had all of the correct sign-offs?

Aside from the two specific instances previously noted, we're not aware of any other unintentional disclosures.

IR takes its TAA obligations in relation to taxpayer confidentiality seriously and has internal processes for signing off the disclosure of information. We have located written approvals

for each of the three platforms used but, given organisational and personnel changes over the last 10 years, there are gaps in timing for that documentation. However, we have been able to identify that certain campaigns in those time gaps involved someone with the delegated authority for disclosing the information and who was very familiar with IR's confidentiality obligations.

We had always believed the security of the data was properly protected and there is no evidence to show that belief was ill-founded.

5. Given how the perceptions of social media platforms and their behaviours have developed here and globally, why wasn't Inland Revenue monitoring and reviewing its use of them more closely and more often?

It's true that the platforms have developed rapidly in the 10-years or so since we started using them in this way. But we have always believed that sufficient work was done to ensure the security of the details provided to the platforms.

And there has never been any evidence that any customer data has been used for anything other than the agreed purposes.

Over the 10-years we have used custom audience lists for the benefit of a large number of customers in relation to their tax entitlements and obligations.

But as you say, public perceptions of those platforms have developed dramatically too, and we have responded to those concerns by stopping the use of custom audience lists.

Hashing and Custom audience lists

6. Were the initial and subsequent decisions to use hashing robust?

Yes. We have always believed that sufficient work was done to ensure the security of customer details within the hashing and custom-list creation process.

7. Why didn't Inland Revenue do more privacy impact assessments?

We believe the first assessment we did for Facebook was sufficient to show customer data was properly protected and the privacy impact was not high. We did not do privacy impact assessments for Google or LinkedIn as the information, processes and terms and conditions were the same or similar to that already assessed. There was no change in privacy impact.

We updated the privacy assessment into use of custom audience lists on all platforms used in 2024 following media commentary. The privacy impact remains rated as Medium.

Since 2021 we have reviewed our Social Media Policy and Guidelines annually. These cover how our staff should use social media personally, professionally and officially.

8. People have to give Inland Revenue their information, there isn't an opt out, surely this means you have to be more careful with their private information but you weren't.

We have always believed that sufficient work was done to ensure the security of customer details within the hashing and custom audience list creation process.

There is no evidence of customer details ever having been used for anything other than the intended purposes.

We take privacy very seriously and the protection of customer information. I think our response in being open and transparent about what we've shared here today shows that.

9. Why didn't customers have the ability to opt out?

We had not considered an opt out prior to this review. We have an obligation to reach customers to ensure they're aware of their entitlements and when obligations are due. Enabling an opt out could reduce our capability to reach people and meet these obligations.

10. You say in several places online and in annual reports that "Inland Revenue takes privacy seriously" – do you expect people to believe that now in the light of what's happened?

Yes. We have always believed that sufficient work was done to ensure the security of customer details within the hashing and custom-list creation process. We continue to have mature and managed processes around privacy and confidentiality.

11. Given the widespread mistrust of social media why wasn't this practice a red flag for Inland Revenue?

The terms of the agreements with the platforms were explicit and clear in stating that all hashed data was secured, used only for the purpose intended and then deleted within agreed timeframes. But again, public concern at the practice of passing details to social media platforms in any form has led us to the decision not to resume use of the custom list tool.

12. Do you accept that it is relatively easy to unhash information (rainbow etc)?

Clearly there are differing views on how easy or otherwise it is to unhash, hashed data. We are not here to get into detailed debate on that.

It is the public concern at having their details passed to the platforms, hashed or otherwise, without their consent, which has led to our decision to stop it.

13. How were many people's details included in the two unintended disclosure incidents?

For the first unintended disclosure there were 268,068 customers included. We have the list of these customers so can write directly to them informing them of what occurred.

For the second unintended disclosure, we don't have a list for these customers or hold this information in a way that enables it to be readily retrieved.

Due to the large number of ad campaigns we do to ensure people are aware of their tax obligations and entitlements, it's not reasonably practicable for us to search to see which campaigns individuals may have been included in.

Most lists that we generate to create the custom audience lists are deleted after a period of time as they are no longer relevant or are replaced by more up to date lists. And the platforms do not retain the lists.

It's also worth mentioning that it was only first name, surname and country in the LinkedIn disclosure. This information is readily available in a phone directory.

14. Why can't you tell those people who made information requests if their details were included in a custom audience list?

Most requests we received asked to know which campaigns people may have been included in over the past three years. We don't hold this information in a way that enables it to be readily retrieved.

Due to the large number of ad campaigns we do to ensure people are aware of their tax obligations and entitlements, it's not reasonably practicable for us to search to see which campaigns individuals may have been included in.

Most lists that we generate to create the custom audience lists are deleted after a period of time as they are no longer relevant or are replaced by more up to date lists. And the platforms do not retain the lists.

We do know who was included in the file that was sent unhashed in the first unintended disclosure. People whose details were on that list will be contacted.

15. Why did it take media pressure for you to take this issue seriously?

There's no doubt that the media coverage gave rise to us addressing the issue of public concern. There was no indication of concern prior to that. Clearly, we are taking the issue very seriously.

16. Inland Revenue has a code of conduct, is anyone going to be held accountable for this bad decision to use hashing?

There was no "bad" decision to use hashing. We took a responsible approach to using customer data for the creation of custom audience lists. The decision to stop using custom lists is because of public concern at having their details passed to social media platforms without their consent.

17. What other technologies such as facial recognition, AI etc, does Inland Revenue use where it could be giving away private information?

We are not giving away customers' private information through the use of any technologies. We use customer details in the course of outstanding tax debt collection - child support and student loan for example. This is normal operating procedure and can

involve passing details to debt collection agencies for example. But it is done under strict protocols.

18. Did you ask the social media platforms to confirm the deletion of data? Are you sure they did?

The terms of the agreements with the platforms were explicit and clear in stating that all hashed data was secured, used only for the purpose intended and then deleted within agreed timeframes. The platforms have repeatedly said that all data is deleted and there is no evidence to the contrary.

19. Are you comfortable with the way this is handled at their ends?

Yes

20. Have you talked with other agencies doing the same thing?

No. We did reach out to some government agencies to ask if they use custom audience lists and did not learn of any using them. We are aware of private businesses who use custom audience lists.

21. What are the legal ramifications of this for Inland Revenue?

There is no evidence of customer details having been used for any purposes other than the intended. And we have responded to public concern by stopping the use of custom audience lists.

The Unintended Disclosures

22. How did you discover the unintended disclosures/breaches?

One was discovered in the course of carrying out the review and the other in the course of responding to an OIA request about the use of custom audience lists.


23. How long after the unintended disclosures occurred did you discover it had happened?

The first unintended disclosure occurred on 8 February 2024 and we discovered it on 1 October 2024, when responding to an OIA request into custom audience lists that was received during the course of this review.

The second unintended disclosure, where first name, surname and country were not hashed, was discovered during the internal review.

24. Did the staff who made the mistake report it to their manager or anyone else about it or did they fail to mention it to anyone?

s 9(2)(g)(i)



For all of the above:

We are examining the circumstances surrounding both unintended disclosures.

We have already taken steps to make certain that such breaches won't happen again – not least the cessation of the use of custom audience lists. But I won't be saying any more about that until our internal reviews are complete.

25. Why did it take you so long to tell the people whose privacy was breached in this?

We discovered the first unintended disclosure on 1 October and will begin notifying customers on 6 November.

Understanding who was impacted and getting set up to write directly by email and letter to 268,000 people affected is not an automated process like many other operational processes we have.

It has taken a lot of time to do that. The 268,000 breaks up into a number of groups, including staff, and there is a group of some 400 within the 268,000 who have lodged Privacy Act requests with us since the issue emerged in the media. So one letter does not fit all and we have prepared letters specific to each group.

Given the public concern and the complexity of some of the issues involved we have deliberately taken the time to properly and thoroughly address this. We did not want to go out too early without making sure we had the correct information for these customers.

And bear in mind, we paused the process on 12 September.

26. Did you know about the breach when you sent responses to those concerned about privacy hashing who had made Privacy Act requests? If so should you have mentioned it then?

No. On 30 September 2024 we responded to 8,174 Privacy Act requests. The breach was discovered after that date. We responded to further requests on 22 October and our response was still accurate; it is not reasonably practicable for us to search to see all campaigns individuals may have been included in.

We are writing to all customers whose information was included in the incident and some of these may have received an earlier response to a Privacy Act request. There are approximately 400 customers in this group.

We also wanted to ensure we were writing to the correct customers, collating the data of who needed to be included/excluded from the breach and preparing the emails & letters took time.

27. How much training are people given when they start working at Inland Revenue about the importance of privacy?


Inland Revenue’s approach to privacy training is combined with other essential training – the focus is not just on privacy but on wider values and expected behaviours. All staff are required to complete a series of modules that include messages about managing and protecting customer information, keeping information secure, integrity, confidentiality and privacy. I have full confidence that we are doing the right thing in that regard.

28. Why didn’t you know the details earlier?

The details only came to light in the course of the review and OIA response work we’ve carried out over the last month or so.

We learned about the Meta breach on 1 October and LinkedIn on 10 October.

s 9(2)(h)



Questions re accountability and/or resignation over breaches

We are examining the circumstances surrounding both.

30. Would you have stuck with custom lists and the hashing, on the basis of your review, if the breaches hadn’t happened?

No – we have responded to the public concern at having details sent to social media platforms by stopping the practice. The breaches are a concern, but we are looking at them separately, and appropriate action will be taken.

31. Why has it taken you so long to come to this point of speaking publicly and to taxpayers affected?

Given the public concern and the complexity of some of the issues involved, we have deliberately taken the time to address them thoroughly.

And bear in mind, we paused the custom audience list creation process on 12 September. And only discovered the first unintended disclosure on 1 October.

The review is comprehensive and while we did it as quickly as possible, we could not rush it and risk missing something, misunderstanding anything, or getting something wrong.

We also added the step of having a qualified person, Geof Nightingale, do an independent review of our review.

Getting set up to write directly by email or letter to 268,000 people affected in one of the breaches is not an entirely automated process like many other of the operational processes we have here.

We did not want to risk these people reading about it in the media before we had addressed the issue with them ourselves. So we held off until we were in a position to ensure that they heard from us first.

It has taken a lot of time to do that. The 268,000 breaks up into a number of groups, such as staff, and there is a group of some 400 within the 268,000 who have lodged complaints with us since the issue emerged in the media. So one letter does not fit all and we prepared letters specific to each group.

32.What about allegations that Inland Revenue leaked and/or sold customer details to the social media platforms?

Those allegations are without any shred of truth and were unhelpful in the context of otherwise reasonable commentary and questioning on the issue at hand. Nothing was "leaked" and nor was it "sold". On the contrary, the data was passed in the context of recognised and pretty common business practices; and it was Inland Revenue paying the platforms to use the data for custom list development, not them paying us.

33.How much has Inland Revenue paid to social media platforms to create custom lists?

We are unable to break down the advertising cost just on custom audience lists, however we can confirm that our early analysis for total spend on all advertising, including custom audience lists in the 2023/2024 is \$0.766m.

34.What new techniques are we doing to reach and inform customers? Will this cost more? Is this effective?

We still need to provide important updates, information and reminders to help New Zealanders get their taxes and entitlements right.

Custom audience lists were just one channel we used in order to get these updates out. There are many other ways we do this including digital advertising or social media posts that do not use custom audiences. Therefore you may still see ads from Inland Revenue, including on social media channels. However, these will not be targeted using custom audience lists and yes targeting on social media will likely cost us more as we'll be reaching a wider audience.

We will also work with our existing advertising agencies on other ways to ensure we're reaching our customers.

Trust in IR

35.How do you expect people to trust Inland Revenue with this and their other information when these things have happened?

Customers can and should maintain trust. The protocols around the handling of the information have been sufficient to ensure its security and there is no evidence of any misuse of customer details that should shake that trust.

The two unintended disclosures are isolated instances and are being dealt with.

36.Has this impacted the integrity of the tax system?

No, I don't believe it does. Even the two unintended disclosures are very low risk in terms of their potential to have compromised customer information.

Announcing same day as US election

37.Have you tried to hide this by announcing it on the same day as the US election?

No. That is a complete coincidence, though when we realised the coincidence we did consider moving the date to later in the week, however thought the election coverage would be even more prevalent later in the week. We do not want to look like we're trying to hide this. Hence why I am here today talking to you.

The timing is due to the Review only being wrapped up later last week as well as the fact that I have been out of the country, I returned on Sunday.

38.So, if you've been away how have you been informed of this issue?

There have been a team of people here working on this and they have kept me informed.

Document 10

From: [Joanne Petrie](#)
To: [Tiers 1 and 2 - ELT](#); [Pip Knight](#); [Jay Harris](#); [Rowan McArthur](#)
Cc: [Suzanne Sherris](#)
Subject: FW: Custom Audience Information
Date: Friday, 1 November 2024 4:16:00 pm
Attachments: [Social Media Usage Analysis Review FINAL DRAFT Formatted version .docx](#)
[Question and answer short and longer lists .docx](#)

FYI

Both gone to Peter this afternoon

Nga mihi
Jo

Document 11

From: [Peter Mersi](#)
To: [Joanne Petrie](#); [Pip Knight](#); [Rowan McArthur](#); [Suzanne Sherris](#)
Cc: [Mike Cunnington](#); [James Grayson](#); [Jay Harris](#)
Subject: RE: [UNCLASSIFIED] Key Messages - Custom Audience List - PSC
Date: Friday, 1 November 2024 8:36:51 pm

I think PSC raise some good questions. I am inclined to go with their view that we should be stronger about the unacceptable breaches, apologising to those impacted, etc. We can then say there is no evidence that the breaches have resulted in any negative actions, and the circumstances around the breaches (eg encrypted transfer, machine to machine, deletion of file) mean the probability was always small.

I don't think this changes our reason for stopping (ie concern at losing taxpayers confidence).

P

From: Joanne Petrie [s 9\(2\)\(a\)](#)
Sent: Friday, 1 November 2024 4:41 pm
To: Pip Knight [s 9\(2\)\(a\)](#); Rowan McArthur <Rowan.McArthur@ird.govt.nz>; Suzanne Sherris [s 9\(2\)\(a\)](#)
Cc: Peter Mersi [s 9\(2\)\(a\)](#); Mike Cunnington [s 9\(2\)\(a\)](#); James Grayson [s 9\(2\)\(a\)](#); Jay Harris [s 9\(2\)\(a\)](#)
Subject: Fw: [UNCLASSIFIED] Key Messages - Custom Audience List - PSC

FYI

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Document 12

From: [Pip Knight](#)
To: [Peter Mersi](#)
Cc: [Suzanne Sherris](#); [Joanne Petrie](#); [Jay Harris](#)
Subject: RE: Custom Audience Information
Date: Sunday, 3 November 2024 7:16:00 am

Kia ora Peter,

All the lists are deleted by the platform after the agreed period of time, however we (IR) had retained some of the lists.

So, in the responses when it says the following:

“Most lists that we generate are deleted after a period of time as they are no longer relevant or are replaced by more up to date lists.”

It is referring to IR storing the list of customers we would be using to make the custom audience list.

A key reason we've retained some of these lists is because they are for groups of customers we could be likely to target again. For example, 'employers' as we may have multiple separate messages to send to employers.

I'll go through the Q&As and just make sure this is explicitly clear.

Thanks,
Pip

From: Joanne Petrie s 9(2)(a)
Sent: Saturday, 2 November 2024 9:00 pm
To: Pip Knight s 9(2)(a); Jay Harris s 9(2)(a)
Cc: Suzanne Sherris s 9(2)(a)
Subject: Fw: Custom Audience Information

Kia ora

Are you able to clarify for Peter?

Nga mihi
Jo

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From: Peter Mersi s 9(2)(a)
Sent: Friday, November 1, 2024 9:05:32 pm
To: Joanne Petrie s 9(2)(a)
Cc: Suzanne Sherris s 9(2)(a)
Subject: RE: Custom Audience Information

Thanks Jo.

In the Q & A's, there are a number of instances where it says: "Most lists that we generate are deleted after a period of time". I had understood that the platforms T & C's meant all lists were deleted. Elsewhere in the Q & A's it effectively states this. Can this please be clarified? And if some lists are not deleted, why not?

Thanks again.

Peter

From: Joanne Petrie s 9(2)(a)
Sent: Friday, 1 November 2024 4:11 pm
To: Peter Mersi s 9(2)(a)
Cc: Suzanne Sherris s 9(2)(a)
Subject: Custom Audience Information

Kia ora

Not in scope

Attached is the pretty much final report. Also attached are the Q&A for your review and you also have Geof's report already. I note our report now reflects suggestions from Geof.

Please let me know if you need anything further. Travel home safely.

Nga mihi
Jo

Document 13

From: [Pip Knight](#)
To: [James Grayson](#); [Mike Cunnington](#); [Kieran Burlace](#); [Linley Boniface](#); [Dawn Swan](#); [Jay Harris](#)
Subject: RE: Updated landing page on Custom audience lists to review on Monday please - it's only a few paragraphs.
Date: Monday, 4 November 2024 7:45:00 am
Attachments: [image001.png](#)
[image002.png](#)

s 9(2)(g)(i)

Cheers,
Pip

From: James Grayson s 9(2)(a)
Sent: Saturday, 2 November 2024 5:49 pm
To: Pip Knight s 9(2)(a); Mike Cunnington s 9(2)(a)
Kieran Burlace s 9(2)(a); Linley Boniface s 9(2)(a)
Dawn Swan s 9(2)(a); Jay Harris s 9(2)(a)
Subject: Re: Updated landing page on Custom audience lists to review on Monday please - it's only a few paragraphs.

Hi Pip,

Thanks for sending this through.

s 9(2)(g)(i)

On the basis this language is consistent with the other content, the rest is fine with me.

Thanks

James

From: Pip Knight s 9(2)(a)
Sent: Saturday, November 2, 2024 10:44 AM
To: Mike Cunnington s 9(2)(a) >; James Grayson s 9(2)(a) >; Kieran Burlace s 9(2)(a) Linley Boniface s 9(2)(a) >; Dawn Swan <s 9(2)(a) >; Jay Harris s 9(2)(a)
Subject: Updated landing page on Custom audience lists to review on Monday please - it's only a few paragraphs.

[REDACTED]


Good morning,

I'd appreciate it if you could review the updated custom audience lists landing page copy.

As previously mentioned, the purpose of this page is simply to say:

- We are no longer using custom audience lists
- To attach our and Geof's reports
- To link to the media release <which will also be hosted on our media release page>

I have purposely kept this page very brief, and the copy is consistent with what has been used and approved in the report and on the earlier landing page:

 [Custom audience list landing page - Copy.docx](#)

Please either track changes or reply letting me know if you have any suggestions or concerns.

Ngā mihi nui,

Pip

Service Leader Marketing and Communications
Inland Revenue | P O Box 2198 | Wellington 6014
s 9(2)(a) [REDACTED]



Mechanics:

Purpose of the page:	To direct customers, media and key stakeholders to relevant information on our use of custom audience lists
Location on the IRD main website	Have a link from this page: www.ird.govt.nz/about-us/social-media Short URL suggestion: Ird.govt.nz/customaudiencelists
Go-live due date	No later than 3pm Friday, 20 September 2024

Our official social media channels provide important updates, information and reminders to help you get your taxes and entitlements right. Social media is just one channel we use to reach customers. It is very effective at reaching people where they are.

This webpage helps answer questions on the use of social media custom audience lists.

Use of custom audience lists on social media

We take our customers’ privacy seriously. We do not sell any data to anyone, including social media platforms. No information has been leaked. s 9(2)(g)(i)

A privacy impact assessment helps identify whether a project will impact on people and their information, how any risk can be reduced and ensures the project complies with the Privacy Act.

Due to public concern recent media coverage which included comments from the US Federal Trade Commission and European Data Protection Supervisor we have **paused** the use of custom audience lists.

We made the decision to **pause** as we care about our customers and want to provide reassurance that we take their concerns seriously. We will reconsider this decision after the findings of an internal review (undertaken by our Chief Information Security Office (CISO), which will include reviewing the use of hashing to ensure it is safe to use and security of the platforms), and the review undertaken by the Office of the Privacy Commissioner.

The New Zealand Information Security manual, which is maintained by the Government Communications Security Bureau (GCSB), has guidelines on information assurance and systems security. Our standards with relation to hashing operate within these guidelines.

What is a custom audience list?

Custom audience lists help us direct messages to specific customers with relevant information and reminders. This includes letting them know about entitlements like Working for Families and FamilyBoost, or when they have returns or debt due. This significantly enhances our ability to ensure taxpayers meet their obligations.

Examples of custom audience advertising are:

- Student loan customers - where we can separate the audiences for accuracy, so those based overseas are reminded about the repayment dates, but those based in New Zealand receive relevant messages if they’re self-employed or earn a salary or wage

- GST customers - who have returns and/or a debt due
- Working for Families customers - who may qualify for certain entitlements or are reminded that they need to update their information if they have a change in circumstances

By using these lists we're able to direct advertising to those customers who need to see the message and we're also able to reach them on a channel they use i.e. Facebook.

We have used custom audience lists on Meta (Facebook and Instagram), LinkedIn and Google. The use of custom audience lists was paused on 12 September 2024 while the reviews are undertaken.

What data is uploaded to the social media platforms?

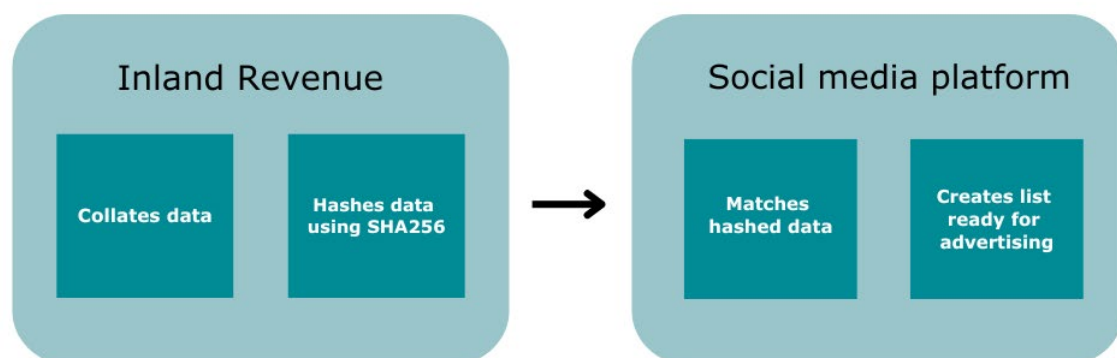
The custom audience feature allows businesses and government departments to upload de-identified information (referred to as hashed information) to the platform, for direct marketing purposes.

We upload into our browser a list of identifiers such as names and email addresses belonging to individuals that we want to target with ads. This data is hashed within our browser before being uploaded to the social media platform.

Identifiers used include first name, surname, date of birth, email address, phone number, city, postal code and country.

The Custom Audience is the list of customers we can then target relevant advertising with. We are not able to see who ends up in this matched list, just the approximate number of people in the audience.

Diagram of how custom audience lists are loaded <heading and image are in draft?



If you haven't provided information to the social media platform or don't have an account with them, then the hashed data will not match, and it is deleted.

What does 'hashed data/hashing' mean?

Hashing is a commonly used technique in day-to-day digital life e.g. logging into a banking app or checking the integrity of a file you download from the internet. Social media platforms pre-compute the hashed values for every user so if someone uses social media, the platform will already hold their information in hashed format.

Hashing is a security method to protect information. It takes a piece of data - like an email address - and uses math to turn it into numbers and letters (called a hash). For example, John.doe@ird.govt.nz may come out hashed as wLKziR/6RoXDv1MDaXLH1UNUC9nIVr97jrTnL4TcxsM=.

No person or organisation can easily reverse the hash to original data. Hashing the same input data will always create the same hash.

The hashed data from our list is only used if it can be matched with information you have already provided on your social media account.

Why am I still seeing an advert from Inland Revenue on my social media account?

You might still see advertising from us such as via a billboard or an advert on social media, but we do not use custom audience lists for these.

We advertise on social media, without using custom audience lists. For example, during Cyclone Gabrielle, when we needed to reach customers to let them know about available support, we used geographic targeting in social media platforms to only display adverts to people in the affected regions.

How can I turn off these ads?

You can update your profile settings in your social media accounts if you do not want to see adverts from certain organisations. We are not able to turn these off for you.

How can I opt-out of being included in a custom audience list?

There is no option to opt-out of being included in a custom audience list, however you can update your profile settings in your social media accounts if you do not want to see adverts from us or other organisations.

What data/information of mine has been passed onto social media platforms?

No identifiable information about you has been passed onto social media platforms.

If your information was included in a custom audience list, the data that is uploaded is hashed before being transmitted to the social media platform. Hashed data may include first name, surname, date of birth, email address, phone number, city, postal code and country.

The hashed data from our list is only used if it can be matched with information you have already provided on your social media account.

How does this comply with the Privacy Act?

The Privacy Act 2020 allows personal information to be used for more than one purpose. It doesn't require you to give permission every time your personal information is used or disclosed. The Act is

purpose-focused not consent-focused. This means if an organisation obtains your information for one purpose, it can use it for another purpose in some circumstances.

The Tax Administration Act 1994 permits Inland Revenue to use taxpayer information to carry out or support a lawful function. Using social media to display messages to taxpayers who are in debt, have due dates for payment, or tell them about entitlements is a function of Inland Revenue.

The Office of the Privacy Commissioner (OPC) has also had privacy concerns raised with it from members of the public about Inland Revenue's use of taxpayers' personal information and hashing. The Privacy Commissioner has contacted Inland Revenue for information to assess if this practice raises issues under the Privacy Act. Inland Revenue welcomes the OPC's involvement.

How long will the reviews into the use of custom audience take?

We welcome the review undertaken by the OPC and will work with them on the timing. We expect our review to take approximately 4-5 weeks

Has tax information about me or my business been passed on?

No. No tax or financial information is included in the custom audience list.

Can you confirm if my data has been included in your ad campaigns?

You may have been included in previous campaigns if:

1. You have a social media account with Facebook or LinkedIn or have a Google account, and your privacy settings enable you to receive adverts, and any of following apply, you:
are likely eligible or receive Working for Families
have a New Zealand student loan
have an overdue tax return or bill

Due to the large number of ad campaigns that we undertake to ensure people are aware of their tax obligations and entitlements, it is not reasonably practicable for us to search to see which campaigns you may have been included in.

If you do not want to see ads from certain organisations you can update your profile settings in your social media accounts. We are not able to turn these off for you.

What data of mine was leaked?

No data has been leaked.

Why are you selling my information to social media?

We do not, have not, and will not, sell any taxpayer information.


Document 14

From: [Dawn Swan](#)
To: [Jay Harris](#); [Kieran Burlace](#); [Pip Knight](#); [Mike Cunnington](#); [James Grayson](#); [Linley Boniface](#)
Subject: RE: Updated landing page on Custom audience lists to review on Monday please - it's only a few paragraphs.
Date: Monday, 4 November 2024 8:09:00 am
Attachments: [image003.png](#)
[image004.png](#)
[image005.png](#)

Looks good to me too.

I'll also put through a request to update the Privacy Policy to remove reference to hashing and use the text from the section Why am I still seeing an advert from Inland Revenue on my social media account?

Dawn Swan
Privacy Officer | Enterprise Design & Integrity | Inland Revenue
Asteron Centre, 55 Featherston Street, Wellington
PO Box 2198, Wellington 6140

 s 9(2)(a)

From: Jay Harris s 9(2)(a)
Sent: Monday, 4 November 2024 8:03 am
To: Kieran Burlace s 9(2)(a); Pip Knight s 9(2)(a) Mike
Cunnington s 9(2)(a) James Grayson s 9(2)(a);
Linley Boniface s 9(2)(a) Dawn Swan s 9(2)(a)
Subject: RE: Updated landing page on Custom audience lists to review on Monday please - it's only a few paragraphs.

Hi Pip,

I've had a read through and it looks good to me as well.

Jay

From: Kieran Burlace s 9(2)(a)
Sent: Sunday, 3 November 2024 10:42 am
To: Pip Knight s 9(2)(a) Mike Cunnington s 9(2)(a)
James Grayson s 9(2)(a); Linley Boniface s 9(2)(a)
Dawn Swan s 9(2)(a); Jay Harris s 9(2)(a)
Subject: RE: Updated landing page on Custom audience lists to review on Monday please - it's only a few paragraphs.

Hi Pip,

I just made a couple track changes from present tense to past tense.
Otherwise, this looks good to me.

Thanks
Kieran

From: Pip Knight s 9(2)(a)
Sent: Saturday, 2 November 2024 10:44 am
To: Mike Cunnington s 9(2)(a); James Grayson
s 9(2)(a); Kieran Burlace s 9(2)(a); Linley Boniface
s 9(2)(a); Dawn Swan s 9(2)(a); Jay Harris
s 9(2)(a)
Subject: Updated landing page on Custom audience lists to review on Monday please - it's only a few paragraphs.

Good morning,

I'd appreciate it if you could review the updated custom audience lists landing page copy.

As previously mentioned, the purpose of this page is simply to say:

- We are no longer using custom audience lists
- To attach our and Geof's reports
- To link to the media release <which will also be hosted on our media release page>

I have purposely kept this page very brief, and the copy is consistent with what has been used and approved in the report and on the earlier landing page:

 [Custom audience list landing page - Copy.docx](#)

Please either track changes or reply letting me know if you have any suggestions or concerns.

Ngā mihi nui,
Pip

Service Leader Marketing and Communications
Inland Revenue | P O Box 2198 | Wellington 6014
s 9(2)(a)



From: [Mike Cunnington](#)
To: [James Grayson](#); [Pip Knight](#); [Kieran Burlace](#); [Linley Boniface](#); [Dawn Swan](#); [Jay Harris](#)
Subject: RE: Updated landing page on Custom audience lists to review on Monday please - it's only a few paragraphs.
Date: Monday, 4 November 2024 8:11:46 am
Attachments: [image001.png](#)
[image002.png](#)

Morēna

A couple of changes and a comment from me in the doc.

Thanks

Mike

From: James Grayson [s 9\(2\)\(a\)](#)
Sent: Saturday, 2 November 2024 5:49 pm
To: Pip Knight [s 9\(2\)\(a\)](#); Mike Cunnington [s 9\(2\)\(a\)](#)
Kieran Burlace [s 9\(2\)\(a\)](#); Linley Boniface [s 9\(2\)\(a\)](#)
Dawn Swan [s 9\(2\)\(a\)](#) Jay Harris [s 9\(2\)\(a\)](#)
Subject: Re: Updated landing page on Custom audience lists to review on Monday please - it's only a few paragraphs.

Hi Pip,

Thanks for sending this through.

[s 9\(2\)\(g\)\(i\)](#)

On the basis this language is consistent with the other content, the rest is fine with me.

Thanks

James

From: Pip Knight [s 9\(2\)\(a\)](#)
Sent: Saturday, November 2, 2024 10:44 AM
To: Mike Cunnington [s 9\(2\)\(a\)](#); James Grayson
[s 9\(2\)\(a\)](#); Kieran Burlace [s 9\(2\)\(a\)](#) Linley

Boniface s 9(2)(a) ; Dawn Swan <s 9(2)(a) ; Jay Harris
s 9(2)(a)

Subject: Updated landing page on Custom audience lists to review on Monday please - it's only a few paragraphs.


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 [Custom audience list landing page - Copy.docx](#)

Please either track changes or reply letting me know if you have any suggestions or concerns.

Ngā mihi nui,

Pip

Service Leader Marketing and Communications
Inland Revenue | P O Box 2198 | Wellington 6014
s 9(2)(a)



Document 16

From: [Pip Knight](#)
To: [Mike Cunnington](#); [Peter Mersi](#); [Joanne Petrie](#); [Rowan McArthur](#); [Suzanne Sherris](#)
Cc: [James Grayson](#); [Jay Harris](#)
Subject: RE: [UNCLASSIFIED] Key Messages - Custom Audience List - PSC
Date: Monday, 4 November 2024 8:15:00 am

Hi Mike and Peter,

I agree and I'm comfortable that this is covered in the briefing media release and landing page. However, we should have made the 'why we use custom audience lists' clear in the key messages we sent to the PSC.

Rowan has added two sentences to the briefing to cover off their feedback on 'the unacceptable breaches and apologising to those impacted' which he'll take you, Peter, through at eleven.

Thanks all.
Pip

From: Mike Cunnington [s 9\(2\)\(a\)](#)
Sent: Monday, 4 November 2024 8:04 am
To: Peter Mersi [s 9\(2\)\(a\)](#); Joanne Petrie [s 9\(2\)\(a\)](#); Pip Knight [s 9\(2\)\(a\)](#); Rowan McArthur <Rowan.McArthur@ird.govt.nz>; Suzanne Sherris [s 9\(2\)\(a\)](#)
Cc: James Grayson [s 9\(2\)\(a\)](#); Jay Harris [s 9\(2\)\(a\)](#)
Subject: RE: [UNCLASSIFIED] Key Messages - Custom Audience List - PSC

Also a chime with Geof's report that we need to explain the reason for using custom list in the first place – an effective way to reach customers so that they can meet their obligations and get their entitlements.

From: Peter Mersi [s 9\(2\)\(a\)](#)
Sent: Friday, 1 November 2024 8:37 pm
To: Joanne Petrie [s 9\(2\)\(a\)](#); Pip Knight [s 9\(2\)\(a\)](#); Rowan McArthur <Rowan.McArthur@ird.govt.nz>; Suzanne Sherris [s 9\(2\)\(a\)](#)
Cc: Mike Cunnington [s 9\(2\)\(a\)](#); James Grayson [s 9\(2\)\(a\)](#); Jay Harris [s 9\(2\)\(a\)](#)
Subject: RE: [UNCLASSIFIED] Key Messages - Custom Audience List - PSC

I think PSC raise some good questions. I am inclined to go with their view that we should be stronger about the unacceptable breaches, apologising to those impacted, etc. We can then say

there is no evidence that the breaches have resulted in any negative actions, and the circumstances around the breaches (eg encrypted transfer, machine to machine, deletion of file) mean the probability was always small.

I don't think this changes our reason for stopping (ie concern at losing taxpayers confidence).

P

From: Joanne Petrie [s 9\(2\)\(a\)](#)
Sent: Friday, 1 November 2024 4:41 pm
To: Pip Knight [s 9\(2\)\(a\)](#); Rowan McArthur <Rowan.McArthur@ird.govt.nz>; Suzanne Sherris [s 9\(2\)\(a\)](#)
Cc: Peter Mersi <[s 9\(2\)\(a\)](#)>; Mike Cunnington [s 9\(2\)\(a\)](#)
James Grayson [s 9\(2\)\(a\)](#); Jay Harris [s 9\(2\)\(a\)](#)
Subject: Fw: [UNCLASSIFIED] Key Messages - Custom Audience List - PSC

FYI

Get [Outlook for Android](#)

Document 17

From: [Joanne Petrie](#)
To: [Tiers 1 and 2 - ELT](#); [Kirsty Gemmill](#); [Karen Whitiskie](#); [Dawn Swan](#); [Pip Knight](#); [Thomas Allen](#); [Jay Harris](#)
Cc: [Suzanne Sherris](#)
Bcc: [Joanne Petrie](#)
Subject: EMBARGOED UNTIL 12 NOON ON TUESDAY 5 NOVEMBER 2024 - Pack - Custom Audience/Hashing
Date: Monday, 4 November 2024 2:23:00 pm
Attachments: [Social Media Usage Analysis Review FINAL - November 2024.pdf](#)
[Media Brief - Peter Opening - November 2024.pdf](#)
[Media Brief - Q&As - November 2024.pdf](#)

Kia ora koutou

Please find attached:

- The final Review and Analysis of Social Media Usage for Custom Audiences
- Peter's Opening for the Press Conference – Tuesday 5 November, 11am
- Q&As

I am expecting Geof's Report this afternoon and will send that through once received.

Dawn: I will leave you to provide the final Review to the Privacy Commissioner

Karen: I will leave you to provide the final Review to Crown Law

Pip: loading the Final Review on the website

Thomas: providing a copy of the Final Review to the Minister's Office

Jay: I'm not sure whether you will be providing a copy to the GCIO – will leave you to advise.

I will also provide this pack to the Public Service Commission.

Please ensure when you are providing any of this information that it is noted that this material is embargoed until 12 noon Tuesday 5 November,

If you have any questions or if there is someone else who should be receiving the final Review/pack, please let me know.

Nga mihi

Jo

Inland Revenue Media Briefing

5 November 2024

Statement from the Commissioner Peter Mersi

Welcome and thanks for coming along. This briefing is to update you on Inland Revenue's use of custom audience lists in social media advertising.

In the course of our work, we are required to make every effort to contact customers about their entitlements and obligations. That requirement is included in our legislation and it's what drives our efforts to use the most effective and efficient means of communicating with people.

As you're aware, Inland Revenue has been using custom audience lists with social media platforms for a number of years.

The purpose of those lists was to help us more accurately target individual taxpayers with information they need. It has been true for some time that to communicate with large numbers of people effectively, social media platforms are very important. Being able to reach people where they are active is vital. Using social media has significantly increased our success in reaching taxpayers with important messages about their entitlements and obligations.

However, in response to public concern at having personal details passed to social media platforms without their consent, we will no longer supply de-identified, or hashed, customer details to social media platforms for use in targeted advertising.

As Commissioner, I want to make it very clear that we have listened carefully to the concerns people have expressed. And it's really important to me that we do the right thing in responding to those concerns. I take the matter of customer privacy very seriously and I think our decision, and this special briefing, demonstrates that.

When concerns were raised over our use of custom audience lists, we paused their use on 12 September. Over the past several weeks, a comprehensive internal review of our use of custom audience lists has been carried out. We have also had our review independently assessed by Geof Nightingale. Both our review and Geof's assessment will be available online early this afternoon.

It's important for me to say at the outset that it's not the review that has driven our decision to stop using custom audience lists.

It is people's strongly expressed concerns, about information being passed to social media platforms regardless of the protections, that have led us to make this decision. The review has enabled us to explore those concerns in greater detail.

Inland Revenue will continue to advertise on social media platforms but not by using custom audience lists. For the reasons I've outlined, social media platforms are a very important and effective way to reach taxpayers with information. And one of my clear responsibilities as Commissioner is to ensure that Inland Revenue makes every effort to reach taxpayers with the information they need in respect of their entitlements and obligations.

Customer privacy is a top priority. I can reassure all of our customers that in all the work we have done during the course of the review, there has been no evidence of customer details ever being used by social media platforms for anything other than the purpose intended.

In undertaking the review, and in responding to OIA requests on this matter, we discovered two instances of customer details being supplied in their raw form by Inland Revenue to a social media platform – this was not consistent with our stated policies and procedures. One instance was in the context of trying to fix a problem with creating a particular custom audience list. The other was the result of a misunderstanding of what data the hashing process applied to with one of the platforms.

These unintended disclosures occurred at the Inland Revenue end and while both have been reported to the Office of the Privacy Commissioner, neither were categorised as notifiable. That means we are not required to report them publicly or to notify the customers involved. This is because the risk of any of the customer data having been shared further is deemed very low, as is the risk that it could have been used for any harmful purpose.

We are examining the circumstances surrounding both instances and if we find any breach of our code of conduct we will work through what action is to be taken.

We are writing to the 268,000 taxpayers involved in the first of the two instances, apologising for what happened, explaining how it happened, and telling them what details were shared. And the social media platform involved has confirmed that all unhashed data provided to them was deleted within previously agreed time frames.

The second is less easy to quantify, and identifying individual customers involved is very difficult because it occurred over a period of time and lists are deleted once the process has been completed.

I have made the decision to make all of this information public because as Commissioner I prioritise transparency and maintaining the trust of our customers. So, I apologise to all those customers whose details were passed against correct procedures. And I'm giving taxpayers my assurance that we have stopped sharing their details, in any form, with social media platforms - we have no plans to resume that practice.

I want to emphasise here again, that the decision to stop using custom audience lists has been driven by public concern – not by these unintended disclosures. Obviously, they are a concern, and we are treating them very seriously, but as I've said, neither was deemed serious enough to meet privacy legislation requirements for reporting.

Prior to the review Inland Revenue has always believed that sufficient work was done to ensure the security of customer details within the hashing and custom-list creation process. In addition to hashing, the social media platforms have layers of security such as encrypted transmission which means customer information has been kept safe and secure.

Again, there is no evidence that any customer details, hashed or unhashed, have ever been used by social media platforms for anything other than the purpose agreed.

Custom audience lists have been a very valuable tool for Inland Revenue with real benefits for customers because we could get relevant messages directly to them through the channels we knew they were using.

The terms of the agreements with the social media platforms were always explicit and clear in stating that all hashed data was secure, used only for the purpose intended, and then deleted within agreed timeframes.

But as I've said, public concern at the practice of passing details to social media platforms in any form has led us to the decision not to resume use of the custom audience list tool.

We have a number of different ways of reaching the customers we need to get to, so that they can continue to get the information they need as quickly and efficiently as possible. We will continue to review these for their effectiveness and ability to reach taxpayers.

As I said at the outset, we want to be transparent and do the right thing in responding to customer concerns.

Document 21

From: [Joanne Petrie](#)
To: [Pip Knight](#); [Rowan McArthur](#); [Gay Cavill](#)
Cc: [Mike Cunnington](#); [Jay Harris](#); [Suzanne Sherris](#); [Dawn Swan](#); [Thomas Allen](#); [James Grayson](#)
Bcc: [Joanne Petrie](#)
Subject: Media Briefing - Commissioner Peter Mersi - 5 November
Date: Tuesday, 5 November 2024 8:54:00 am
Attachments: [Media Briefing - Commissioner Peter Mersi - 5 November.docx](#)

Morena

Please find attached Peter's statement for going up on the website. Please note it includes a few changes he has made overnight and also removes the taking questions statement at the end.

Nga mihi
Jo

Document 22

From: [Dawn Swan](#)
To: [Pip Knight](#)
Subject: FW: Custom Audience Lists Incident Review- Final Memorandum
Date: Tuesday, 5 November 2024 10:38:00 am
Attachments: [Custom Audience Lists Incident Review- Final Memorandum.pdf](#)
[image001.png](#)

Hi Pip

Final report attached from the Internal Assurance team into the Meta incident. There's a couple of recommendations for Marketing and Coms that I'll leave with you.

Dawn Swan
Privacy Officer | Enterprise Design & Integrity | Inland Revenue
Asteron Centre, 55 Featherston Street, Wellington
PO Box 2198, Wellington 6140

 [Call/chat with me in Teams](#) or 021 262 0543

From: Erin Dyson s 9(2)(a)
Sent: Monday, 4 November 2024 5:12 pm
To: Dawn Swan s 9(2)(a)
Cc: Vanessa Johnson s 9(2)(a); Chris Linton s 9(2)(a)
Subject: Custom Audience Lists Incident Review- Final Memorandum

Kia ora Dawn,

As discussed please see the attached memo relating to the privacy incident of Custom Audience Lists with Meta.

Please let me know if you have any questions.

Ngā mihi

Erin Dyson
Domain Lead | Integrity and Internal Assurance | Inland Revenue
Kaiārahi ā-Mahi | Whakaū me te Pono ā-Roto | Te Tari Taake

*** Providing Objective Assurance & Advice ***

Document 23

From: [Joanne Petrie](#)
To: [Mike Cunnington](#); [Mary Craig](#); [James Grayson](#); [Pip Knight](#); [Suzanne Sherris](#); [Rowan McArthur](#); [Gay Cavill](#); [Jay Harris](#); [Dawn Swan](#); [Karen Whitiskie](#); [Thomas Allen](#); [Anne Apineru](#)
Bcc: [Joanne Petrie](#)
Subject: Custom Audience/Hashing - Update
Date: Wednesday, 6 November 2024 3:58:00 pm

Kia ora koutou

Update from today as follows:

Dawn – Privacy

Further increase in requests being received via the Taxpayer's Union website. These had dropped off but 21 received this morning. The template requests are the same as those previously received (was I included in a custom audience list etc). I'll review and update the previous response letter that we sent and send it around for review.

Complaints coming in via the Privacy Commissioner's website. The OPC has an online form that people can complete to make a complaint and this is sent directly to the agency and OPC doesn't retain a copy.

Ten complaints this morning about the breach and the letter. General sentiments:

- Want detailed investigation of how and why this has happened
- Unacceptable, want to know how they can protect themselves, risk of identity fraud, feel vulnerable
- Any money owing to IR should be written off as a result of the breach of trust.

Pip

- All the emails & letters to customers in the first unintended disclosure have been sent and we're starting to get inbound contacts
- The media team has received a few inquiries, all on information that is in the review, or we've said we'd share

Nga mihi
Jo