



**Listening, learning, changing**  
**Mā Whakarongo me Ako ka huri te tai**  
Crown Response to the Abuse in Care Inquiry

## COVERSHEET

<b>Minister</b>	Hon Erica Stanford	<b>Portfolio</b>	Lead Coordination Minister for the Government's Response to the Royal Commission's Report into Historical Abuse in State Care and in the Care of Faith-based Institutions
<b>Date of meeting</b>	10 February 2025	<b>Date to be published</b>	18 February 2026

<b>List of documents that have been proactively released</b>		
<b>Date</b>	<b>Title</b>	<b>Author</b>
7 February 2025	Joint Ministers' meeting 10 February 2025 – Draft Response Plan and Redress	Crown Response Office
5 February 2025	Design of a Redress system (next phase – core State agencies)	Crown Response Office
23 December 2024	Redress System Placeholder Package Costed Scaling Options	Crown Response Office
5 February 2025	Key Recommendations from the Royal Commission for a Survivor-Centred Redress System	Crown Response Office
11 October 2024	Redress system context and background information	Crown Response Office

### **Withholding grounds**

Information within this document has been withheld as if it had been requested under the Official Information Act 1982. Where this is the case, the reasons for withholding have been listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

- section 9(2)(a) to protect the privacy of natural persons
- section 9(2)(f)(iv) to maintain the current constitutional conventions protecting the confidentiality of advice tendered by Ministers and officials
- section 9(2)(h) to maintain legal professional privilege



# Aide-memoire

## Joint Ministers' meeting 10 February 2025 – Draft Response Plan and Redress

**For:** Ministerial Group – Crown Response to the Abuse in Care Inquiry

**Date:** 7 February 2025

**Security level:**

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### Purpose

1. This aide-memoire provides information to support joint Ministers' discussion on the proposed plan to respond to the Royal Commission recommendations on Monday, 10 February.
2. The purpose of the discussion is to discuss the proposed approach to the response plan and the scale, pace, and priorities for the next phase of the Government's redress response. There is a wide range of options for how this work could be approached with varying cost implications. The discussion will help support the development of further advice, which will be provided for Cabinet to consider in March 2025.

### Background

3. In June 2024, Cabinet endorsed work on redress as an important focus of the overall response to the Royal Commission and agreed to the development of redress options drawing on the Royal Commission's findings, proposals prepared by a Design Group established by the previous administration, and lessons from domestic and international redress schemes.
4. It also agreed to four core objectives for redress:
  - delivers accountability for survivors, including apologies and financial payments that serve to acknowledge the harm survivors experienced and furthers obligations to prevent future abuse in care;
  - supports improved outcomes for survivors – which could, depending on a survivor's circumstances and preference, encompass improved quality of life, and the ability to more fully participate in all aspects of community, social, cultural, and economic life;
  - manages affordability, risks, and liability, including avoiding significant unintended consequences and helping to ensure the sustainability of redress for as long as it is needed; and
  - contributes to reducing the negative social, cultural and economic costs arising from the poor outcomes experienced by survivors as a result of the injury and trauma caused by abuse.

## The Government has already implemented a small number of the Royal Commission's redress recommendations

5. Since decisions in June, the Government has taken a series of steps to respond to the Royal Commission's recommendations for addressing the wrongs of the past, including:
  - a. making a public apology for abuse in care on 12 November 2024;
  - b. providing an additional \$32 million in November 2024 to reduce backlogs in current claims processes;
  - c. providing torture redress for Lake Alice torture survivors and addressing inequities in legal payments between those survivors;
  - d. establishing a \$2 million survivor support fund (due to open late February); and
  - e. announcing a National Day of Reflection and Remembrance on 12 November 2025;
6. Most recently, the Lead Coordination Minister has been working with the Ministers of Health, Social Development, and Mental Health on options for a Budget 2025 redress package.

## Direction is now needed to guide the next phase of the redress response

7. Significant and urgent policy decisions to guide the next stage of the redress response are needed in the next six weeks. The pathway for decisions necessary to line up with the Budget 2025 process and then support implementation of redress design decisions in the next financial year is as follows:
  - a. **10 February 2025** – joint Ministers' discussion
  - b. **18 February 2025** - Cabinet Strategy Committee (STR) to seek direction on pace and scale of our redress response (TBC) (if not STR then a separate Ministerial meeting will be convened)
  - c. **3 March** – budget bilateral
  - d. **12 March 2025** - decisions needed to confirm Budget 2025 redress package considered by Cabinet Social Outcomes Committee (SOU)
  - e. **9 April 2025** – Response plan considered by SOU
  - f. **May – September 2025** - SOU and joint Ministers to consider further policy and design decisions.
8. Redress decisions are complex and direction will be required to provide parameters for redress options and advice that will be considered by SOU in March.
9. Details of the redress response will then be detailed in the overall Crown Response Plan due to be considered by SOU on 9 April. This plan will set out the response to the full set of Royal Commission recommendations. In addition to the redress response, the plan will include how government is responding to recommendations to make care safe and empower families and communities in the care they provide. Much of that work is being progressed within individual agencies as part of continuous improvement activity drawing on existing funding and through a Budget 2025 Care System package. Work is also underway to

understand the performance of the care system as a whole and, as that work progresses and priorities for the system become apparent, it is anticipated that the nature and scale of any further investment required in the system will be clearer.

### **Officials seek confirmation on continuing to provide dispute resolution processes as an alternative to litigation**

10. Over the 1990s, a growing number of claims were made regarding abuse and neglect of children and young people while in State care. At that time, litigation was the primary option for claimants. State claims processes evolved out of that litigation in both New Zealand and in similar jurisdictions overseas.
11. Consistent with the Royal Commission's recommendations and the current approach to responding to claims, it is recommended that dispute resolution processes are maintained as an alternative to litigation. This is on the basis that returning to a situation where individual claimants are required to seek redress through the Courts would introduce considerable costs, exacerbate delays and increase uncertainty about the outcomes of those cases for survivors and the Crown and would consume significant Court time, energy and resource. On average, it costs the Crown \$1m to defend litigation in court, regardless of the outcome. In addition, the Crown often meets other costs of litigation through avenues such as legal aid.
12. The inquisitorial court process is often also unsuitable for resolution of abuse in care claims because of the difficulty in establishing liability given the passage of time, the high evidentiary bar required in court and the limited records and other evidence available to support survivors' claims.
13. In addition to the changes to redress systems, the Royal Commission recommended changes to the scope of the Accident Compensation scheme and the litigation framework. The decisions being sought along with upcoming advice will set the context for the Minister of Justice and the Minister for Accident Compensation to provide options for responding to these recommendations.

### **Scale, pace, and priorities for any changes to those processes**

14. Given the range of options that are available, and the challenge of meeting survivors' high expectations for meaningful change within the current fiscal context, it is appropriate to seek a direction on the scale, pace and priorities for any changes the Government wants to make to ADR processes.
15. To support the discussion, the appended A3 sets out three staged options. Options are offered against each of the following elements of our ADR processes:
  - a. what redress is available to survivors;
  - b. how integrated and independent ADR processes are; and
  - c. the consistency, efficiency and speed of those processes.

16. These options have all been developed within the same parameters used for the Redress Budget Bid package. Any changes will need to recognise the broader environment in which redress is delivered and the complexity of designing an integrated approach. This includes significant constraints on the Crown's current fiscal position and capacity pressures in the health and social services sectors. The constraints apply to all redress options including the status quo.
17. The options do not include one designed to give wide effect to the recommendations of the Royal Commission, reflecting that would entail a level of cost and capacity beyond the parameters for this work. Additionally, the options are focussed on claims for redress in the care of State agencies (namely MSD, MOE, MOH, OT, TPK and Corrections) as Cabinet agreed in November this was to be the initial priority. Advice will be provided in September 2025 on options in relation to survivors of abuse in different care settings, including in faith-based institutions.

## **Options for change to current redress system**

### **A minimal change package**

18. The first significant area for direction from Ministers is what is the minimal level and nature of any change is wanted to be introduced to ADR processes as part of the next phase of the redress response.
19. To support this decision, officials have developed a package of meaningful improvements to the experiences of survivors that can be made in the short term with only a small amount of additional initial costs – an additional \$16 million over the first two years, with ongoing annual operating costs remaining the same at approximately \$95 million per annum.
20. This package comprises:
  - a. legislative change to support the delivery of more fulsome apologies to survivors and providing a consistent level of redress across the four ADR processes for the same experiences;
  - b. operational efficiencies to reduce the cost of running redress processes (including reductions in legal costs), shift the balance of spend towards survivors and speed up the resolution of claims by removing low-value elements of the ADR process; and
  - c. measures to introduce more accountability, consistency, integration and independence into ADR processes, including a mechanism for survivors to contribute directly to advice to Ministers on our redress response (note the latter is being progressed through the Crown Response Office budget package and is connected to the Crown Response Plan work).
21. The package has been designed to prioritise changes that can be done with little additional investment and which bring direct benefits to survivors, with a focus on the design and operation of core redress services and processes. It assumes the current level of payments, supports and services to survivors will be largely unchanged. The package does not include any structural changes given the risk of delays and disruption to those services.

22. The package would respond to some extent to a number of issues identified by the Royal Commission and the Design Group. It would not address the Royal Commission's and Design Group's recommendations for significant increases to the payments and supports available to survivors or system independence. Survivor expectations for increases in payment levels are fairly high and are informed by payment levels delivered through international redress processes. As previously advised to Ministers, these tend to have significantly higher top end payments. It is also possible that some survivors will draw a parallel between what is available through ADR processes and the recently announced Lake Alice torture settlements process.
23. Further, the design and delivery of ADR processes would remain the responsibility of existing redress and care agencies and would not address the Royal Commission's recommendation that these processes should be fully independent of those agencies.
24. Finally, while these changes are expected to speed up processing times, they will not in the short to medium term significantly reduce waiting times because of the size of the current backlog in claims registered with MSD's Historic Claims Unit.

#### Further options to enhance redress provision through Budget 2025

25. The next consideration is whether to progress further redress changes as part of this next phase of work, and if so, which changes to prioritise. There are three main options:
- a. **Option One: Increasing the payments and supports available to survivors** through the ADR processes. Officials have developed options to increase payments from the current average payment level of \$20,000 to either \$30,000 or \$40,000, with a small increase in targeted supports, from an average of \$5,000 per survivor to \$7,000 - \$10,000 per survivor. The costs of those increases assuming current processing capacity is an additional **\$25 - \$46 million annually**; or
  - b. **Option Two: Increasing the processing capacity** from 1,550 to either 3,000 or 5,000 annually while holding payments and supports stable to reduce backlogs and associated waiting times. 9(2)(f)(iv) [REDACTED]
  - c. **Option Three: Increasing payments, supports and processing capacity** with an increase in costs ranging from an additional 9(2)(f)(iv) [REDACTED] if we increase capacity to 3,000 and 9(2)(f)(iv) [REDACTED] if we increase processing capacity to 5,000 annually.
26. On balance, officials recommend prioritising any additional investment into increasing payment levels. This reflects its significance to survivors. It also takes account of the \$32 million the Government have just invested into reducing backlogs in agencies' claims processes and the planned changes to streamline assessment frameworks set out in the appended A3. A review of whether further

investment and/or changes are needed can be included once there is a better understanding of the impact those changes have made to backlogs.

### **Allowing for future consideration of further integration and independence**

27. The Royal Commission recommended the establishment of a single redress system covering abuse in State and faith-based (non-State) care, operating independently of care agencies and organisations, with significant survivor involvement in redress governance.
28. In the Prime Minister's apology, he made reference to the establishment of an independent redress system in 2025. Measures can be introduced to integrate the front door of claims processes, to introduce a small amount of independence into the process, and to provide a role for survivors in the performance of those processes. This will fall short of some survivors' expectations, however moving to a fully independent system would require significant time and investment, as well as urgent legislation to create a new entity. Given the current fiscal environment, it is recommended to focus first on changes that bring direct and immediate benefit to survivors. This does not preclude the Government from moving towards a single and independent entity as part of a subsequent phase.

Proactive release - open and transparent government



## Appendix 3 - Design of a Redress system (next phase – core State agencies)

Version: 5 Feb 2025

### What survivors have shared about redress

Build a system that meets our different needs

Believe me, take responsibility and apologise

Let me choose the pace and pathway

Payments should be meaningful

Help me get the support I need

Take time to understand what happened to me

Help me understand my past and the decisions made

Make the system fair, honest and accountable

Listen to survivors and learn from your mistakes

### With little extra investment per year, we can:

#### Redress offerings

- Make legislative changes to support more fulsome apologies
- Align payment levels so there is consistent payments for the same type of experience

#### Integration and independence

- Introduce changes to increase the independent oversight of claims outcomes both within the process and for where survivors are unhappy with the outcome of their claim
- Introduce a simple application process with a single-entry point to make a claim
- Ensure that survivors with claims across multiple State agencies have one point of contact and their claim is managed as one claim
- Introduce shared governance and oversight of the State redress processes, including a common monitoring framework that incorporates survivor insights
- Establish a mechanism for survivors to contribute directly to advice to Ministers (costed as part of the Crown Response to the Royal Commission).

#### Consistency, efficiency and speed

- Introduce a common payment framework
- Make improvements to existing assessment processes to focus on what is most important to survivors and to enable assessments to be completed as quickly and efficiently as possible (for example focusing assessments on abuse allegations only)
- Create one set of core policies that apply to State redress processes (with setting specific exceptions where needed). These could also be adopted in whole or part by other redress providers.
- Introduce a legal fees framework

**Estimated Cost:** Additional \$16 million over two years to support design and implementation of changes, ongoing operating costs would remain the same at approximately \$95 million per annum to progress 1550 claims.

**Alignment to recommendations:** This option includes some small changes that respond in part to some concerns identified by the Royal Commission

### I recommend we do more and also consider:

- Increasing the average monetary payments made to recognise the abuse experienced by Survivors
- Increasing the level of targeted support services available to survivors, this could include consultation with Survivors on what services should be included.

- Processing claims faster by increasing resourcing within agencies.

**Estimated Cost:** Changes to monetary payments and supports would require additional operating costs of \$25 - \$46 million (1550 claims) per annum. Changes in capacity alone, would increase annual operating costs by a further 9(2)(f)(iv) (3,000 – 5,000 claims). Increasing payments, supports and capacity would increase costs ranging from an additional 9(2)(f)(iv) (3,000 claims) to 9(2)(f)(iv) (5,000 claims) annually.

**Alignment to recommendations:** This option includes more significant changes that respond in part to key issues and recommendations made by the Royal Commission.

### If we want to make more significant change, we could also:

- Integrate existing redress processes into a single department or entity, which could be independent of existing care and redress agencies
- Co-design system changes with survivors. For example, the design of targeted supports for survivors.

**Estimated Cost:** Integration of existing process will cost between 9(2)(f)(iv) for establishment and transition plus additional operating costs of 9(2)(f)(iv).

**Alignment to recommendations:** This option is most aligned to the vision of the Royal Commission but does not deliver wholesale transformation.

Redress System Placeholder Package Costed Scaling Options (post 20 Dec Minister Stanford direction)

### Scaling Package A (small) Continue status quo with a review period and fixed SES funding

Operating costs associated with initiative (\$m)					
2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
0.000	\$6.79	\$87.47	\$79.86	\$553.08	\$727.22

**Structures / Entities**  
Status quo 4 State Claims agencies in operation, plus 2 agencies needing a mechanism  
\$73.5M over ten years  
One-time external system review  
\$0.19M in one year

**Capacity**  
Remains at 1400 claims to be processed per year  
\$165.6M over ten years

**Monetary Payment**  
Cost at an average of \$20k per payment  
\$252M over ten years

**Supports**  
Cost at an average of \$5k per claimant  
\$63M over ten years  
Fixed term two-year 25/26 and 26/27 funding for Survivor Experience Service  
\$13.6M over two years

Provision of Survivor Records  
\$82.3M over ten years

Survivor Legal Fees Reimbursement  
\$69.3M over ten years

Crown Litigation Contingency– status quo  
\$7.8M over ten years

### Scaling Package B (medium) Integrate and Ramp Up

Operating costs associated with initiative (\$m)					
2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
9(2)(f)(iv)					

**Structures / Entities**  
Transition to and establishment of integrated unit in an existing gov't department  
9(2)(f)(iv)  
Operating new unit (at capacity noted below)  
9(2)(f)(iv)  
Independent complaints and review function  
9(2)(f)(iv)  
Regular external system review (costed annually)  
9(2)(f)(iv)

**Capacity**  
1400 in 25/26; 3000 in 26/27; 5000 in 27/28, 28/29 and outyears  
9(2)(f)(iv)

**Monetary Payment**  
Cost at an average of \$30k per payment  
9(2)(f)(iv)

**Supports**  
Cost at an average of \$7k per claimant  
9(2)(f)(iv)  
Ongoing funding for Survivor Experience Service  
9(2)(f)(iv)

Provision of Survivor Records  
\$82.3 over ten years

Survivor Legal Fees Reimbursement  
9(2)(f)(iv)

Crown Litigation Contingency– status quo  
\$7.8M over ten years

### Scaling Package C (large) New Entity and Ramp Up

Operating costs associated with initiative (\$m)					
2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
9(2)(f)(iv)					

**Structure / Entity**  
Transition to and establishment of new entity  
9(2)(f)(iv)  
Operating new entity (at capacity noted below)  
9(2)(f)(iv)  
Independent complaints and review function  
9(2)(f)(iv)  
Regular external system review (costed annually)  
9(2)(f)(iv)

**Capacity**  
1400 in 25/26; 3000 in 26/27; 5000 in 27/28, 28/29 and outyears  
9(2)(f)(iv)

**Monetary Payment (TBC)**  
Cost at an average of \$40k per payment  
9(2)(f)(iv)  
Top up to previous settled claims  
9(2)(f)(iv)

**Supports**  
Cost at an average of \$10k per claimant  
9(2)(f)(iv)  
Ongoing funding for Survivor Experience Service  
9(2)(f)(iv)  
Enable survivors with closed claims to access support services  
9(2)(f)(iv)  
Funding to allow co-design with survivors  
9(2)(f)(iv)

Provision of Survivor Records  
\$82.3M over ten years  
Plus Independent Records Website:  
9(2)(f)(iv)

Survivor Legal Fees Reimbursement  
9(2)(f)(iv)

Crown Litigation Contingency– status quo  
\$7.8M over ten years

Notes

- Numbers will continue to be refined through to final package submission on 23 January 2025
- Depending on policy decisions to be made, there may be efficiencies to be found that could apply to all options
- Numbers won't add up due to rounding

**NOTE: These options are for indicative costing and budget consideration only. Policy decisions on system settings will be made later in 2025.**

## Appendix One

### Key Recommendations from the Royal Commission for a Survivor-Centred Redress System

1. The Royal Commission has recommended the establishment of a new, survivor-centred redress system that reflects the principles of te ao Māori, upholds the Treaty of Waitangi/Te Tiriti o Waitangi, and aligns with international obligations. This would provide meaningful redress for survivors of abuse in care, encompassing physical, sexual, emotional, psychological, racial, and cultural abuse, as well as neglect. It would be inclusive, accessible, and transparent, ensuring survivors receive appropriate support.
2. Financial redress is a core component, with payments acknowledging harm and trauma. The system would also provide oranga (welfare) support services including health, education, employment, secure housing, counselling, and social and cultural connections, ensuring survivors receive holistic support. Survivors would have the choice of claims that consider both abuse and its impact or claims based solely on abuse, with lower evidentiary thresholds than court proceedings. Family members could continue claims on behalf of deceased survivors.
3. The system's design and oversight would be led by an independent Māori Collective working in partnership with the Purapura Ora Collective, a government-funded survivor-led group. Government agencies would be required to participate, and faith-based institutions strongly encouraged to join, with the possibility of mandatory participation if necessary. Training for professionals working with Survivors and clear referral pathways for abuse allegations requiring further action would be established, along with stronger monitoring and reporting mechanisms.
4. The Royal Commission recommended public apologies from the Governor-General, Prime Minister, and leaders of relevant faith-based institutions and indirect State care providers. These apologies should be accompanied by memorials and public awareness initiatives. Additionally, WorkSafe New Zealand should expand its mandate to include abuse in care. Legal protections should be strengthened, including an enforceable right to be free from abuse, reforms to Accident Compensation (ACC) to cover abuse-related claims, and changes to Limitation Acts to improve survivors' access to litigation.
5. The Royal Commission proposed clear guidelines for recordkeeping to ensure survivors can access their care records with minimal redactions. Public record disposal authorities and care providers' recordkeeping practices should also be reviewed to ensure historical records are preserved appropriately. Furthermore, an independent, rights-based monitoring system should be established to oversee care settings in line with the Treaty of Waitangi/Te Tiriti o Waitangi and human rights obligations.
6. Institutions should resolve existing claims fairly, and advance payments should be made to seriously ill or elderly survivors. An interim listening service should be introduced,

allowing survivors to share experiences and access support until the new system is fully operational.

7. The Royal Commission's recommendations reflect a holistic and survivor-focused approach that seeks to address past harm while ensuring robust protections, meaningful redress, and a culturally responsive framework for the future. These measures aim to provide justice and healing for survivors while strengthening systemic safeguards against abuse in care.
8. A central element of the proposed redress system is the delivery of meaningful apologies to survivors, acknowledging the harm they have experienced. The system would offer a safe, supportive environment for survivors to share their stories and make claims. Survivors would be given the option to choose the nature of their claim, whether focused solely on the abuse or on its broader impact. The redress system would also ensure transparency by making eligibility criteria, assessment processes, and decision timeframes public, fostering trust in the process.

### **Overview of the Redress Design Group's Main Proposals for a Comprehensive Redress System**

9. The Redress Design Group, commissioned by Cabinet to develop high-level proposals for a redress system [SWC-22-MIN-0214], completed its work in December 2023. The proposals build upon the recommendations of the Royal Commission, aiming to establish a survivor-centred, independent, and sustainable redress system.
10. The Design Group's key proposal is to create an independent redress entity, governed by survivors, to ensure trust, transparency, and long-term sustainability. The entity would manage an investment fund, with the Crown providing initial capital and securing contributions from non-State care organisations.

#### *Design Group's proposed core functions of a redress system*

11. The proposed system would deliver five key functions:
  - A survivor-focused support environment – providing a safe, responsive space for survivors to share their experiences and access support;
  - Acknowledgment and apologies – facilitating meaningful, survivor-led apologies;
  - Access to financial redress and support services – enabling survivors to access monetary payments and targeted services to help restore mana and wellbeing;
  - Systemic monitoring and advocacy – investigating and advocating for changes to prevent future abuse; and
  - Financial management – ensuring the system is sustainable for future survivors through responsible investment and fund management.

12. The proposed redress system would provide broad coverage of abuse types and care settings, creating an inclusive framework for all survivors. It would operate on a high-trust model, allowing survivors to determine their own redress pathways while emphasising services that support healing and wellbeing. A structured process for delivering personal apologies would be included to acknowledge survivors' experiences with care and sensitivity. Additionally, the system would offer three forms of monetary payment: a \$10,000 welcome payment to alleviate immediate financial stress; a standard payment ranging from \$30,000 to \$410,000 based on survivor experiences and vulnerability; and a \$10,000 whānau harm payment to support whānau members affected by intergenerational trauma.
13. The proposals represent an ambitious and survivor-centred vision, blending established best practices with innovative new approaches. The proposed listening, apology, and payment mechanisms align with domestic and international redress models, while the independent governance, investment-based funding model, and high-trust survivor-led approach introduce new complexities with limited international precedents.
14. A key consideration is the financial sustainability of the redress system. The scale of monetary payments, combined with service and support provisions, would significantly influence the system's overall cost. The level of independence and autonomy in funding and governance is also unprecedented in New Zealand's redress frameworks, requiring careful design and implementation to ensure long-term viability.
15. The Design Group's proposals align closely with the Royal Commission's recommendations, providing a comprehensive, survivor-led, and independent redress system. While certain aspects, such as financial redress and monitoring, align with standard international models, the high-trust, independent entity structure represents a significant shift from previous Crown-led processes. Successful implementation will require careful planning, clear funding mechanisms, and ongoing collaboration with survivors to ensure a just and enduring redress system.

# Aide-memoire

## Redress system context and background information

**For:** Crown Response Ministerial Group

**Date:** 11 October 2024

**Security level:**

**Priority:** High

**Contact:**

Peter Douglas, ph 9(2)(a)

Molly Elliott, ph 9(2)(a)

Delwyn Clement, ph 9(2)(a)

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## Purpose

1. This briefing sets out the history behind and intentions of the Crown's current approach to providing redress to survivors of abuse in care. It provides a common level of understanding on the different redress schemes currently operating and contextual reference for Ministers as they are considering what if any changes are needed.
2. The annexes set out:
  - key characteristics of existing state claims schemes (Appendix One);
  - a summary of the largest non-state (faith-based) institutions' redress schemes (Appendix Two); and
  - the history and key characteristics of some international redress schemes (Appendix Three).
3. In June 2024, Cabinet agreed to the following core objectives for redress (ref: CBC-24-MIN-0050) to provide a framework to support analysis and decision making as work on redress progresses:
  - a. delivers accountability for survivors, including apologies and financial payments, where applicable, that serve to acknowledge the harm survivors experienced and further obligations to prevent future abuse in care;
  - b. supports improved outcomes for survivors – which could, depending on a survivor's circumstances and preference, encompass improved quality of life, and the ability to more fully participate in all aspects of community, social, cultural, and economic life;
  - c. manages affordability, risks, and liability, including avoiding significant unintended consequences, and helping to ensure the sustainability of redress for as long as it is needed; and
  - d. contributes to reducing the negative social, cultural, and economic costs arising from the poor outcomes experienced by survivors as a result of the injury and trauma caused by abuse.

## **Individual claims schemes or the courts are the pathways to settling claims of abuse against the state**

4. In the 1990s, a growing number of claims were made regarding abuse and neglect of children and young people while in state care. At that time, litigation was the primary option for claimants.
5. The current redress schemes operated by claims agencies evolved directly out of litigation brought against the Crown in the early 2000s. The system started as a set of ad-hoc responses to litigation. An orthodox approach was taken to the litigation with emphasis on successfully defending the Crown's legal position in court.
6. Abuse in care cases are, for the most part, unsuitable for resolution through the courts because they face significant legal hurdles, including:
  - given that the Accident Compensation Scheme provides compensation and other supports, there is limited additional compensation available through the courts. Operation of the accident compensation bar removes the right to bring specified claims for personal injury for events after 1974<sup>1</sup>
  - the existence of Limitation Act defences (which provide a defence to a claim that a defendant can choose to rely on if the claim is brought after a certain period – commonly, 6 years after the young person turns 18)
  - the high costs and time associated with court processes, for claimants as well as the Crown
  - the difficulty in establishing liability given the passage of time, the high evidentiary bar required in court, the limited records taken at the time, and the limited other evidence available to support survivors' claims
  - difficulties establishing that particular failings by the state were responsible for the harms experienced by survivors
  - the inquisitorial nature of the court process being highly likely to retraumatise survivors.

### ***The Crown's approach has evolved from legal defence to survivor focused redress***

7. By 2005 the system had shifted, placing more emphasis on out of court resolution, however still heavily reliant on legal defence. In accordance with the Crown Litigation Strategy directed by Cabinet, from 2008 the Crown established an alternative disputes resolution process as an alternative option to the litigation pathway.
8. Overtime, the alternative disputes resolution processes evolved towards a more claimant-focussed and less legalistic approach, which accepted that the Crown was morally obliged to respond to claims. The process became more personalised and focussed on engaging directly with claimants, hearing their stories, reviewing records and determining if it was reasonable to take the allegations into account when settling the claim. If the claim was accepted, the Crown would generally acknowledge the survivors experiences with an apology, offer of financial settlement, and taking other steps as appropriate.

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<sup>1</sup> This means only exemplary damages are available, which are punitive in nature, not intended to compensate, are reserved for the most egregious of cases, and are typically lower than would be the case if personal injury was taken into account. The bar prevents claims for damages arising out of personal injury covered by the accident compensation legislation over time. The personal injuries covered by the ACC scheme have changed over time, and in early iterations of the scheme were minimal (primarily car accidents and work-place injuries).

**There are state and non-state redress schemes in place**

9. The Crown's current historic abuse claims schemes have developed out of a need for state agencies to respond to claims that are specifically in their scope of responsibility. They primarily sit across four government agencies: the Ministry of Education (MOE), Ministry of Health (MOH), Ministry of Social Development (MSD), and Oranga Tamariki (OT). Each scheme varies in size, scope, and use different assessment frameworks given the unique settings where abuse occurred and various levels of state responsibility. Further description of each scheme is included in Appendix One.

10. In addition to these four schemes are the following state claims processes:

- Te Puni Kōkiri/Department of Māori Affairs – in the early stage of preparing for a small number of claims relating to a short period of involvement with Te Whakapakari Youth Programme on Great Barrier Island in the 1980s
- School Boards of Trustees (noting there are approximately 2,500 boards) – there are processes for claims related to primary and intermediate schools after 1989 and secondary schools for any time period<sup>2</sup>
- Te Whatu Ora – Health New Zealand (HNZ) – responsible for responding to claims related to psychiatric institutions after 1993 (replacing the former responsibility of individual district health boards).
- Department of Corrections (Borstal) – has received 16 claims relating to historic abuse in care. Corrections does not have an agency specific process for responding to historic claims of abuse. This week, Corrections has sent updating letters to all the claimants advising of the Department's decision not to set up its own agency specific process. Claimants retain their ability to file proceedings through the court, in which case Corrections will manage these claims through its usual litigation process.

11. Non-state institutions have developed their own claims schemes. Appendix Two summarises the main claims processes operated by the five major churches. Smaller organisations and individual schools may provide individual redress when approached by a survivor, but these tend to be one-off or small-scale processes developed on a case-by-case basis. Two notable exceptions to this are Dilworth School, a private Anglican boys' school in Auckland and Stand Tū Maia – Stand for Children New Zealand (STM), which inherited all the assets and liabilities of the New Zealand Health Camps when it dissolved in 2000.

12. 9(2)(h)



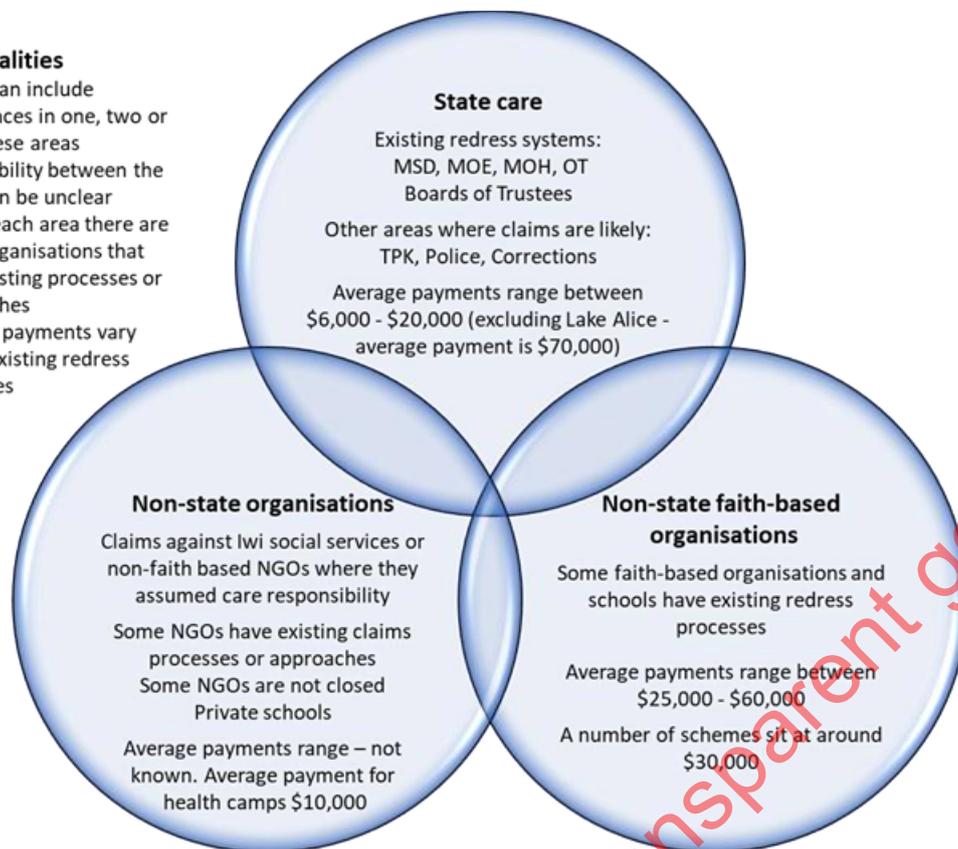
13. The below diagram attempts to illustrate the distinct nature and settings of state and non-state schemes while recognising there is overlap, particularly from a survivor's perspective.

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<sup>2</sup> Currently, claimants' ability to access the MOE claims process is based on legal frameworks around school governance. Claimants seeking redress for abuse and neglect that occurred in any open school after 1989, any open secondary school, or any private school, must seek redress from the School itself. This results in claimants having inconsistent experiences when seeking redress or being required to access redress through multiple avenues.

### Commonalities

- Claims can include experiences in one, two or all of these areas
- Legal liability between the areas can be unclear
- Within each area there are some organisations that have existing processes or approaches
- Average payments vary across existing redress processes



14. Although efforts are made across claims agencies to collaborate, particularly where there are survivors who have made claims across multiple schemes, these schemes are separate. There is not a single entry point for claimants and there is limited central oversight or coordination. There are differences in system elements such as the assessment processes, settlement amounts, and review and complaints pathways.
15. A consideration for Ministers when thinking about potential integration of redress schemes, is how to ensure claimants can easily access and navigate the system while not losing the distinct elements that may be required.

### The historic claims schemes currently operated by the state, generally provide five key functions of redress

16. The key steps in current state claims processing generally include:

- providing claimants with an opportunity to share their story
- assisting claimants to access supports and services such as counselling and wraparound support services
- providing claimants with an opportunity to receive a copy of their state files
- explaining claim assessment process (including choices in the case of MSD and MoE where there may be choice of either rapid payment or individualised claim assessment) and completing the assessment
- providing a payment offer and an apology from the Chief Executive.

17. This process is consistent with the following five elements of redress: 1) confirm and process claims of Crown wrongdoing; 2) apologise for wrongdoing; 3) offer/provide financial acknowledgement; 4) offer/provide support for healing from impacts of the wrong doing; 5) provide state records relevant to the claimant's time in care.

18. Where a claimant accepts an offer, their claim is resolved on the acceptance of a financial settlement made on full and final basis.
19. Claims are processed in date order of when they are received unless a claim is prioritised for ill-health (those who are at high risk of dying before their claim is assessed) or age (those who are aged 70 years or older). Timeframes for completing the assessment and offering a payment vary depending on the choices made by the claimant about how they want their claim assessed and the nature of the claim.

**MoE and MSD claimants have the option of either rapid payment or individualised claim assessment process**

20. In 2021 the Royal Commission of Inquiry published its interim report into redress. Following this, Crown agencies worked together with the Crown Response Unit to respond to the redress recommendations via a number of workstreams.
21. A “rapid payments” workstream focussed on recommendations that:
  - Institutions should use their best endeavours to resolve claims in the lead-up to the establishment of the pūretumu torowhānui scheme (the scheme proposed by the Royal Commission) and should offer settlements that do not prejudice survivors’ rights under the RCOI recommended scheme or under any legislation enacted in response to our recommendations on civil litigation (RCOI recommendation 91).
  - The Crown should immediately set up and fund a mechanism to make advance payments to survivors who, because of serious ill health or age, are at significant risk of not being able to make a claim to the RCOI recommended scheme. The mechanism should stop when the scheme starts (RCOI recommendation 93).
22. Following Cabinet decisions, MSD introduced its rapid payment assessment option in late 2022 which initially focused on offering rapid payments to those who were ill or aged 70 years or older. In early 2023, MSD expanded this group and began connecting with claimants who have been waiting the longest.
23. MoE have recently, in 2024, initiated a rapid and priority payment scheme.

***Individualised assessments consider each allegation raised by a claimant and whether it can be taken into account for an offer of settlement***

24. For MSD’s individualised assessment process, a claimant’s social work files are reviewed. This process takes time to identify and retrieve the relevant files based on the information provided by the claimant. Files can contain a small number of pages or be as large as 24,000 pages, with approximately 20 percent of files being over 2,000 pages long.
25. The majority of allegations are able to be taken into account unless there is information on a person’s files which points against the allegation, with only allegations of more serious abuse requiring supporting information.
26. Payments for individualised claims assessments through MSD consider the nature of abuse, severity and frequency as well as potential instances of inappropriate detention or potential breaches under the New Zealand Bill of Rights Act 1990. Payments through the MSD system based on individualised assessments have ranged from \$1,000 to \$90,000<sup>3</sup> with the historical average being approximately \$20,000. 95 percent of MSD’s individualised assessments to date have received a payment between \$5,000 and \$45,000.

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<sup>3</sup> Note that only 2.4 percent of MSD payments have been above \$50,000.

**Rapid payment processes are intended to provide claimants with a faster, less intrusive option for settling their claim**

*MSD Rapid Payment*

27. In the case of MSD's system, the rapid payment option differs to the individualised assessment process. Payments are not calculated based on a person's individual experiences and allegations, but rather the length of time a person was involved with Child, Youth and Family or its predecessor agencies. This acknowledges that the longer a person has been involved with the state, the more likely they will have experienced repeated harm. Additional payments are then added to settlement, which include redress for particular placements where it is known more serious abuse occurred or where a person's legal rights may have been breached.
28. Payments can be calculated more quickly (generally within one month of a claimant requesting a rapid payment offer) as a person's care records do not need to be reviewed. Claimants are not required to provide full details of their abuse allegations under this assessment option.
29. Rapid payments range from \$10,000 up to a maximum of \$30,000. These payments are broadly on par with payment levels under the individualised assessment process. The average payment a claimant receives under both processes is approximately \$20,000.

*MoE Rapid and Priority Payments*

30. There are two types of rapid payments available:

- Rapid Settlement Payments for claimants who attended an eligible school
  - Initially this is for Waimokoia/Mt Wellington residential school and will be expanded to McKenzie and Campbell Park residential schools.
  - Payment amounts are determined using metrics based on what is known to have been happening at the school during each decade of its operation. Metrics include specific payments for some decades, to reflect time periods when known or allegedly abusive staff were present.
  - Payment levels range from \$5000 to a maximum of \$20,000.
- Priority Settlement payments for claimants with a terminal illness:
  - Eligibility is irrespective of the school the claimant attended, but is only for schools falling within the Ministry's scope of liability.
  - Any claimant who has been diagnosed with a terminal illness and has a life expectancy of no more than 12 months (regardless of any available treatment) is eligible for a priority settlement payment of \$10,000. A medical certificate is required.

31. People who are eligible for both of MoE's rapid and priority settlement payment processes (i.e. they attended Waimokoia and have a terminal illness) will be able to choose to receive either payment, but not both.

32. In the case of both MSD and MoE, regardless of the assessment option a claimant chooses, they retain the opportunity to tell their story, receive their records, access all support options provided by the claims process, and to receive a written apology.

**Supports are provided to redress claimants**

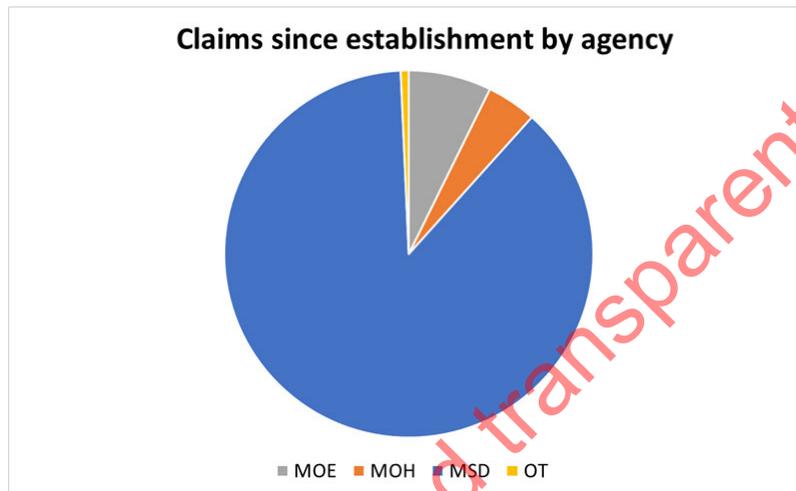
33. Three of the four state claims agencies provide some form of social support and/or counselling to claimants accessing their system. There is opportunity to know more about the take up rate and effectiveness of the supports offered and whether more or different supports could be offered. More details on what is offered can be found in Appendix One.

**Decision review and complaints processes are conducted internally, the Ombudsman is the external pathway**

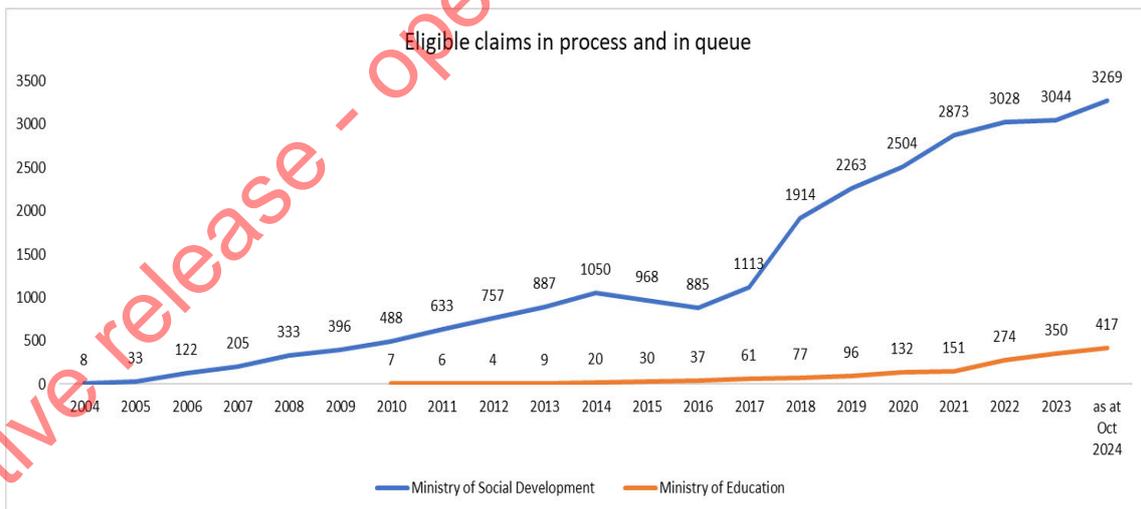
- 34. If a claimant is dissatisfied with the outcome of their assessment, or another decision made by a claims agency, they can request a review.
- 35. Once internal review processes have been exhausted, a claimant may wish to register a complaint with the Office of the Ombudsman. They also have the option of filing legal proceedings through the courts at any point during the claims process.

**There is a backlog across the claims schemes operated by the state**

- 36. Since the inception of the four state claims processes, the state has processed more than 4000 claims from survivors and has approximately 3500 claims currently in process or waiting to be processed. Of these, MSD and MoE are currently responsible for the largest volume of claims.

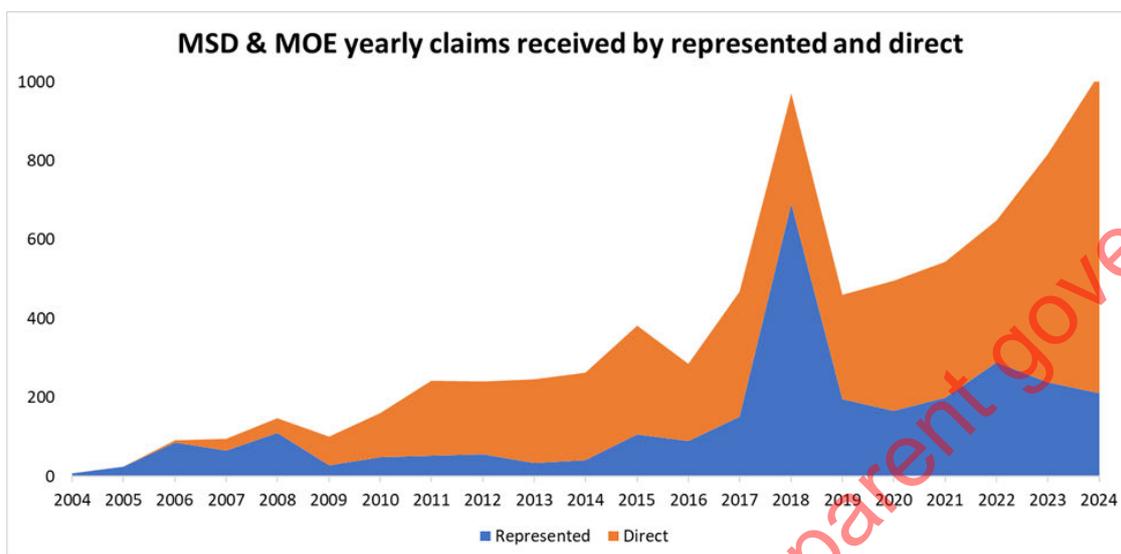


- 37. Overtime as the number of new claims received have exceeded the number of claims that could be resolved, a growing backlog of open unresolved claims has developed. The below graph shows how this backlog has increased over time within MSD and MOE.



- 38. Since MSD started receiving claims, they have observed a large rise in new claims registered each year. With the increase in claims post the July 2024 tabling of the Royal Commission report, MSD anticipate new claims to exceed 1,000 for the 2024/25 financial year.
- 39. In the current year to date, approximately 80 percent of claimants who have registered a claim with either MSD or MoE have contacted those Ministries directly. The remaining 20 percent have been registered by a legal representative on their behalf.

40. The below graph illustrates the yearly claims received by MSD and MoE separated by claimants represented by a lawyer (in blue) and claimants who come directly to the government claim agency (in orange). The 2018 spike reflects a bulk registration of claims with MSD by legally represented claimants. Overall, the number of new claims registered by legal representatives has remained relatively constant while there is a consistent increase in direct claimants.



41. For MSD and MoE claimants, there is an approximate wait-time of four to five years from when a survivor lodges a claim to the settlement of that claim. This waiting period is very difficult for survivors.

42. The MSD and MOE claims systems do not have the funding to resolve the current backlog of claims. MSD has time limited funding to end of June 2026. In the past, MOE has absorbed some of these costs within their baseline however, this is not sustainable given the increasing trend in new claims received.

### **Internationally, over the last 20 years several countries have established integrated redress systems**

43. Overseas redress systems provide lessons for how to deliver integrated redress systems. The examples that offer informative comparison are from Australia, Canada, Northern Ireland, Ireland and Scotland. Appendix Three provides a breakdown of the key characteristics of these redress systems.

44. Across the various international schemes, many have the common rationale of providing redress and recognition of harm caused to individuals as a result of historical abuse in state and non-state care. Although countries have a common rationale to provide redress, it is important to contextualise that the scope of overseas redress schemes in regard to types of abuse, care settings, and time periods that are covered within the redress schemes vary and are set differently, and that New Zealand's context does differ.

45. All countries provide a mix of the core redress functions from monetary payments, apologies, and common and specific support services to individuals.

### **Design considerations for a future redress system**

46. There are a number of complex issues to be worked through as redress policy settings are considered. Some examples of these include:

- ACC settings in relation to the ACC bar or any bespoke settings for survivors
- Where survivors have entered into full and final settlements with the Crown to date, would these survivors be able to access any new out-of-court redress scheme? What

are the terms of any such access (e.g. payments made to date to be deducted from any further payment)?

- As with filing a claim with the court, redress pathways are available to all claimants; there are no exclusions or conditions regarding claimants' legal status such as criminal convictions or gang membership.
- A consideration for Ministers, when thinking about potential integration of claims schemes, is how to ensure claimants can easily access and navigate the system while not losing the distinct elements that may be required.
- How will we know if changes to the system have made the improvements survivors and Government are seeking? We suggest consideration of an evaluation framework be part of advice on any redress system changes.

47. Advice on these issues will be provided to Ministers to inform a response package.

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Appendix One: New Zealand State agencies' historic claims processes – payments and supports

Agency	Ministry of Education (MOE)	Ministry of Health (MOH)	Ministry of Social Development (MSD)	Oranga Tamariki (OT)
<b>Date established</b>	<ul style="list-style-type: none"> <li>2010</li> </ul>	<ul style="list-style-type: none"> <li>2012</li> </ul>	<ul style="list-style-type: none"> <li>2006</li> <li>Rapid payment function: Nov 2022</li> </ul>	<ul style="list-style-type: none"> <li>2017</li> <li>Claims framework: Jan 2023</li> </ul>
<b>Reason for establishment</b>	<ul style="list-style-type: none"> <li>To respond to sensitive claims of abuse in residential special schools and primary schools before 1989, or any state school that has closed.</li> </ul>	<ul style="list-style-type: none"> <li>To respond to claims of abuse in care in psychiatric and psychopaedic care settings prior to 1993.</li> </ul>	<ul style="list-style-type: none"> <li>To provide an opportunity for an out-of-court alternative process to settle claims of abuse in care prior to 01 April 2017.</li> </ul>	<ul style="list-style-type: none"> <li>To respond to claims of abuse in care for events after 01 April 2017.</li> </ul>
<b>Scope of scheme</b>	<ul style="list-style-type: none"> <li>Residential special schools, primary and intermediate schools before 1989, any closed state school.</li> </ul>	<ul style="list-style-type: none"> <li>Psychiatric and psychopaedic care institutions.</li> </ul>	<ul style="list-style-type: none"> <li>Child welfare settings prior to April 2017.</li> </ul>	<ul style="list-style-type: none"> <li>Child welfare settings since April 2017.</li> </ul>
<b>Process involved</b>	<ul style="list-style-type: none"> <li>Individual assessment drawing on information provided by the survivor, personal educational records, and follow up information that may be requested. Allegations to be taken into account are categorised and a payment determined against a standardised guide compared to previously settled claims.</li> <li>Rapid payment option was introduced early in the 2023/24 financial year. Simplified assessment based on particular placements (Waimokoia claimants, and this will be extended to Campbell Park and McKenzie) where it is known significant abuse occurred.</li> <li>Prioritised settlement is an option for immediate settlement for some claimants who are terminally ill.</li> </ul>	<ul style="list-style-type: none"> <li>Individual assessment drawing on information provided by the survivor and personal health records. Claim is categorised and a payment determined against a standardised guide.</li> </ul>	<ul style="list-style-type: none"> <li>Individual assessment drawing on information provided by the survivor, personal care records, and in some cases other care records or information held by MSD from other claims. Allegations to be taken into account are categorised and a payment determined by comparing the categorised allegations against a 'Payment Categories and Definition' guide.</li> <li>Rapid payment option introduced in late 2022. Simplified assessment based on a review of time the survivor has been involved with Child, Youth and Family and its predecessor agencies. Particular placements where it is known more serious abuse occurred, and where a person's legal rights may have been potentially breached are also considered when completing the assessment.</li> </ul>	<ul style="list-style-type: none"> <li>Due to the younger cohort, process is focused on providing some support services from the moment a survivor contacts the claims or complaints teams and working through the development of a support and payment package.</li> <li>Redress amounts are assessed using a redress framework based on experience of the abuse not based on claimant's personal circumstances.</li> <li>If the claimant is over 18 years old, payment will be made and financial advice would be provided if needed. They will need to provide identification and bank details for payment.</li> <li>If the claimant is under 18 years old, the agreed settlement payment is not paid until the claimant is 18 years old.</li> </ul>
<b>Funding source</b>	<ul style="list-style-type: none"> <li>Vote Education – Appropriation: Oversight of the Education System (Multi-Category Appropriation).</li> </ul>	<ul style="list-style-type: none"> <li>Vote Health – Appropriation: Legal Expenses.</li> </ul>	<ul style="list-style-type: none"> <li>Vote Social Development – Appropriation: Historic Claims Resolution (Multi-Category Appropriation).</li> </ul>	<ul style="list-style-type: none"> <li>Vote OT – Appropriation: Investing in Children and Young People (Multi-Category Appropriation)</li> </ul>
<b>Current Funding levels</b>	<ul style="list-style-type: none"> <li>\$4.5 million (comprising of year-on-year budget of \$1.16m and remainder from baseline.</li> <li>Additional \$3 million from 2023/24 Budget was transferred to this year. This funding is appropriated for the wellbeing support service and rapid payments.</li> </ul>	<ul style="list-style-type: none"> <li>Marginal because of low claims numbers, funded within baseline.</li> </ul>	<ul style="list-style-type: none"> <li>1 July 2024 – 30 June 2026: \$81.87 million new funding. This new funding alongside money carried forward from savings made in the previous year will enable the Historic Claims team to continue to support claimants and resolve 2000 claims.</li> </ul>	<ul style="list-style-type: none"> <li>Claims service is not funded.</li> </ul>
<b>Administrative costs</b>	<ul style="list-style-type: none"> <li>Currently do not track administrative costs per claim.</li> </ul>	<ul style="list-style-type: none"> <li>Marginal because of low claims numbers, funded within baseline.</li> </ul>	<ul style="list-style-type: none"> <li>The administrative costs per claims is currently approximately \$18,500 (approximately 36% of the total costs of resolving a claim).</li> <li>This figure is based on expected costs for 2024/25 and the funding required to assess 2000 claims over the next two years. Although this data includes some funding for external legal spend, it does</li> </ul>	<ul style="list-style-type: none"> <li>Claims service is not funded.</li> </ul>

Agency	Ministry of Education (MOE)	Ministry of Health (MOH)	Ministry of Social Development (MSD)	Oranga Tamariki (OT)
			not include additional legal costs associated with responding to litigation.	
<b>Claims since establishment</b>	As of September 2024: <ul style="list-style-type: none"> <li>Claims completed: 149.</li> <li>Current claim volumes: 408.</li> <li>Claims currently in progress: 42.</li> </ul>	As of January 2024: <ul style="list-style-type: none"> <li>Claims completed: 330.</li> <li>Current claim volumes: 5.</li> </ul>	As of 30 June 2024: <ul style="list-style-type: none"> <li>Claims completed: 3,648 <ul style="list-style-type: none"> <li>Accepted offers: 3,338</li> <li>Individual assessments or previous assessment approach: 2,256</li> <li>Rapid payments: 1,082</li> </ul> </li> <li>Current claim volumes: 3,078.</li> </ul>	As of October 2024: <ul style="list-style-type: none"> <li>Claims completed: 11</li> <li>Current claim volumes: 43.</li> <li>Claims currently in progress: 13.</li> </ul>
<b>Payment range</b>	<ul style="list-style-type: none"> <li>NZ\$0 - \$45,000.</li> <li>Maximum payment made AU\$45,000.</li> </ul>	<ul style="list-style-type: none"> <li>\$2,000 - \$9,000.</li> </ul>	<ul style="list-style-type: none"> <li>Individual assessments: \$1,000 - \$90,000 (maximum payment made to date).</li> <li>Rapid payments: \$10,000–\$30,000.</li> <li>95% of payments have been between \$5000-\$45,000 and only 2.4% of payments have been above \$50,000.</li> </ul>	<ul style="list-style-type: none"> <li>\$5,500 - \$32,000.</li> </ul>
<b>Average payment value of settled claims</b>	<ul style="list-style-type: none"> <li>\$16,500</li> </ul>	<ul style="list-style-type: none"> <li>\$6,000 (2019 data).</li> <li>Excluding Lake Alice Child and Adolescent Unit, which has an average payment of \$68,000 prior to advance payments.</li> </ul>	<ul style="list-style-type: none"> <li>\$20,000</li> </ul>	<ul style="list-style-type: none"> <li>\$15,000</li> </ul>
<b>Average time to complete a claim</b>	<ul style="list-style-type: none"> <li>4.7 years.</li> <li>Average time open claims have been waiting: 2 years.</li> </ul>	<ul style="list-style-type: none"> <li>3 months (6 weeks from the time MOH receives records back from Health New Zealand (HNZ)).</li> </ul>	<ul style="list-style-type: none"> <li>4.1 years.</li> <li>Time is dependent on various factors including decisions made by the claimant.</li> </ul>	<ul style="list-style-type: none"> <li>6 – 12 months</li> </ul>
<b>Information used to process and determine claims</b>	<ul style="list-style-type: none"> <li>Care records – located in records available to the Ministry (archives, libraries, schools, and other locations).</li> <li>Claimants can provide more information about their claim in writing.</li> <li>Rapid Payments: enrolment records or statutory declaration, payment based on standard findings for the decade they attended.</li> <li>Prioritised settlement: enrolment records or statutory declaration, evidence of terminal illness with less than a year to live irrespective of medical treatment.</li> <li>Individualised assessment: information on claimant's experiences, care records and what they are seeking.</li> </ul>	<ul style="list-style-type: none"> <li>Claimants are to provide supporting information (medical records, dates, hospitals, staff names, allegations of wrongdoing).</li> <li>A completed consent form is needed so MOH can access claimant's records from HNZ.</li> <li>MOH then assesses the credibility of allegations based on the evidence available.</li> </ul>	<ul style="list-style-type: none"> <li>Individualised assessment: Claimant to share their experience in a way that suits them and the concerns they are seeking redress for, personal care records, institutional records or other care records (for some but not all claims), information about what other claimants have said about individuals or settings.</li> <li>Rapid payments: high level information from the claimant and personal care records to confirm how long the claimant had been involved with Child, Youth and Family and its predecessor agencies as rapid payments are calculated by the length of time the claimant had been involved with Child, Youth and Family and any of its predecessor agencies.</li> </ul>	<ul style="list-style-type: none"> <li>Claimant or third-party representative to share their experience with claims advisor, depending on their preference, this can be done by interview or discussion.</li> <li>Information may be sourced from other relevant parties.</li> <li>Individual holistic assessment undertaken as part of claims engagement.</li> </ul>
<b>Supports offered</b>	<ul style="list-style-type: none"> <li>Wellbeing support service provides holistic wellbeing support for any current claimant.</li> <li>Counselling services (up to six sessions)</li> <li>Reimbursement of actual and reasonable legal expenses</li> </ul>	<ul style="list-style-type: none"> <li>No record of support services provided beyond payments or apologies.</li> </ul>	<ul style="list-style-type: none"> <li>Counselling to support claimant through claims process (six sessions with a discretion to provide more) – where ACC or community support options are not appropriate.</li> <li>Link to other services where necessary. Wrap around support services offered in some locations.</li> <li>Reimbursement of legal costs. (Note: for claimants with legal aid, MSD meets two thirds of this cost, and the remaining is provided by legal aid).</li> </ul>	<ul style="list-style-type: none"> <li>Holistic support service to support oranga and promote healing which can include: <ul style="list-style-type: none"> <li>Counselling services</li> <li>Life story work as part of acknowledgement and apology engagements</li> <li>Advocacy to navigate community supports &amp; services</li> <li>Practical support provision for young adults where appropriate</li> <li>Reimbursement of reasonable legal expenses</li> </ul> </li> </ul>

Agency	Ministry of Education (MOE)	Ministry of Health (MOH)	Ministry of Social Development (MSD)	Oranga Tamariki (OT)
				<ul style="list-style-type: none"> <li>• Access to financial planning supports</li> </ul>
<b>Average cost of support services</b>	<ul style="list-style-type: none"> <li>• Average of \$3,000 per claimant for wellbeing support service provision.</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable</li> </ul>	<ul style="list-style-type: none"> <li>• MSD's budget includes an average of \$5,000 per claim to cover the costs of counselling and the provision of wrap around support.</li> </ul>	<ul style="list-style-type: none"> <li>• Claims service is not funded.</li> </ul>

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Appendix Two: New Zealand non-State (faith-based) institutions' historic claims processes

Institution	Key characteristics
Anglican Church in Aotearoa, New Zealand, and Polynesia	<ul style="list-style-type: none"> <li>The Anglican Church is structured into dioceses which have each been responsible for their own claims processes. Such processes were highly varied but typically relied on engagement with a diocese's legal representative or some form of mediation to work through a claim. If mediation failed a more investigative approach would be undertaken into a survivor's allegations. Claims could result in an apology, cash settlement and some pastoral supports offered, but outcomes were highly variable across dioceses.</li> <li>The average payment to date made by the Church is \$30,000, with a payment range of \$1,000 to \$100,000. No data on claim processing times or queue numbers.</li> <li>The Church has recently established a central group, independent of the dioceses, to receive complaints and claims. The complaints processes are established, but the claims processes are still being developed.</li> </ul>
Catholic Church in Aotearoa	<ul style="list-style-type: none"> <li>The Catholic Church is structured into dioceses and a number of orders/congregations (the latter of which can often have international headquarters/oversight). Each has been responsible for their own claims processes, which vary widely depending on diocese or order and across time.</li> <li>Processes were frequently legalistic and if claims were substantiated would involve cash settlements and a formal written apology. Some of the orders provided more direct engagement and a range of supports and assistance. Other orders have failed to engage with survivors.</li> <li>The Church has more recently established a central complaints body for handling reports of sexual abuse and resulting claims – this claims process is still in development. Other forms of abuse are still managed through the diocese or order. Attempts are being made to amend processes to be less formal and investigatory but can still be time consuming and retraumatising.</li> <li>A cash payment and personal apology are the general outcomes for claims, although some support or pastoral services may be offered. The average payment made by the Church is \$30,000, with a payment range of \$1,000 to \$152,000. No data on claim processing times or queue numbers.</li> </ul>
Methodist Church of New Zealand	<ul style="list-style-type: none"> <li>The Methodist Church operates a single redress process overseen by a senior leader. The process seeks to be restorative, with the leader meeting with claimants to work through their experiences. An apology and financial payment are then generally developed, with some non-monetary supports provided if agreed.</li> <li>The average payment made by the Church is \$60,000. No information on range is available. No data on claim processing times or queue numbers.</li> </ul>
Presbyterian Church in New Zealand, and Presbyterian Support	<ul style="list-style-type: none"> <li>The Presbyterian Church operates a central claims process, which handles a limited number of claims. The Church's social service agency, Presbyterian Support, operates largely independent of the Church and has its own claims processes for the larger number of claims involving former children's homes and support services. In both cases the process involves an independent investigation, followed by an apology and financial payment.</li> <li>The average payment made by Presbyterian Support is \$25,000. No information on range is available. No data on claim processing times or queue numbers.</li> </ul>
The Salvation Army	<ul style="list-style-type: none"> <li>The Salvation Army operates a single redress process overseen by an independent manager employed by the Army who has full autonomy to determine what redress a survivor receives. Generally, claims will result in a personal apology, financial payment and offers of non-monetary supports or services.</li> <li>The average payment made by the Church is \$29,000, with a payment range of \$5,000 to \$91,000. No data on claim processing times or queue numbers.</li> </ul>

Dilworth School	<ul style="list-style-type: none"> <li>Dilworth School, a private Anglican boys' school in Auckland. Dilworth is the focus of a significant number of claims and ongoing criminal investigation into abuse. The Dilworth Redress Programme offers a redress package of up to NZ\$200,000, and in cases where the Redress Panel believes are exceptional, it is able to award up to NZ\$300,000. This is not captured in the table below but does involve a potentially large number of claimants. It is not known if other schools may also need to develop interim claims processes of this scale.</li> </ul>
Stand Tū Maia – Stand for Children New Zealand (STM)	<ul style="list-style-type: none"> <li>The charitable trust of Stand Tū Maia – Stand for Children New Zealand (STM). In 2000, the New Zealand Health Camps (NZHC) dissolved and STM inherited all assets and liabilities from the NZHC, including the liability for historical claims arising from the previous state agency operations of the old Children's Health Camps Board. STM directs all historic claims and inquiries through their redress process and works with survivors to access services they feel would enable healing up to the value of</li> </ul>

Appendix Three: International Redress Systems

Country	Australia	Canada	Ireland	Northern Ireland	Scotland
<b>Date established</b>	<ul style="list-style-type: none"> <li>1 July 2018 – open for 10 years.</li> </ul>	<ul style="list-style-type: none"> <li>Individual Assessment Process (IAP): 19 September 2007 – 19 September 2012.</li> <li>Common Experience Payment (CEP): 19 September 2007 – 19 September 2011.</li> </ul>	<ul style="list-style-type: none"> <li>Residential Institutions Redress Board (RIRB) – 2003-11.</li> <li>Redress Scheme: 2003-05.</li> </ul>	<ul style="list-style-type: none"> <li>31 March 2020 – open for five years.</li> </ul>	<ul style="list-style-type: none"> <li>8 December 2021 – open for five years.</li> <li>The Scottish Government can extend the end date.</li> </ul>
<b>Reason for establishment</b>	<ul style="list-style-type: none"> <li>To recognise and alleviate the impact of past institutional child sexual abuse and related abuse, and to provide justice for the survivors of that abuse.</li> </ul>	<ul style="list-style-type: none"> <li>To provide redress for the harms of Indian residential schools and move towards reconciliation by providing financial and non-financial benefits to the individual affected by the Indian Residential Schools experience.</li> </ul>	<ul style="list-style-type: none"> <li>To support the recovery of individuals who were injured by their time in residential institutions via financial aid.</li> </ul>	<ul style="list-style-type: none"> <li>To provide compensation to individuals who as children suffered abuse while in residence at certain institutions in Northern Ireland.</li> </ul>	<ul style="list-style-type: none"> <li>To acknowledge and provide tangible recognition of harm as a result of historical child abuse in various care settings in Scotland.</li> </ul>
<b>Scope of scheme</b>	<ul style="list-style-type: none"> <li>Children who were sexually abused in state care and non-state care institutions prior to 1 July 2018.</li> </ul>	<ul style="list-style-type: none"> <li>IAP: Children who experienced sexual abuse, serious physical abuse, or other wrongful acts suffered while attending a residential school.</li> <li>CEP: Children who experienced and resided at any Indian residential school prior to 31 December 1997.</li> </ul>	<ul style="list-style-type: none"> <li>Children who were abused in residential institutions prior to 1999 and were alive as of 11 May 1999.</li> </ul>	<ul style="list-style-type: none"> <li>Children who were abused in residential institutions, or individuals who as children were sent to Australia under the Child Migrant Programme within the period of 1922-1995.</li> </ul>	<ul style="list-style-type: none"> <li>Children who were abused in residential institutions and foster care prior to 1 December 2004.</li> </ul>
<b>How does the scheme operate?</b> <b>(Independent/Government entity)</b>	<ul style="list-style-type: none"> <li>Australia's national redress system is governed independently from the Australian government.</li> <li>Due to Australia's constitutional framework, an inter-governmental agreement was set.</li> <li>The Minister of Social Services is the federal minister responsible for the scheme. The Secretary of Department is the National Redress Scheme Operator.</li> <li>Department of Social Services administers, delivers, and operates the scheme. Policy direction and decisions are governed by the Minister's Redress Governance Board.</li> </ul>	<ul style="list-style-type: none"> <li>Indigenous parties co-developed and implemented the Indian Residential Schools Settlement Agreement (IRRSA), with the Assembly of First Nations (AFN) occupying a central position.</li> <li>The Canadian Government assumed administrative responsibility for redress. The National Administrative Committee (NAC) was the administrative body responsible for ensuring settlement agreements were appropriately administered for all redress payments. The NAC comprised of seven parties including Canada, AFN, Inuit representatives, and non-state organisations.</li> <li>The Canadian Courts had oversight responsibility, and the administrative aspects were managed by an organisation that was permitted to assist the Court, Crawford Class Action Services.</li> </ul>	<ul style="list-style-type: none"> <li>Ireland's redress scheme was independent from the Irish government. The Irish government adopted the Residential Institutions Redress Act 2002 as statute. The Act established the RIRB to operate the programme and securing its independence.</li> </ul>	<ul style="list-style-type: none"> <li>The Historical Institutional Abuse (Northern Ireland) Act 2019 established the Historical Institutional Abuse Redress Board.</li> <li>The Redress Board is responsible for receiving and processing applications.</li> <li>The Redress Board is a body corporate and operates independently from the Executive Office and Department of Justice.</li> <li>The Act required the Executive Office to name a Northern Ireland Department to carry out administrative functions, this was the Department of Justice.</li> </ul>	<ul style="list-style-type: none"> <li>Scotland's redress system has statutory independence from the Scottish government. It is a 'non-departmental public body' in the Scottish system. It consists of a chair and at least five members who are appointed by the Scottish Government.</li> <li>Administrative services are provided by the government's Children and Families Directorate.</li> </ul>
<b>Current Funding levels</b>	<ul style="list-style-type: none"> <li>2022/23 Payments: AU\$321m (approximately NZ\$353m).</li> </ul>	<ul style="list-style-type: none"> <li>IAP total cost: CA\$3.2b (approximately NZ\$5.1b).</li> <li>CEP total cost: CA\$1.9b (approximately NZ\$2.5b).</li> </ul>	<ul style="list-style-type: none"> <li>Total cost of redress: £1.52b (approximately NZ\$3.22b).</li> <li>The scheme's original estimated budget was £250m (approximately NZ\$528m).</li> </ul>	<ul style="list-style-type: none"> <li>2022/23 Payments: £26m (approximately NZ\$55m).</li> </ul>	<ul style="list-style-type: none"> <li>2022/23: £26m (approximately NZ\$55m).</li> </ul>

Country	Australia	Canada	Ireland	Northern Ireland	Scotland
<b>Non-state contribution</b>	<ul style="list-style-type: none"> <li>State and non-state institutions must sign up to the National Redress Scheme.</li> <li>When an institution is named in an application, they are contacted and asked to join the scheme. If the applicant is eligible, the government will seek payment from the relevant institutions.</li> </ul>	<ul style="list-style-type: none"> <li>Churches contributed to part of IRSSA's costs, with a formula which decided their financial contributions to their degree of involvement in the school system.</li> <li>The Catholic Church was the largest non-state contributor but its CA\$79 million (approximately NZ\$93.1 million) share was not paid in full. After litigation, the Catholic Church was released from its obligation in 2015.</li> </ul>	<ul style="list-style-type: none"> <li>Religious organisations who were part of the Indemnity Agreement originally paid £128m (approximately NZ\$272.5m) which was approximately half the original estimated cost of the scheme.</li> <li>As the scheme's final cost was six times the original estimated budget, the Irish government managed to secure a further £110m (approximately NZ\$232.5m). This sum was managed by the Caranua scheme for supports for survivors.</li> </ul>	<ul style="list-style-type: none"> <li>As of September 2024, three religious institutions have contributed towards the Northern Ireland Redress Scheme.</li> </ul>	<ul style="list-style-type: none"> <li>Organisations that were responsible for care at the time of the abuse have been asked to participate in the scheme and make fair and meaningful financial contributions to redress payments for survivors.</li> <li>The available listed contributions range from £70,000 to £10m (approximately NZ\$148,000 to \$21,145m).</li> </ul>
<b>Number of claims</b>	<ul style="list-style-type: none"> <li>Claim volumes: 48,256 (as of Sept 2024)</li> <li>Claims completed: 19,486</li> <li>Claims withdrawn: 2,072</li> <li>Claims yet to receive outcome: 26,743</li> </ul>	<ul style="list-style-type: none"> <li>IAP: 38,237</li> <li>CEP: 105,530</li> </ul>	<ul style="list-style-type: none"> <li>Claims completed: 16,650</li> </ul>	<ul style="list-style-type: none"> <li>Claim volumes: 3,611 (by the end of 2022/23).</li> </ul>	<ul style="list-style-type: none"> <li>Claim volumes: 1,498.</li> <li>Claims completed: 493 claims (2022/23 – first full year of operation).</li> </ul>
<b>Payment range</b>	<ul style="list-style-type: none"> <li>AU\$5,000 - \$150,000 (approximately NZ\$5500 - \$164,000).</li> </ul>	<ul style="list-style-type: none"> <li>IAP: CA\$5,000 - \$275,000 (approximately NZ\$5,800-\$320,500)</li> <li>CEP minimum: CA\$10,000 (approximately NZ\$11,800)</li> </ul>	<ul style="list-style-type: none"> <li>Maximum of £300,000 (approximately NZ\$634,000)</li> </ul>	<ul style="list-style-type: none"> <li>£10,000-£80,000 (approximately NZ\$21,100-\$169,000)</li> <li>An additional £20,000 (approximately NZ\$42,300) is made if a child was sent to Australia.</li> </ul>	<ul style="list-style-type: none"> <li>£10,000 – £100,000 (approximately NZ\$21,100-\$211,000)</li> </ul>
<b>Average value of settled claims</b>	<ul style="list-style-type: none"> <li>AU\$89,000 (approximately NZ\$97,800).</li> </ul>	<ul style="list-style-type: none"> <li>IAP: CA\$91,478 (approximately NZ\$108,200)</li> <li>CEP: CA\$20,457 (approximately NZ\$24,200)</li> </ul>	<ul style="list-style-type: none"> <li>£62,250 (approximately NZ\$131,600)</li> </ul>	<ul style="list-style-type: none"> <li>£20,830 (approximately NZ\$44,000)</li> </ul>	<ul style="list-style-type: none"> <li>£46,000 (approximately NZ\$97,300)</li> </ul>
<b>Advanced payments</b>	<ul style="list-style-type: none"> <li>AU \$10,000 (approximately NZ\$11,000).</li> </ul>	<ul style="list-style-type: none"> <li>CA\$8,000 (if applied by certain date) (approximately NZ\$9400).</li> </ul>	<ul style="list-style-type: none"> <li>£10,000 (approximately NZ\$21,100)</li> </ul>	<ul style="list-style-type: none"> <li>£10,000 (approximately NZ\$21,100)</li> </ul>	<ul style="list-style-type: none"> <li>£10,000 (approximately NZ\$21,100)</li> </ul>
<b>Average processing time</b>	<ul style="list-style-type: none"> <li>12.2 months</li> </ul>	<ul style="list-style-type: none"> <li>IAP: 21 months</li> <li>CEP: 2.2 months</li> </ul>	<ul style="list-style-type: none"> <li>6 – 24 months</li> </ul>	<ul style="list-style-type: none"> <li>4.2 months</li> </ul>	<ul style="list-style-type: none"> <li>30 working days – 11 months</li> </ul>
<b>Litigation processes</b>	<ul style="list-style-type: none"> <li>Applicant can pursue civil litigation if responsible institution(s) does not join the redress scheme.</li> </ul>	<ul style="list-style-type: none"> <li>Yes – process was litigated.</li> </ul>	<ul style="list-style-type: none"> <li>N/A. However, lawyers assisted with application process.</li> </ul>	<ul style="list-style-type: none"> <li>N/A. However, high reliance on lawyers to progress claims.</li> </ul>	<ul style="list-style-type: none"> <li>N/A. However, lawyers assisted with application process.</li> </ul>

Proactive release - Open and transparent government

Country	Australia	Canada	Ireland	Northern Ireland	Scotland
<b>Supports offered</b>	<ul style="list-style-type: none"> <li>• Payment of up to AU\$5,000 (approximately NZ\$5500) to access counselling and psychological services based on severity of the abuse, or access to counselling services provided under the scheme (min. of 20 hours over lifetime).</li> <li>• Redress support service</li> <li>• Financial advice service</li> <li>• Free independent legal support</li> <li>• Records support</li> <li>• National Relay service</li> </ul>	<ul style="list-style-type: none"> <li>• Personal credits: each CEP recipient can receive up to CA\$3,000 (approximately NZ\$3500) in personal credits, depending on the approved educational expenses.</li> <li>• Truth and Reconciliation Commission</li> <li>• Aboriginal Healing Foundation</li> <li>• Legal fees – an additional 15% of the total compensation awarded.</li> <li>• Indian Residential Schools Resolution Health Support Programme.</li> </ul>	<ul style="list-style-type: none"> <li>• Counselling</li> <li>• Financial advice</li> <li>• Legal advice</li> <li>• Caranua was established in 2014 with the purpose to manage fund of £110m (approximately NZ\$232.5m) from religious organisations as part of the Indemnity Act 2002, and what budget was remaining from RIRB to facilitate access to support services such as housing and education for survivors.</li> </ul>	<ul style="list-style-type: none"> <li>• Victims and Survivors Service</li> <li>• Legal advice</li> <li>• Commissioner for Survivors of Institutional Childhood Abuse</li> <li>• Crisis Support Services</li> </ul>	<ul style="list-style-type: none"> <li>• Legal advice</li> <li>• Emotional support service</li> <li>• Link worker – provide and arrange access to supports for survivors</li> <li>• Records support</li> </ul>

Proactive release - open and transparent government