

Authority determines that an action of the employee contributed to the situation that gave rise to the personal grievance.¹ Although IRD's counsel, Mx Hornsby-Geluk, made cogent submissions that the remedy of interim reinstatement is now no longer available in the circumstances of this particular case, given the outcome of this preliminary determination in which Ms Beveridge has been unsuccessful, it is not necessary for this issue to be determined at this time.

[3] In support of the application for interim reinstatement, Mr Beveridge lodged with the Authority, a signed undertaking as to damages and two affidavits in support including one from Jillian Collins, the secretary and treasurer of the union to which Ms Beveridge belongs, Taxpro Incorporated. In reply, a notice of opposition from the IRD was filed as were two affidavits opposing reinstatement from families customer segment leader, Sue Gillies, and families group lead, Christopher Thomson.

[4] A case management conference was convened on 4 March 2026 by which time both parties had participated in mediation which was unsuccessful. Following a submissions hearing on 9 April 2026, the opportunity was afforded to Ms Beveridge to provide further supporting information and submissions of her intention to apply for a non-publication order, and a request for further additional information regarding her current financial position. While the latter was provided, the former was withdrawn with Ms Beveridge's employment advocate, Mr Asher, confirming in writing that a non-publication order was no longer sought.

[5] As permitted by s 174E of the Act, this preliminary determination has stated findings of fact and law, expressed conclusions on issues necessary to dispose of the matter and specified orders made. It has not recorded all the evidence and submissions received.

What happened?

[6] At the time of her dismissal for serious misconduct, Ms Beveridge had worked for the IRD for 25 years without incident and at the material time was working as a CSO in the families segment team in Tauranga. Her role required her to be on the phones taking inbound calls. When available to take a call but not on a call, Ms

¹ The Act, s 123C.

Beveridge had 'green time' to catch up on work messages and emails, which included those from her team lead, Renee Coils, to whom she reported.

[7] IRD holds highly confidential and personal information on all New Zealand taxpayers, which includes individuals and businesses. While the organisation relies heavily on the voluntary compliance of taxpayers to comply with its information requests, the counterweight to this is IRD's duty to keep taxpayer information confidential and ensuring that staff only access taxpayer information if there is a valid business reason to do so.

[8] On 24 October 2025, an email was sent to various team leads including Ms Beveridge's team lead, Ms Coils, that Complaints Management was case managing a taxpayer who I refer to in this determination only as Taxpayer A. The email to the team leads included Taxpayer's A full name and IRD number so that direct repots could identify him should he contact them.

[9] The email to Ms Coils and her fellow team leads further stated that if an employee receives a call identified to be from Taxpayer A, or if they receive a call from a customer from an anonymous number and the customer refuses to give their details and is wanting to speak about child support, they were to advise the customer that they were being case managed by Complaints Management, and that they would be in contact. The email further said that employees were not to engage further with Taxpayer A and to disconnect the call.

[10] On Friday 24 October 2025, Ms Coils sent a Teams message to her direct reports including Ms Beveridge which relevantly stated:

IMPORTANT

Do not interact with [Taxpayer A]

Customer [Taxpayer A] is actively being managed by our complaints management teams and is aware of this, however is continuing to call through to the child support line [by] changing his phone number to anonymous and not entering his IRD number. When he does this, he is not to be diverted to the complaints line.

When he comes though, he will not give any of his details or be verified and starts speaking about his child support issues.

You may receive a call from [Taxpayer A]. If he is identified as [Taxpayer A] or if you get a call from a customer from an ...

(see more)

[11] Reference to “see more” reflects the fact that the recipient of the message needed to ‘click’ on the words in order to expand the message in its entirety. Ms Beveridge’s affidavit in support of her application for interim reinstatement attests that she cannot recall reading the entire message from her team lead.² Had she expanded Ms Coils’ message, Ms Beveridge says that she would have seen the remainder of it, which is continued below:

... anonymous number and is refusing to give details, and wants to speak about his child support, they are to advise him he is being Managed by Complaints, and we will contact him. Please then disconnect the call. Please do not engage with [Taxpayer A].

... is currently monitoring the account to intercept his calls when they come [through], once we are able to identify it is him.

[Taxpayer A] may attempt to get through on the Working for Families or FamilyBoost lines so this message is for all those taking inbound calls.

Please remember that any access to any customers account without a valid reason business need would be a breach of our code of conduct. Do not access [Taxpayer A’s] account. If you have received an inbound call from him and passed validation, once identified that it is [Taxpayer A], the call should be terminated after advising him CMS will contact him.

Please talk to your team lead if you have any questions everyone.

(see less)

[12] On 28 October 2025 at 9.11am, Ms Beveridge accessed Taxpayer A’s account for 1 minute and 49 seconds during which time, she searched for the taxpayer by name in START (IRD’s electronic tax system); accessed the first results page; navigated to CRM (Customer Relationship Management) notes; navigated to the open cases page; and opened customer feedback tab before exiting the account.

[13] The reason Ms Beveridge later gave for accessing Taxpayer A’s account was to see the details of the complaint so that she could understand the background in the off chance that she received a call from him. Her purpose was to be able to identify him which in her mind was a business purpose – to be able to follow what she understood the instruction required her to do.³

² Affidavit of Jan Beveridge, 2 March 2026, at [31].f.

³ At [31].j.

[14] Ms Beveridge never received a call from Taxpayer A.

[15] Approximately five hours after Ms Beveridge had accessed Taxpayer A's account on 28 October 2025, families customer segment leader, Ms Gillies, sent an email to all staff in the segment headed "*Important reminder – Customer account access*". In her email, Ms Gillies referred to the message that staff had received from their team lead the previous Friday (24 October 2025). Ms Gillies reminded staff of their Code of Conduct obligations and reiterated that accounts should only be accessed where a customer had contacted them directly, their identity verified, and where there was a clear business reason to access their account.

[16] Ms Gillies was prompted to remind staff of their obligations because she had been contacted by IRD's Integrity and Internal Assurance Team (the integrity team) that some employees had accessed Taxpayer A's account. Having noticed this activity, the integrity team requested that Ms Gillies email staff the above reminder.

[17] Having read Ms Gillies email, Ms Beveridge did not raise her access of Taxpayer's A account with her team lead, Ms Coils.

[18] At some point, the integrity team became aware of Ms Beveridge's access of Taxpayer A's account and upon reviewing her access, was not able to establish a clear business reason for her doing so. Families group lead, Mr Thomson, was asked to conduct a formal investigation which commenced on 24 November 2024 by way of a written invitation to Ms Beveridge to attend an investigation meeting where he could discuss his concerns with her.

[19] On 1 December 2025, Mr Thomson met with Ms Beveridge and her union representative from Taxpro, Ms Collins. The meeting occurred via Teams as Mr Thomson was based in Christchurch. During the meeting, Ms Beveridge viewed what is known as a "Flyby" recording of her access of Taxpayer A's account and was provided with a written summary detailing the actions she undertook in SMART. She explained that she had skim-read Ms Coils' message and could not recall whether she expanded her message and read it all or not. Ms Beveridge further stated that she did not connect Ms Gilles' email (28 October 2025) with the earlier message from Ms Coils, and as she dealt with a number of clients on a daily basis, it was easy for her to

forget names but she could remember details, which is why she had accessed Taxpayer A's account.

[20] On this last point, Ms Beveridge provided Mr Thomson with additional written material to consider on 3 December 2025, which stated that if she had an idea of Taxpayer A's issues, she would more likely recognise a call from him thus constituting a business reason to access his account. In addition, Ms Beveridge stated that her actions were not a deliberate or an intentional breach of the Code of Conduct; she was not being malicious or nosy; that there had been no personal benefit to her; and that she did not share or discuss Taxpayer A's information with anyone else. Ms Beveridge further stated that CSOs were already under pressure while on the phones without having to read important notifications from various channels. She also questioned whether the message from her team lead ought to have been communicated in a different way to give it more prominence.

[21] Ms Beveridge further commented that Taxpayer A was not a family member, friend or an acquaintance of hers; that accessing his account was a genuine mistake; that she had been dealing with some health issues that affected her energy levels and attention to detail; and that she had been an employee for 25 years and never had any Code of Conduct issues affect her career before.

[22] On 10 December 2025, Mr Thomson advised Ms Beveridge that his preliminary view was that her conduct amounted to serious misconduct and proposed that summary dismissal was the appropriate outcome. In reaching that preliminary view, Mr Thomson considered that it was not necessary for Ms Beveridge to familiarise or educate herself with the notes in Taxpayer A's account because he was not identifying himself to staff in any event. If he did identify himself, staff were advised not to engage with him.

[23] Mr Thomson did not find it credible that Ms Beveridge was not able to connect the follow-up email from Ms Gillies on 28 October 2025 with Ms Coils' Teams message from 24 October 2025. This seemed contrary and did not align with Ms Beveridge's stated reason for accessing Taxpayer A's account. Mr Thomson further stated that he had considered Ms Beveridge's length of service but that this gave him cause to be more concerned with her conduct as she ought to have been fully aware of what IRD's Code of Conduct required of her.

[24] Mr Thomson delivered his preliminary decision to Ms Beveridge at a meeting on 10 December 2025 and she was given until 17 December to provide feedback, which she did. Briefly stated, Ms Beveridge's feedback reiterated what she had previously provided namely that she believed that she had a business reason to access Taxpayer A's account and that she did not intend to breach the Code of Conduct.

[25] By letter dated 23 December 2025, Ms Beveridge's employment ended by way of summary dismissal. Because of the time of year, Mr Thomson decided to pay her until 5 January 2026. In his final decision letter, he noted that the first two lines of Ms Coils' Teams message made it immediately clear that it was important and that Ms Beveridge did not need to access Taxpayer A's account to be able to recognise a possible call from him. The only engagement required if a call was received, was to refer him to Complaints Management.

What are the relevant principles for interim reinstatement?

[26] The principles of interim reinstatement are well understood which require me to first consider whether there is a serious question to be tried, or put another way, that the claim is not vexatious or frivolous.⁴ The first question raises two sub-issues:⁵

- (i) whether there is a serious question to be tried in relation to the claim of unjustified dismissal; and if so,
- (ii) whether there is a serious question to be tried in relation to the claim of permanent reinstatement?

[27] If after an evaluative assessment, I find that there is a serious question to be tried, I must then determine where the balance of convenience between the parties lie and this involves consideration of the impact on the parties of granting or refusing to grant interim reinstatement.

[28] The final question to consider is, standing back and looking at the matter objectively, where the overall justice sits.⁶

⁴ *NZ Tax Refunds Ltd v Brooks Homes Ltd* [2013] NZCA 90 at [12].

⁵ *Western Bay of Plenty District Council v McInnes* [2013] NZEmpC 36 at [8].

⁶ *NZ Tax Refunds*, above n 4, at [12] – [13].

A serious question to be tried for unjustified dismissal

[29] In assessing whether there is a serious question to be tried of unjustified dismissal, the threshold is low. The claim must simply be more than frivolous or vexatious. The IRD submits that there is no serious question to be tried in respect of unjustified dismissal because putting aside whether or not Ms Beveridge had seen the entirety of Ms Coils' Teams message, the message started with the word "Important" which was immediately followed by the instruction: "Do not interact with Taxpayer A". It was therefore not necessary for Ms Beveridge to have accessed Taxpayer A's account and at no time had she disclosed to her team lead that she had done so.

[30] At this early stage of my investigation, I must proceed on untested evidence. That said, it is necessary to consider whether the Teams message from Ms Coils was the appropriate medium for her to have informed her direct reports not to engage with Taxpayer A. The use of Teams messaging has increased in recent times particularly post-COVID but even so, Teams remains relatively new compared to more established modes of formal communication such as email. Evidence will need to be adduced around the use of Teams in this particular case and whether it was fairly and properly considered by the decision maker. I am satisfied that there is a serious question to be tried of unjustified dismissal.

No serious question to be tried for permanent reinstatement

[31] Under s 125(2) of the Act, the Authority must provide for reinstatement wherever practicable and reasonable. IRD's position is that reinstatement would neither be practicable nor reasonable because Ms Beveridge's actions in accessing sensitive taxpayer information without a genuine business reason, was destructive of her employer's trust and confidence in her. However, until evidence can be properly tested, which is the function of the substantive investigation meeting, such statements need to be approached with some caution.

[32] Mr Asher refers me to Ms Beveridge's 25-year record as a loyal and hardworking employee for the IRD. However, Ms Gillies' affidavit in opposition includes a copy of Ms Beveridge's training record which shows that she completed three online training modules relating to IRD's Code of Conduct as recently as 2020. This would have been in addition to her initial induction some time ago and updated training on the subject over the years.

[33] My difficulty with permanent reinstatement is that Ms Beveridge believes that the reason she did not discuss her access with her team lead was because she didn't think that she had done anything wrong.⁷ This is problematic for her as she is asking to be reinstated into a role that requires her to access sensitive taxpayer information and to exercise sound judgment about when access is permitted. Ms Beveridge's affidavit in support of her application was attested some two months after her employment at IRD ended and as such, she will have had sufficient time and space to reflect on her actions. However, her affidavit suggests that she does not understand or acknowledge how her actions were wrong which puts IRD in an invidious position.

[34] Ms Beveridge's stance counts against the use of a restorative approach to repair a broken employment relationship as noted by the Employment Court in *DQJ v Commissioner of Inland Revenue*;⁸ a case distinguishable on its own facts as that employment relationship ended on a "no faults" basis. The same cannot be said about Ms Beveridge who was found to be at fault and dismissed for serious misconduct. While it may be possible in the employment context for a restorative approach to be used in circumstances where there has been no admission of wrongdoing, it is a stumbling block here where access to highly sensitive and private taxpayer information is involved and where there can be no room for grey areas or subjective interpretation of instructions. I find no arguable case for permanent reinstatement.

Who does the balance of convenience favour?

[35] The balance of convenience requires an assessment regarding the impact on each party if interim reinstatement is granted or not. The Supreme Court has held that the merits of the case (in so far as they can be ascertained at the interim injunction stage) may be relevant in assessing the balance of convenience and the overall interests of justice.⁹

[36] Ms Beveridge's affidavit in support of her application for interim reinstatement records that she is 67 and that she lives with her adult son who has severe anxiety and is on a job seeker benefit. Ms Beveridge has mortgage commitments having recently taken out a green loan, but the outstanding balance of that loan is not known. Having

⁷ Jan Beveridge affidavit, n 2, at [40].d

⁸ *DQJ v The Commissioner of Inland Revenue* [2025] NZEmpC 10 at [60].

⁹ *Brooks Homes Ltd v NZ Tax Refunds Ltd* [2013] NZSC 60 at [6].

worked in a specialised role for the last 25 years, Ms Beveridge says that she would struggle to come up to speed to learn new systems and processes.

[37] Ms Beveridge provided additional information to the Authority to substantiate her financial position which shows she has a fortnightly shortfall of \$105.97 and personal savings of \$10,000.

[38] The substantive investigation of this employment relationship problem is set down for 30-31 July 2026, which is some three months away. Reinstatement to the payroll is not appropriate because while Ms Beveridge appears to have sufficient savings to cover her fortnightly financial shortfall, it has not been demonstrated that she would be able to repay the IRD for any wages she receives in the interim if it is later determined that she was justifiably dismissed both substantively and procedurally.

[39] The IRD employs approximately 4,500 staff and of that number, 700 were messaged by their respective team leads not to engage with Taxpayer A. Ms Beveridge belongs to a small group of 11 employees who for one reason or another, did not comply with that clear instruction. There is a public interest in the integrity of the tax system and ensuring that access to personal and/or commercially sensitive information is kept sacrosanct by the IRD. Breaches such as the present undermine the trust the public have in institutions such as the IRD.

[40] It was submitted that under s 6 of the Tax Administration Act 1994, the standard required for staff is to use their “best endeavours” to protect the integrity of the tax system. I note that this can safely be said of the 689 IRD employees who did comply with the instruction with respect to Taxpayer A’s account. However, the same cannot be said for Ms Beveridge and reinstating her would send a mixed message to all other staff that there can be some equivocation or wriggle room when it comes to the Code of Conduct. But this introduces a level of risk and compromise to the IRD that is unsustainable and which cannot be repaired by an award of damages.

[41] Given the burden to IRD if reinstatement is ordered, and as Ms Beveridge has savings to sustain her financially until a determination is made concerning her case, the balance of convenience favours not reinstating her on an interim basis.

Where does the overall justice lie?

[42] I need to stand back and consider the overall justice of the case. For the reasons given above, Ms Beveridge has an arguable case of unjustified dismissal but there is no serious question to be tried with respect to permanent reinstatement and the balance of convenience is not in her favour but IRD's. The overall justice of the case favours declining Ms Beveridge's application for interim reinstatement. For all the reasons given, the application for interim reinstatement is declined.

Costs

[43] Costs are reserved for determination following the substantive investigation meeting and its outcome being communicated to the parties or until the matter otherwise ceases to be before the Authority.

Peter Fuiava
Member of the Employment Relations Authority