

**Hon Erica Stanford 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**

**Delivering an enhanced redress system for survivors of abuse in State care**

Date of Issue: 18 June 2025

The following documents are proactively released:

1. Delivering an enhanced redress system for survivors of abuse in State care
2. Appendix Two – background information
3. SOU – 25 – MIN 0039 Cabinet Social Outcomes Committee Minute
4. CAB – 25 – MIN 0101 Report of the Cabinet Social Outcomes Committee

**Summary of redactions:**

- Section 9(2)(f)(iv) to enable the confidentiality of advice tendered by Ministers of the Crown and officials:
- Section 9(2)(g)(i) to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to Ministers of the Crown or members of an organisation or officers and employees of any public service agency or organisation in the course of their duty.
- Section 9(2)(h) to maintain legal professional privilege

Information that is not related to this subject has been removed from the Cabinet Minute [CAB-25-MIN 10101 refers}

Office of the 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

Cabinet Social Outcomes Committee

## **Delivering an enhanced redress system for survivors of abuse in State care**

### **Proposal**

- 1 This paper seeks agreement to the Government's approach to improving the redress system in response to the Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-based Institutions (the Royal Commission) and to a set of initial changes to the State redress system.

### **Relation to government priorities**

- 2 This paper progresses the Government's response to the Royal Commission.

### **Executive Summary**

- 3 The Royal Commission recommended large scale and wide-reaching changes to redress for survivors. This paper considers the reforms to redress recommended by the Royal Commission alongside the need to respond to the Commission's other recommendations, strengthen accountability, improve survivor outcomes, and prevent abuse in care from occurring in the future.
- 4 I propose an approach that delivers improvements to redress for survivors of abuse in State care by:
  - 4.1 increasing the average redress payment for survivors of abuse in State care to \$30,000 (from \$19,180);
  - 4.2 providing for a top-up payment to previously settled claimants;
  - 4.3 delivering further increases in capacity for claims processing to at least 2,000 claims per year from 2026/27, increasing to 2,150 from 2027/28;
  - 4.4 providing certainty as to the full and final settlement nature of payments;
  - 4.5 supporting consistency of payments across agencies;
  - 4.6 building off the current system infrastructure; and
  - 4.7 making changes to how claims are assessed to increase efficiency.
- 5 Improvements to redress are part of a broader package of work on the Government's response to the Royal Commission which is expected to be considered by Cabinet in May. A Budget 2025 bid has been submitted in support of the proposals in this paper and other care system initiatives.
- 6 I propose Cabinet authorise the Minister of Health, Minister of Education and Lead Coordination Minister, and the Minister for Social Development, and

Employment<sup>1</sup> (joint Ministers), in consultation with any other relevant Ministers, to progress detailed design and implementation decisions within the overall approach and parameters agreed through this paper and within the final Budget 2025 envelope.

### **The Royal Commission recommended significant changes to New Zealand's redress system which functions as an alternative disputes resolution model**

- 7 New Zealand's redress system for survivors has developed over the past decade as an alternative dispute resolution (ADR) model. Initially shaped by litigation against the Crown in the 1990s, it evolved into an out-of-court process by 2005. In 2008, an ADR process was formally established under the Crown Litigation Strategy, later revised as the Crown Resolution Strategy in 2019 [SWC-19-MIN-0193 refers]. Over time, the system shifted from a legalistic approach to one focused on resolving claims outside of court.
- 8 The Royal Commission's December 2021 report, *He Purapura Ora he Māra Tipu: From Redress to Pūretumu Torowhanui*, highlighted long-standing barriers survivors face in accessing meaningful redress. In June 2023 the previous Government established a redress Design Group to develop high-level proposals for a new redress system. The system put forward by the Redress Design Group in December 2023 has a strong emphasis on personal and whānau healing, significant redress payments, survivor leadership, and independence from the Crown.
- 9 In June 2024, Cabinet agreed that options for changes be developed, informed by the Royal Commission's and Design Group's recommendations and lessons from national and international redress schemes. It directed that these options should be assessed against four core objectives: delivers accountability for survivors, supports improved outcomes for survivors, manages affordability, risks, and liability, and contributes to reducing the negative social, cultural and economic costs [CBC-24-MIN-0050 refers].
- 10 These proposals will provide meaningful improvements to the redress system for survivors of abuse in State care. However, it does not deliver some of the significant changes recommended by the Royal Commission such as the establishment of a new independent redress entity or the expansion of redress to family members or whānau of survivors.

### **Approach to responding to the Royal Commission's redress recommendations**

- 11 Since the tabling of the Royal Commission's final report in July 2024, the Government has prioritised actions that reflect our commitment to responding. This has included the investment of an additional \$32m in November 2024 to increase the capacity of State redress claims processing from approximately 1,350 to 1,550 claims per year [CAB-24-MIN-0434 refers].
- 12 I am seeking Cabinet agreement to an overarching approach to improving redress for survivors. This work is complex, and I have had to consider carefully the need to deliver on the Government's commitment that decisions

---

<sup>1</sup> Due to a potential conflict of interest the Minister for Children has delegated matters in relation to redress for abuse in state care to the Minister for Social Development and Employment who will exercise this delegation as appropriate in relation to these matters.

on redress would be a priority this year and investing in the care system to prevent, identify, and respond to abuse in the future.

- 13 Additional investment in the care system through this work will be on top of agencies' baseline funding to deliver their statutorily required functions. These will be the main delivery mechanisms in which they respond to the Royal Commission's findings and recommendations, alongside the findings and recommendations of many other reviews on preventing and responding to the abuse of children and vulnerable adults in care.
- 14 It is important to acknowledge that children and vulnerable adults continue to be abused in care and the appropriate safeguarding and/or other processes to prevent, recognise, and respond to abuse have not yet been implemented. Many survivors have shared that their highest priority is for the system to change so that what happened to them is prevented in the future. Care agencies must invest appropriately at the front end and deliver timely and effective interventions to prevent abuse from occurring and ensure that funding redress for abuse in care is not required in perpetuity.
- 15 In addition, I have considered the uncertainty around the overall level of demand for redress and how demand may change over the next few years and beyond. I have considered what decisions need to be taken now to create system certainty and which could be taken later as we gain further data and insights into redress demand and system performance.
- 16 This approach:
  - 16.1 prioritises decisions about redress payments for survivors. This is a decision that needs to be settled from the outset to give certainty to all survivors;
  - 16.2 provides for a top-up payment to previously settled claimants to ensure consistency across agencies and equity between past and future claimants;
  - 16.3 delivers a further increase in capacity for claims processing from approximately 1,550 claims per year to at least 2,000 from 2026/27 and 2,150 from 2027/28;
  - 16.4 provides certainty as to the full and final settlement nature of previous and future redress payments;
  - 16.5 ensures equity of financial payments across agencies for similar experiences of abuse;
  - 16.6 builds off the current system infrastructure to provide a more seamless experience for survivors, with enhancements to improve integration across agencies and confidence in the system, rather than investing in significant structural change in this initial phase;
  - 16.7 introduces changes to how claims are assessed to increase efficiency;
  - 16.8 focuses initially on redress provided by core State agencies, with further advice in relation to redress for abuse in other contexts (including non-State settings, school Boards and Health New Zealand) to be provided later in 2025; and

- 16.9 requires a formal review of the impact of the changes proposed in this package by October 2027, with the Terms of Reference for the review agreed by Cabinet by March 2027. The review would inform any subsequent decisions about further potential system changes.
- 17 The proposed approach has been developed through joint Ministers meetings in 2024 and the Budget 2025 process. A visual overview of this approach is provided on page 6. Ministers have received detailed advice on the Royal Commission's redress recommendations throughout this process.
- 18 This package of changes will deliver meaningful improvements to the experiences of, and redress outcomes for, survivors. However, I acknowledge that it will not meet the expectations of some survivors. The changes will mean a higher average redress payment, system improvements, an increased payment range for the most egregious cases of abuse in State care, and further increased capacity which will decrease wait times. It does not deliver additional investment in support services for survivors, and it does not shift redress delivery to a new independent entity recommended by the Commission. Nor does the package currently include redress for survivors of abuse in non-State care.
- 19 There will, however, be further opportunities to return to these and other elements of the system as part of a proposed review in 2027 and to continue to engage with survivors as we move to implement the changes outlined in this paper.
- 20 Additional background information supporting the advice in this paper is attached in Appendix One.

### **Enhancing the redress pathway**

- 21 The Royal Commission recommended a set of functions to guide redress, which are broadly consistent with current State claims processes.
- 22 I propose we maintain the existing purpose and functions of existing redress processes as they developed over the past decade. The purpose will remain to address a person's experience of abuse in care by acknowledging the wrong and providing some form of remedy or reparation.
- 23 The functions will continue to be to:
- 23.1 provide a safe, supportive environment for survivors to share their experiences (provided by the Survivor Experiences Service, Ministry of Social Development, Oranga Tamariki, and Ministry of Education);
  - 23.2 facilitate acknowledgements and apologies for abuse in care (provided by claims processes);
  - 23.3 facilitate access to care records, support services, legal supports and payments (provided by the Survivor Experiences Service and claims processes); and
  - 23.4 share insights on systemic issues relevant to abuse in care and the harms experienced (provided by the Survivor Experiences Service and claims processes).

- 24 To improve survivors' redress experience, work is required to enable functions to be delivered more consistently and in a joined-up way. This includes work on an apology and payment framework, consistent support offerings, and common reporting and insights frameworks.
- 25 The primary pathway for survivors to access redress is through State and non-State claims processes. State claims processes operate as alternatives to civil litigation and generally reach financial settlement on a full and final basis without admission of liability. The Royal Commission recommended the continuation of a redress pathway but one which enabled survivors to receive redress as well as progress litigation.
- 26 The Royal Commission also recommended the introduction of other changes to enable access to compensation and other remedies through the Courts, or failing that, a reformed Accident Compensation scheme or redress pathway. It also made recommendations for associated changes to the Limitation Acts of 1950 and 2010. The Ministers of Justice and for ACC are expected to receive advice regarding these recommendations. Following that, the Ministers will, in consultation with other portfolio Ministers as appropriate, determine whether further decisions should be taken by Cabinet.

### **Improving settlement offerings and increasing alignment and consistency in offerings across the system**

#### *Increase settlement payments*

- 27 Part of redress is a financial payment that recognises and acknowledges the harm of abuse or neglect in care, but which is not compensatory.
- 28 Current payments offered by redress agencies have been criticised for failing to acknowledge and recognise the harm they are being provided in response to. The Royal Commission did not make specific recommendations as to payment amounts but did say that payments, particularly those for individually assessed claims, should be substantially higher than current State levels. The Ombudsman also considers there is no clear justification for the rates of payment made under this scheme when compared to payments made by the State for other forms of abuse or the compensation paid overseas<sup>2</sup>.

Table 1: Payments made by existing claims agencies

Care Agency	Average payment	Payment range
Education	\$16,000	\$3,000 - \$45,000
Health	\$6,000	\$2,000 - \$9,000
Oranga Tamariki	\$20,000	\$5,500 - \$32,000
Social Development	\$20,000	\$1,000 - \$90,000 <sup>3</sup>

<sup>2</sup> <https://www.ombudsman.parliament.nz/news/chief-ombudsman-finds-rate-msd-compensation-payments-abuse-survivors-be-arbitrary-and>

<sup>3</sup> While the Ministry of Social Development can pay up to \$90,000, 95% of payments made by have been between \$5,000-\$45,000 and only 2.4% of payments have been above \$50,000.



## Next phase of the redress response for core State agencies

Current state

Future state following implementation

*Improve settlement offerings and increase alignment and consistency across the system*

### Settlement payments and apologies

Concerns that payment amounts do not meaningfully acknowledge the abuse survivors experienced and its impact

Apologies that do not take direct responsibility for what happened

### Redress offerings and support

Different approaches and sometimes complex tools for determining payment offers

Different settlement payments for similar experiences

Case management to support survivors through the claims process

Variation in support offerings (average value of \$5,000 per survivor)

Difficulty accessing and understanding records, including redacted information

Limited guidance about what legal fees should be covered, inconsistencies in what is paid

### Operating model, governance and oversight

Multiple claims agencies that operate independently with limited coordination and cooperation

Individual agency governance and Ministerial oversight

Individual and inconsistent monitoring and reporting, no centralised view of the performance

### Increase settlement payments and improve apologies

A 50% increase in average payments (increases to \$30,000)

Apologies that take responsibility for what happened

### Consistent redress offerings and support

Similar payments for similar experiences

A common payment framework with clear payment steps and definitions

Case management to support survivors through the claims process

Consistent but not increased value of support offerings

Shared principles to drive improved recordkeeping practice by care agencies

A common legal fees framework that ensures a fair, consistent and transparent approach to meeting survivors' legal costs

### Consistent operating model, governance and oversight

Multiple claims agencies which operate more collectively as a system

Shared governance and Ministerial oversight of all State claims processes

System wide transparent reporting, incorporating survivor insights

*Build on existing systems, retain current scope and look to create efficiencies*

### Existing ADR process

An ADR process that provides redress to Survivors of abuse in care of core State agencies for physical, sexual and emotional abuse and neglect

### System capacity and assessment processes

Long wait times for some survivors & variations in how long it takes for a claim to be allocated for assessment (from immediately to up to over 2 years)

Assessment processes that include elements that take significant time and cost but which do not materially affect the payment a survivor receives

### Retaining the existing ADR process and current scope

An ADR process that provides redress to survivors of abuse in care of core State agencies for physical, sexual and emotional abuse and neglect

### Increase capacity and streamline assessment processes

Increase in redress system's annual processing capacity from the current level of approximately 1550 to 2000 per year from 2026/27 and 2150 per year from 2027/28

Reduced wait times\*, ongoing variation in wait times for claims to be allocated, a coordinated approach taken to assessing claims that sit across multiple agencies

Efficient and lower cost assessment processes and easy to apply payments frameworks that enables more claims to be progressed faster without compromising survivors' experiences and outcomes

\*Assuming current demand does not significantly increase

*Make the system easier for survivors to access and navigate*

### Access and navigation around the system

Navigating a complex system with different entry points to register a claim

Complex, time consuming, and distressing to repeat information to multiple people and/or agencies when registering claims

Different operational policies and processes

### Integrating and aligning key elements of redress processes

A simple consistent easy process for survivors to register claims

One point of contact and single claim irrespective whether it includes one or multiple agencies

A single set of operational policies for all State agencies

*Implement independent review to improve survivor trust and confidence*

### Independent advice within claims process and review processes

Processes for seeking review of proposed settlement payments outside of these agencies are lengthy, time consuming and resource intensive (Ombudsman or Courts)

### Introducing independent review where survivors are unhappy with a claim outcome

Easier and more timely process for the independent review of claims outcomes while retaining Ombudsman and Court options

Table 2: New Zealand redress payments compared with three international schemes

Country	Average payment (NZ\$)	Range of payments (NZ\$)
New Zealand	\$19,180	\$1,000 - \$90,000
Australia	\$99,000	\$5,568 - \$167,047
Northern Ireland	\$45,950	\$22,060 - \$176,480
Scotland	\$101,478	\$22,060 - \$220,060

- 29 I propose Cabinet agree to increase the average payment per claim from \$19,180<sup>4</sup> to \$30,000. Increasing the average payment per claimant will enable the redress system to meaningfully improve its payment offerings for all survivors. It would also enable payment levels that better acknowledge the small proportion of cases that represent the most egregious abuse and which are more aligned to similar domestic and international payments.

*Implement a common payment framework across agencies*

- 30 Alongside increasing the average payment, I propose the introduction of a common payment framework to resolve the issue that similar experiences of abuse currently receive different payment amounts based on which agency is responsible for the claim. Officials will report back to joint Ministers by the end of July on the implementation of such a framework. This will ensure that, in future, payments are equitable across redress agencies. s9(2)(f)(iv)

*Provide top up payments for previously settled claimants*

- 31 The final payment decision is whether survivors with settled claims can access the new payments. I propose that Cabinet agree that redress agencies make top up payments available to previously settled claimants<sup>5</sup> but that claimants will not be eligible to make a new claim. This mitigates the risk of compromising the system's ability to provide timely redress to those who have not received anything to date. Approximately 4,700 previous claimants would be eligible to receive a top up payment. Amounts will be determined by both the increase to the average payment amount and the new common payment framework. The latter will ensure top ups address previous inequities across

<sup>4</sup> The current average payment per claim of \$19,180 is primarily due to lower payments made by the Ministry of Health compared to the Ministries of Education, Social Development and Oranga Tamariki. I propose to address this through the introduction of a common payment framework.

<sup>5</sup> Family members or estates of settled claimants who have died since receiving redress will not be able to access top up payments, to maintain consistency with all State redress payments. Should a survivor with a settled claim die after initiating a claim for a top up, their next-of-kin or the administrator of their estate can continue with the claim as per the current process.



agencies where people with similar experiences of abuse in care received significantly different redress payments.

#### *Payments to be made on a full and final basis*

- 32 Financial payments made through State redress schemes should continue to be made on a full and final basis, in accordance with the Crown Resolution Strategy. Such a settlement provides finality for the parties to the agreement. Once a settlement is agreed a claimant cannot litigate the allegations contained in the claim. This paper proposes that Cabinet decline the Royal Commission's recommendation that survivors should be able to make claims through the courts irrespective of whether they have received redress through the redress system.

#### *Personal apologies*

- 33 Providing individual apologies to survivors will continue to be an important function of the redress system. 9(2)(h)

- 34 Survivors have made clear that limitations on what the current apologies can say, particularly in terms of explicitly acknowledging the harm the individual survivor experienced, impacts their experience of redress and how genuine the apology feels to them. The ability for redress agencies to make more substantive apologies would mean a significant improvement to redress for some survivors. I will report to Cabinet by July 2025 with policy proposals for legislative change to achieve this.

#### *Supports and services for survivors*

- 35 The third key system offering is providing survivors with consistent access to support services. Support services offered by the existing redress system are variable (and generally address emotional or psychological support needs). Redress agencies budget approximately \$5,000 per claimant for support services.
- 36 The Royal Commission recommended a substantial expansion in the range of support services offered by the redress system, including the provision of help with education, employment, housing, and with family and other relationships. It also recommended the system should offer advocacy and navigation services to survivors and be able to offer survivors a choice of modest, one-off redress measures such as small purchases or services that will help them and their whānau. This could include paying for routine medical appointments or wellbeing services, transport costs, or help around the home.
- 37 Implementing this recommendation would come with substantial challenges to delivery and unquantifiable cost. It would also require considerable change to the type of service offered by the existing redress system and may not be

possible to deliver given the availability of support services more broadly in New Zealand is often constrained. In addition, significantly expanded support services specifically for survivors of abuse in State care could have the unintended consequence of restricting or preventing the access of other survivors of abuse or crime to those same services.

- 38 I therefore recommend we prioritise our initial investment in uplifting payments rather than significantly expanded support offerings. I do propose, however, that the redress system move towards providing a consistent offer of support services to claimants within the existing funding arrangements. To achieve this, officials will work on a common support service framework for the redress system. There will also be the opportunity for survivor input and engagement on this through a new Ministerial Advisory Group that I propose to establish as part of our broader response work (see paragraph 66).
- 39 Through the Budget '25 redress package I have also sought funding for a continuation of the existing legal fee arrangements, while officials develop a legal fees framework which more clearly defines the extent of legal costs which will be met by the system, further funding for the Survivor Experiences Service, and continuing the recently launched independent records website, so these services remain available to survivors after June 2025.

### **Building on the existing system, retaining current eligibility, and delivering efficiencies**

#### *Confirm current scope and eligibility parameters*

- 40 I propose that redress be provided by core Crown agencies<sup>6</sup> that are responsible for the care of children young people and vulnerable adults, in line with their obligations and duties under statutory authority or Cabinet direction. This includes four State agencies that currently operate claims processes, and two additional agencies that have received a small number of claims, though do not have an agency specific process for responding to historic claims of abuse, as set out in Table Three below.

Table Three: Proposed care settings to be covered

Claim agency	Care settings covered	Claims received since establishment (as of 31 December 2024 and 6 November 2024 for Health)
<i>Agencies currently delivering redress</i>		
Ministry of Education	State (primary or intermediate) or residential special schools before 1989, and any closed State school	Claims completed: 135 Current claim volumes: 435
Ministry of Health	Psychiatric institutions before 1993	Claims completed: 706 Current claim volumes: 25
Ministry of Social Development	Child protection and youth justice settings before April 2017	Claims completed: 4376 Current claim volumes: 3342

<sup>6</sup> Core agencies refer to the Ministries of Social Development, Education, Health, Oranga Tamariki, Te Puni Kōkiri and the Department of Corrections.

Oranga Tamariki	Child care and protection and youth justice settings since April 2017	Claims completed: 11 Current claim enquiries volumes: 68
<i>Other agencies with redress claims</i>		
Te Puni Kōkiri	Current claims relate to Te Whakapakari Youth Programme on Great Barrier Island in the 1980s and Matua Whāngai Programme <sup>7</sup>	Claims received: 18
Department of Corrections	Historic abuse at youth penal institutions	Claims received: 20

- 41 The Royal Commission recommended that non-State (which covers both faith-based and private secular care organisations) be covered through the State redress system. Further work is needed on non-State care, as noted by Cabinet in November 2024 [CBC-24-MIN-0050 refers], along with school boards and Health New Zealand. I will report back on these in late 2025.
- 42 I propose that physical, sexual, emotional, and psychological abuse and neglect continue to be the primary focus of redress. These represent well-defined forms of abuse and neglect that are covered by existing agency processes and most international redress schemes. The Royal Commission recommended that redress should cover racial, cultural, and spiritual abuse and neglect. However, in most cases, these forms of abuse are generally experienced through the proposed primary forms of abuse. Joint Ministers agreed they should not provide access to redress in their own right.
- 43 I propose that we do not set an end date for redress, in line with current redress settings. This reflects that abuse in care is still occurring and that there are no other alternative pathways for survivors to seek redress outside of the courts. I also propose that we maintain current State claims time periods, as set out in Table Three above, reflecting the relevant time period that the agency assumed care responsibilities.
- 44 I propose we continue to enable a survivor's estate to continue a claim if the survivor dies after applying, in line with current processes. This approach honours the survivor's clear intent, and any limitations placed on them by ill health ahead of their passing and provides a posthumous acknowledgement of their experiences.
- 45 The Royal Commission further recommended that a payment of \$10,000 be made available for members of whānau who have been cared for by survivors. The question of whānau access to redress has also been raised by the Ombudsman<sup>8</sup>. Joint Ministers considered, however, that the redress system should remain primarily focused on acknowledging and apologising for the experiences of survivors themselves and therefore this paper proposes declining this recommendation.

<sup>7</sup> The claims fall under the short time window when Te Puni Kōkiri's predecessor was responsible for these programmes, noting responsibility otherwise sits with the Ministry of Social Development.

<sup>8</sup> This has included in instances where whānau are seeking redress where the deceased made a disclosure to social workers of abuse during their lifetime and this disclosure is documented but there was no historic claims process in place at the time of the disclosure or the person's death.

### *Increase capacity and streamline assessment processes*

- 46 Claims agencies have each developed their own processes to meet the context of their particular settings. These processes have been refined over time as agencies have learned more about the extent and nature of abuse that has occurred and less inquiry into each allegation is required. The Ministries of Social Development (MSD) and Education, which have the largest volume of claims, have developed rapid pathways for survivors to improve processing times and provide faster resolution of claims. The Ministry of Health and Oranga Tamariki, which deal with a much smaller number of claims, already operate lean, streamlined processes.
- 47 There continues to be high demand on MSD and Education that exceeds their ability to respond in a timely way. Both agencies have seen a significant increase in new claims in the last three years (576 in 2022, 820 in 2023, and 1,454 in 2024) and have a combined backlog of approximately 3,500 claims.
- 48 I propose we increase redress system capacity from approximately 1,550 per year to 2,000 per year from 2026/27 and then 2,150 from 2027/28. This will enable agencies to address their backlog of claims more quickly and will result in reduced waiting times for survivors who have already lodged a claim, particularly those whose claim is being handled by MSD or Education.
- 49 As an additional measure, I propose removing the requirement for MSD and Education to investigate and respond to allegations of practice failures (that is, allegations relating to failures to comply with relevant policy and/or practice at that time) that do not link to allegations of abuse. Investigating allegations of practice failures that do not involve an allegation of abuse is a complex process that does not have a material benefit for survivors as it does not impact the financial redress they are offered. Early testing by MSD on the impacts of this approach indicate that there is a potential for a 40% or more reduction in the time it takes to complete an individualised assessment. Removing this requirement would enable staff to do more assessments, lifting productivity and processing capacity above current forecasts and benefit survivors through improved wait times. Agencies may need to bring forward funding to meet settlement costs associated with increased productivity.

### **Improving access to and navigation of redress services and introducing independent advice and transparency**

#### *Ease of access*

- 50 The Royal Commission recommended the establishment of a single independent redress scheme and the discontinuation of existing claims processes. I recommend that through the next phase of our redress response we take some meaningful steps towards greater integration and independence within existing processes. In order to give survivors some clarity, I propose that our response the Royal Commission's structural recommendations to create one independent entity be an initial no. However, this will be able to be reconsidered as part of the review in 2027.
- 51 This recommended approach is based on the risk that significant structural changes at this point would slow the system down and consequently reduce the current pace of claims resolution when there are already considerable



backlogs. Significant structural changes would also require upfront investment that would not deliver immediate benefits to survivors.

52 In addition, there is no guarantee that investing significant resource and time in establishing a new independent redress entity would deliver immediate improved outcomes or experiences for survivors of abuse in State care over and above what is proposed in this paper. As above, this can be reconsidered following the review.

53 To increase ease of access and navigation for survivors, I propose the introduction of a single-entry point to core State claims processes. This, in addition to the proposal to manage survivor claims as a single claim, would stop survivors needing to lodge multiple claims with different agencies

#### *Independence and transparency*

54 Survivor trust and confidence in redress is integral to ensuring a positive claim resolution. State claims processes are managed by the same institutions that were responsible or have agreed care responsibility for survivors, which the Royal Commission found has contributed to low trust regarding the integrity of claims outcomes. Survivors seeking to challenge settlement decisions must go through the Ombudsman or the courts, which can be resource-intensive processes that can create barriers to timely and fair resolutions.

55 I propose introducing greater independence into claims processes by implementing an independent review of claims if survivors are unhappy with the decision and redress payment being offered. This would enable an easier and more timely independent review process separate from the care agency. Survivors would also still be able to complain to the Ombudsman. Litigation would also continue to be an option for some survivors.

56 Integrated reporting, incorporating survivor insights to increase transparency about redress processes, would also be introduced and the existing claims processes overseen by joint Chief Executives through an integrated cross-agency governance mechanism.

#### **Next steps**

57 Subject to Cabinet agreement and Budget '25 decisions, joint Ministers will progress detailed design and implementation decisions within the overall approach and parameters agreed through this paper and within the final Budget 2025 envelope.

58 As part of this next phase of work, further advice will be provided to joint Ministers around responding to the remaining Royal Commission redress recommendations. This will include a number of recommendations relating to payment design.

59 In May 2025, the full Crown Response Plan will be submitted to Cabinet. This plan sets out work that has been completed or is underway to respond to the Royal Commission's recommendations, noting many of the recommendations relating to the care system are still under consideration at this stage. The plan will reflect decisions taken through this paper about our redress response.

60 In that paper, I will propose the establishment of a Ministerial advisory group to ensure relevant Ministers hear directly from survivors through the next

phase of this work. Survivors played a central role in shaping the Royal Commission inquiry and have influenced subsequent responses, including the national apology, Lake Alice Unit torture decisions and establishment of a survivor support fund. While progress has been made, survivors emphasise the necessity for continued action and systemic change. Their involvement remains crucial.

## Financial Implications

- 61 The financial implications associated with this paper will be confirmed through the Budget 2025 process. The table below provides an indication of additional costs associated with the proposals in this paper, in addition to existing funding for 2025/2026. There are anticipated operational savings associated with the introduction of a legal fees framework and streamlined assessment and policy frameworks that are expected to be realised in 2025/26

Proposal	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	4-year total
Enhancements to current system	\$5.283 million	\$4.350 million	\$0.792 million	\$0.792 million	\$11.217 million
Redress costs <sup>9</sup>	\$43.062 million	\$158.308 million	\$141.055 million	\$143.079 million	\$382.474 million
External services	\$7.255 million	\$7.275 million	\$7.255 million	\$7.275 million	\$29.060 million
Other costs	-	\$4.200 million	\$2.798 million	\$671 million	\$7.669 million
Total budget	\$55.600 million	\$174.133 million	\$151.901 million	\$151.816 million	\$533.449 million
Existing redress funding	73.869 million	-	-	-	

## Legislative Implications

- 62 There are no immediate legislative implications associated with the proposals in this paper. I will report back to Cabinet in July with options that include potential legislative change to enable more meaningful apologies.

## Population Implications

- 63 Survivors are very diverse. However, Māori, Pacific, Deaf, and disabled peoples have been over-represented in care, and are therefore over-represented as survivors of abuse in care. As a result of the impacts of abuse in care, many survivors experience lifelong lower socio-economic status and poor health. These in turn have significant impacts on survivors as they become elderly. It is important that the Crown considers the specific context and needs of the over-represented groups as part of the development of improved redress. Ongoing engagement with Māori, Pacific, Deaf and

<sup>9</sup> 'Redress costs' includes \$52.560 million (over two years) for top up payments to survivors with settled claims.

disabled survivors, groups, and organisations is important to inform the design of an improved redress system. Our approach to this ongoing engagement will be formalised through work on the Government's response plan.

## Human Rights

- 64 The proposals in this paper are consistent with the New Zealand Bill of Rights Act 1990 and Human Rights Act 1993. The provision of redress for abuse in care seeks to address human rights breaches.

## Use of external resources

- 65 No external resources have been used in preparing the advice in this paper.

## Consultation

- 66 This paper was developed by the Crown Response Office. ACC, Archives New Zealand, Crown Law Office, Department of Corrections, Inland Revenue Department, Ministry for Pacific Peoples, Ministry of Business, Innovation and Employment, Ministry of Education, Ministry of Health, Ministry of Justice, Ministry of Social Development, Ministry for Women, New Zealand Police, Oranga Tamariki, Public Service Commission, Te Puni Kōkiri, and Whaikaha – Ministry of Disabled People were consulted. The Department of the Prime Minister and Cabinet and the Treasury were informed.

## Communications

- 67 These decisions will be announced as part of Budget 2025 decisions. The Design Group's report will also be released at the same time.

## Proactive Release

- 68 This paper will be proactively published on the Crown Response Office's website with appropriate redactions under the Official Information Act 1982.

## Recommendations

I recommend that the Committee:

### *Overall approach*

- 1 **note** the overall approach set out in this paper to delivering meaningful redress improvements for survivors of abuse in State care;
- 2 **note** the approach seeks to strike a balance between strengthening accountability, improving survivor outcomes, and addressing Crown affordability, risk, and liability;

### *Alignment with Royal Commission recommendations*

- 3 **note** the approach detailed in this paper delivers some meaningful changes to the current redress system but does not deliver on some of the substantive recommendations made by the Royal Commission, such as the establishment of a new and independent entity or access to redress for family and whānau of survivors;

*Improving settlement offerings and increasing alignment and consistency across the redress system*

- 4 **agree** the purpose of payments made by the State redress system will continue to acknowledge but not compensate for the harm of abuse and neglect in State care;
- 5 **agree** subject to final Budget 2025 decisions, to increase the average settlement payment made by core State redress agencies to \$30,000 per claim;
- 6 **agree** subject to final Budget 2025 decisions, that survivors with previously settled claims will be able to access a fixed top up payment that does not involve reopening or reassessing of their claim;
- 7 **agree** subject to final Budget 2025 decisions, core State redress agencies will work towards offering comparable settlement payments for comparable experiences of abuse and/or neglect in care through the development and implementation of a common payment framework;
- 8 **agree** core State redress agencies implement a more consistent offer of support services to survivors, within funding levels agreed through Budget 2025;
- 9 **note** funding has been sought through Budget 2025 for a continuation of existing arrangements for claimant's legal costs, the independent records support website, and the Survivor Experiences Service and that officials will provide further advice for joint Ministers on the ongoing form of these system offerings;

*Building on the existing system, retaining current eligibility, and delivering efficiencies*

- 10 **agree** to continue to offer a dedicated redress pathway for survivors as an alternative to litigation;
- 11 **agree** the purpose of the redress pathway should continue to be to address a person's experience of abuse in care by acknowledging the wrong and providing some form of remedy or reparation;
- 12 **agree** the functions of redress will continue to be to:
- 12.1 provide a safe, supportive environment for survivors to share their experiences;
  - 12.2 facilitate acknowledgements and apologies for abuse in care;
  - 12.3 facilitate access to care records, support services, legal supports and payments; and
  - 12.4 share insights on systemic issues relevant to abuse in care and the harms experienced;
- 13 **note** the Ministers of Justice and for Accident Compensation will receive advice on Royal Commission recommendations relating to access to compensation and litigation and associated changes to the Limitation Acts of 1950 and 2010, and will, in consultation with appropriate portfolio Ministers, seek Cabinet decisions associated with those matters as required;
- 14 **agree** the process for resolving claims for abuse in care continues to be guided by the principles of the Crown Resolution Strategy agreed in December 2019 [SWC-19-MIN-0193 refers], including that settlement will generally be full and final without admission of liability;



- 15 **agree** the scope and eligibility for the redress system will maintain the status quo relating to care settings, forms of abuse, duration of the redress system, claim time periods, and access by a survivor's estate if the survivor dies after applying for redress;
- 16 **note** funding has been sought through Budget 2025 to resolve a small number of claims made to the Department of Corrections and Te Puni Kōkiri, subject to further decisions on how these claims are managed;
- 17 **invite** the Lead Coordination Minister to report back to Cabinet in late 2025 on coverage and funding mechanisms for redress claims managed by:
- 17.1 non-State care providers (where a faith-based or private secular care organisation assumed responsibility for the safety and wellbeing of a child, young person, or vulnerable adult); and
- 17.2 school Boards and Health New Zealand;
- 18 **agree** subject to Budget 2025 decisions, to increase annual redress system processing capacity to at least 2,000 claims per year from 2026/27 and at least 2,150 claims per year from 2027/28;
- 19 **agree** State redress agencies will explore ways to make claims processes more efficient without compromising survivor experience or outcomes and any cost savings will be reinvested to support agencies to process more claims;

#### *Independence and transparency*

- 20 **agree** subject to Budget 2025 decisions, the following measures to introduce independent advice within the redress system to improve survivor trust and confidence in existing State claims processes by:
- 20.1 introducing changes to implement an independent review where survivors are unhappy with the outcome of their claim; and
- 20.2 implementing a common performance and reporting framework which includes information on the experiences people have in seeking redress;
- 21 **note** there will also be the opportunity for survivor input and engagement on the implementation of changes through a new Ministerial Advisory Group that I propose to establish as part of our broader response work;

#### *Ease of access*

- 22 **agree** subject to Budget 2025 decisions, to make existing State claims processes easier to access and navigate by implementing coordinated policy frameworks, shared governance arrangements, and a single point of entry;

#### *Next steps*

- 23 **invite** the Lead Coordination Minister to report back by July 2025 with further advice on options for legislative change to enable more meaningful apologies to be made to survivors;

- 24 **authorise** the Minister of Health, the Minister of Education and Lead Coordination Minister, and the Minister for Social Development and Employment<sup>10</sup>, in consultation with any other relevant Minister/s, to:
- 24.1 detailed design and implementation decisions within the overall approach and parameters set out in this paper and within the final Budget 2025 envelope, informed by the findings and recommendations of the Royal Commission and Redress Design Group; and
  - 24.2 confirm Government's final response to specific recommendations, within the parameters and approach set out in this paper;
- 25 **direct** officials to report to joint Ministers by July 2025 with an implementation plan including advice on the common payment framework and a date for its introduction, next steps for the design and implementation of a review and complaints function, common support service framework, streamlined assessment processes, legislative change to support meaningful apologies, a new legal fees framework, a single entry point and one point of contact, a common monitoring framework and shared policies; and
- 26 **agree** to an independent review by October 2027 of the impact of the changes agreed in this package, with a Terms of Reference for that review agreed by Cabinet by March 2027.

Authorised for lodgement

Hon Erica Stanford

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

---

<sup>10</sup> Due to a potential conflict of interest the Minister for Children has delegated matters in relation to redress for abuse in state care to the Minister for Social Development and Employment.

## Appendix One – Background Information

- 1 State claims processes operate within the principles established through the Crown Resolution Strategy which guides the Crown's approach to resolving historic claims of abuse in State care.
- 2 In addition to these claims processes, the Accident Compensation Scheme (AC Scheme) can, in some circumstances<sup>11</sup>, cover injury from abuse in care, dependent on eligibility. An effect of the AC Scheme is that, if a person is eligible for ACC cover for an injury, they are statutorily barred from bringing civil proceedings for compensatory damages arising directly or indirectly out of that injury in any New Zealand Court.
- 3 The AC Scheme bar does not preclude survivors from seeking remedies through the courts, nor does it preclude exemplary damages in exceptional cases<sup>12</sup>. However, remedies through the courts may be limited due to the AC Scheme bar and the availability of limitation defences under the Limitation Act 1950 and 2010 (the Limitation Acts).
- 4 A dedicated redress pathway is as an important alternative to litigation due to the considerable legal barriers, costs, delays and uncertainty about the outcomes of litigation for survivors and the Crown, and significant Court time, energy and resource such litigation would consume. While a historical abuse claim has not been litigated to trial in the High Court for a number of years,  
9(2)(h)  
[REDACTED]
- 5 A dedicated redress pathway also gives survivors an option to avoid an adversarial court process that is often unsuitable for the resolution of these claims. This can be due to the statutory barrier of the AC Scheme, the existence of Limitation Act defences, difficulty in establishing liability given the passage of time (due to, for example, the limited records and other evidence available to support survivors' claims) and difficulties establishing that particular failings by the State were responsible for the harms experienced by survivors. Nonetheless, claimants have a right to litigate their claims.
- 6 State claims processes currently operate under the principles of the Crown Resolution Strategy. Principle two of the Crown Resolution Strategy states that settlement will be considered for all meritorious claims. Settlement will generally be full and final without admission of liability. Where claims are settled on a full and final basis the claimant is precluded from bringing further litigation against the Crown in connection with the matter that has been settled, and the settlement would operate as a legal defence if the claimant was to do so.
- 7 The Royal Commission did not support full and final settlements and recommended that claimants should have access to litigation pathways irrespective of whether they had settled a claim with the Crown via the redress system (redress recommendation 47). The Royal Commission considered that

<sup>11</sup> Mental injuries caused by sexual offending, physical injuries, and mental injuries caused by physical injuries, are eligible for AC Scheme cover if they meet legislative criteria and there is sufficient evidence of the injury, and when it occurred. Injuries dating from before 1974 (when the AC Scheme began) are not covered, and neither are harms caused by psychological and emotional abuse, or neglect.

<sup>12</sup> Exemplary damages 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 purpose of the redress system was to fulfil a restorative function rather than providing compensation and/or accountability and that claimants should be able to seek compensation and accountability through the courts as well as redress through the redress system. However, the distinction between a restorative process and compensation and accountability mechanisms is not clearcut as most restorative processes involve elements of both compensation and accountability.

- 8 The Royal Commission was also concerned that requiring settlement to be full and final might cast doubt on 'the genuineness of the institutions' apologies. However, this concern is addressed directly through improved processes for developing apologies as part of the redress system. Finally, the Royal Commission suggested that requiring full and final settlements 'where there are credible allegations of torture' may be inconsistent with a claimant's rights under human rights instruments. New Zealand has entered a reservation to the Torture Convention that makes it clear that compensation is at the discretion of the Attorney General rather than through the courts. Moreover, the proposed redress scheme does not remove the claimant's access to the courts unless the claimant chooses to accept a full and final settlement.
- 9 The Royal Commission also made a recommendation (redress recommendation 78) that the Limitation Acts be amended so that any survivor who has settled such a claim that was barred under either Act may relitigate if a court considers it just and reasonable to do so. The Minister of Justice is shortly expected to receive advice on recommendation 78 and will determine next steps.
- 10 The Royal Commission also recommended the introduction of new enforceable rights and duties and other changes to enable access to compensation and other remedies through the Courts, or failing that, a reformed AC Scheme or redress pathway. It also made recommendations for associated changes to the Limitation Act and the wider litigation framework (redress recommendations 77-79 and final report recommendation 11).

### **The purpose and functions of redress for survivors of abuse in care**

- 11 The Royal Commission recommended an integrated redress system with four redress functions (redress recommendation 1 and 16), that it:
  - 27.1 provides a safe, supportive environment for survivors to share their care experiences;
  - 27.2 facilitates acknowledgements and apologies by institutions for tūkino (abuse, harm, and trauma) in care;
  - 27.3 facilitates access to support services, financial payments and other measures that enable te mana tāngata (the restoration of a survivor's inherent dignity); and
  - 27.4 reports and makes recommendations on systemic issues relevant to abuse in care.
- 12 The Royal Commission also recommended that the redress system should 'disseminate information about [itself] so as many eligible individuals as possible know about and can access its services'. Awareness and



accessibility are important aspects of any system and are not proposed as a redress function.

- 13 The Royal Commission considered that the information gathered through a redress system represents a significant source of insights about failures in care. The trends and systemic issues a redress body identified should therefore be shared with relevant care and oversight agencies to assist with ongoing improvements to care.
- 14 The purpose of current State claims processes is to attempt to address a person's experience of abuse in care by acknowledging the wrong and providing some form of remedy or reparation. Acknowledging the harm and abuse survivors have experienced is fundamental to redress.
- 15 All agencies provide apologies and payments, facilitate access to care records and provide access to limited supports during claims processes. Agencies' listening function is primarily focused on the claim being made; however, the Survivor Experiences Service enables survivors to share their experiences for the purpose of providing support and raising awareness of abuse in care.
- 16 Four comparable international redress schemes – Australia, Ireland (Republic), Northern Ireland, and Scotland – offer payments and as part of their claims process facilitate access to limited support services delivered by separate organisations. Only the Australian scheme provides direct access to counselling as part of the redress package. The international schemes do not typically provide individual apologies, aside from Australia, and have listening functions focused on the claim being made by a survivor.
- 28 The Royal Commission's recommended functions have a stronger focus on the safe sharing of survivors' experiences and the provision of support services than is generally the current case in domestic processes and international schemes.

### **What the redress system offers to survivors**

- 29 The redress system offers survivors a redress package which consists of an acknowledgement payment, access to targeted support services, and a personal apology.
- 30 The system also offers services to support survivors to make a claim for redress, including wellbeing support which is responsive to the retraumatising nature of making a claim, legal advice, records support and an independent 'listening' service, where survivors can safely share what they experienced.
- 31 The Royal Commission found that redress varies across the State claims agencies (as well as with non-State redress processes), and criticised existing State processes for typically offering no more than a limited apology and some money. Agencies have already implemented some changes to their processes in response to the Royal Commission, but the scope of and variation in offerings remain ongoing concerns for survivors.
- 32 Both the Royal Commission and the Redress Design Group envisioned a significant expansion in both the type and extent of redress system offerings

across all functions. Survivor expectations for change in redress offerings are high, as they are with all aspects of redress.

- 33 The proposals in this paper will enable redress agencies to improve settlement offerings and increase alignment and consistency across the system. This includes increasing settlement payments (from an average payment of \$19,180 to \$30,000) and potential legislative changes to enable the delivery of more meaningful apologies. There are also proposals to ensure consistent redress offerings and support across claims agencies.
- 34 This will deliver a substantive improvement in what the redress system can offer survivors of abuse in State care but will fall short of level of change recommended by the Royal Commission. Priority has been given to decisions on offerings which will have the biggest (and fastest) impact for survivors.

*Increasing the average payment made by the redress system*

- 35 The Royal Commission found that the current system fails to offer meaningful financial payments and also criticised the inconsistency in existing State redress processes.
- 36 The Royal Commission did not make specific recommendations around payment amounts but did say that payments for individually assessed claims should be substantially higher than current State levels. It recommended the system offer payments which provide meaningful recognition of abuse and where relevant impact, but not compensation for harm or loss (redress recommendation 40). Recommendation 40 can be progressed by agreeing the payments are being made to acknowledge the harm of abuse in care and are not compensatory.
- 37 Payments offered by the current system are categorised as settlement payments which means they are tax-free and do not affect a claimant's tax-status or entitlements. As the redress system will continue to offer settlement payments to claimants, this will also deliver on the Royal Commission's recommendation that payments should not adversely affect an individual's financial position (redress recommendation 42).
- 38 Current payments have been criticised by survivors and their advocates for failing to acknowledge and recognise the harm they are being provided in response to. Payment levels have been subject to review and criticism beyond the Royal Commission process, most recently from the Ombudsman regarding the Ministry of Social Development's Historic Claims service<sup>13</sup>. In the Ombudsman's opinion, there is no clear justification for the rates of payment made under this scheme when compared to payments made by the State for other forms of abuse or the compensation paid overseas.
- 39 Increasing to an average of \$30,000 per claim enables a meaningful uplift in payments made to survivors and combined with the proposals regarding a common payment framework, agencies will be able to provide a range of payments which can better acknowledge survivors' experiences, especially those who had the worst experiences.

---

<sup>13</sup> <https://www.ombudsman.parliament.nz/news/chief-ombudsman-finds-rate-msd-compensation-payments-abuse-survivors-be-arbitrary-and>

40 Claims agencies will work to manage the effect of Cabinet making decisions on their ability to continue settling claims during the period between a decision and a public announcement.

41 9(2)(h)

42 Agencies will continue to settle claims but tag any settlements with a clear proviso that top up payments will be required if the average payment made by the redress system is increased. If survivors choose to settle, their access to improved redress will be determined alongside other previously settled survivors.

#### *Addressing inconsistency in settlement payments*

43 At present, similar experiences of abuse and/or neglect can receive different payment amounts based on which agency is responsible for the claim. Without proceeding with a single integrated system, addressing inconsistency is important to enable more consistent recognition for survivors with similar experiences of abuse regardless of agency responsibility.

44 The variability is most notable for Ministry of Health claims, particularly when considering the higher payments the agency has made. While the number of Health claims is small compared to other agencies, particularly Social Development, the impact for this small group of claimants is significant. For example, under the current Ministry of Health process, a claimant who experienced severe sexual or physical assaults in a psychiatric hospital is limited to a maximum payment of \$9,000 (except the Lake Alice Child and Adolescent Unit). In comparison the Ministry of Social Development's payment framework would likely allow for a payment of at least \$30,000 for severe sexual or physical abuse.

45 Introducing a common payment framework which ensures survivors receive comparable payments for comparable experiences recognises the obvious unfairness in the current system but will still allow the system to have some variability given the complexity of abuse in care in claims.

46 Existing payment frameworks vary between agencies and survivors have spoken about their difficulty in understanding how their experiences relate to payment decisions. The Royal Commission recommended improvements to how the redress system communicates its decisions to survivors (redress recommendation 46).

47 Work to align and simplify how payments are decided, as well as proposals relating to claims assessment, will support the Government in delivering a more consistent redress experience for survivors.

### *Top up payments to previously settled claimants*

- 48 As of December 2024, there are approximately 4,646<sup>14</sup> survivors with settled claims from the four main State claims agencies. Some of these survivors will have died since receiving their claim and others may not choose to come forward even if an offer is made.
- 49 Payments made by the existing redress system are made on a full and final settlement basis. Legally, the claim has been settled, and the Crown does not need to 'reopen' it for any reason, even if a decision is made to increase the payments available to new claimants.
- 50 The Royal Commission recommended agencies continue to settle claims in the lead-up to the establishment of a new redress scheme but that these should be settled in a way that does not prejudice survivors' rights to access improved redress (redress recommendation 91).
- 51 As a result of this recommendation, the existing redress agencies have been settling claims with a clause<sup>15</sup> that says settled claimants will not be prevented from accessing a future redress scheme, if it is consistent with the policy settings of that future scheme. This means settled claimants will likely expect to be able to access an improved redress system and there will be obvious parity issues if top up payments are not offered to settled claimants.
- 52 A straightforward, transactional top up process for settled claimants would offer fixed payments and would not involve a reassessment of an individual's claim.
- 53 As claims are not reopened and no further assessment is completed beyond confirming agency responsibility, the costs to administer this process would be less than those required to assess new claims. It also enables the redress agencies to manage demand for top up payments separately to new claims.
- 54 Top up payments for previously settled claimants where the average payment increases to \$30,000 has been estimated at up to \$52,156,000. There would also be operational costs associated with providing these top up payments. Officials advise it would likely take two years process the top up payments through a transactional system, at an estimated cost of \$3.692 million.
- 55 To maintain consistency regarding access to redress for whānau of deceased survivors, it is recommended Cabinet agree that the next-of-kin of deceased settled claimants are not able to claim a top up payment. Most recently, legal fees reimbursement and torture redress payments offered to some settled Lake Alice claimants were not made available to next-of-kin if the survivor had passed away [SOU-24-MIN-0123 refers].

<sup>14</sup> Of the total settled claims, 4,150 relate to the Ministry of Social Development, 376 relate to the Ministry of Health, 108 relate to the Ministry of Education and 12 relate to Oranga Tamariki.

<sup>15</sup> The clause states: "You may be aware that in December 2021, the Royal Commission of Inquiry into Abuse in State Care released a report about its review of redress processes. The Royal Commission's final report on its findings was released on 24 July 2024. The recommendations in the Royal Commission reports are currently under consideration and a new system of redress may be developed as part of an all-of-government response. If a new redress scheme is established and that scheme is open to claimants who have previously settled their claims with the Crown, then entering into this agreement will not prevent you from seeking any redress that would be available to you under the new scheme."



### *Personal apologies*

- 56 Apologies offered by the current system are written apologies. Who they come from varies by agency<sup>16</sup>. Agencies offer a combination of standard and bespoke apology wording, taking account of survivor preference, but there are limits to what apologies can say without affecting liability.
- 57 The Royal Commission found that the personal apologies provided by the current system fail to meaningfully acknowledge – and apologise – for the abuse, harm and trauma inflicted and suffered. It recommended apologies continue to be provided by the redress system, if desired by a survivor, but these should be meaningful apologies.
- 58 To be a meaningful apology, the Royal Commission put forward a range of advice on both what apologies should say (redress recommendation 33) and how they should be developed (redress recommendation 34). It also recommended consistent guidance be provided to all agencies which provide apologies to survivors (redress recommendation 35) and for an expansion in the way apologies can be given to survivors (redress recommendation 36).
- 59 9(2)(g)(i) [REDACTED]
- 60 Other jurisdictions have implemented apology legislation as described above, including all the Australian states and Scotland. Legislation which has been enacted in these countries generally defines apologies made in certain contexts as not admissible as evidence of anything relevant to the determination of liability in connection with that matter.

### *Support services*

- 61 Support services offered by the existing redress system are variable and the uptake of these services by survivors is low, compared to the number of claimants. Redress agencies budget approximately \$5,000 on average for support services, but there are issues in terms of providing a consistent offer for all claimants and in terms of the range of services offered. There are significant capacity issues in the wider system of supports and services which affects the ability of the redress system to offer these to survivors.
- 62 The Royal Commission found that the current system does not offer genuine support for survivors and recommended an expansion in the range of support services offered by the redress system (redress recommendation 37). It also recommended the system should offer advocacy and navigation services to survivors and recommended the system be able to offer survivors a choice of modest, one-off redress measures such as small purchases or services that

---

<sup>16</sup> Education and Social Development apologies come from the Chief Executive; Oranga Tamariki apologies come from the Chief Social Worker; Health apologies come from the Chief Legal Advisor (except Lake Alice Unit apologies, which come from the Prime Minister and the Minister for Mental Health at the time of settlement).

will help them and their whānau (redress recommendation 38). It also made recommendations about ensuring there is sufficient workforce capacity to provide services to survivors (redress recommendation 66).

- 63 The expansive vision for support services recommended by the Royal Commission and the Redress Design Group would be unique in comparison to redress systems overseas. All redress systems overseas offer some kind of wellbeing support to claimants while they are seeking redress, but only the Australian scheme has a defined support service offering as part of the redress package provided to successful claimants<sup>17</sup>.
- 64 While the current proposal is to prioritise investment in uplifting payments there are still actions the Government can take to improve this aspect of redress for survivors. Moving towards providing a consistent offer of support services to claimants, regardless of agency responsibility, is recommended as a meaningful way to improve support offerings within existing funding.
- 65 Officials would develop a common support service framework for the redress system. This could define a minimal expected offering to all claimants in terms of emotional and psychological support and also in terms of modest services which the agencies can purchase for survivors itself. A key part of this advice will be ensuring the supports offered by the system are accessible to all survivors.
- 66 This advice will look at the improvements made by existing claims agencies to see what can be scaled up or across the system.

#### *Improving survivors' experience of seeking redress*

- 67 There are various pastoral and other support services in place in the existing State claims processes which serve to alleviate this risk to survivors while they are seeking redress. These include the provision of records, legal advice for claimants, and the existence of trauma-informed spaces such as the Survivor Experiences Service (SES).
- 68 The Royal Commission found that claims agencies' redress processes are designed to suit their own needs, not those of survivors. It criticised the information provided to claimants, the wellbeing support offered, and the assistance available to particular groups of survivors, especially Deaf and disabled, Māori and Pacific survivors. It recommended the system have an expansive set of services available to support claimants, including mental health care, access to social workers, free legal advice, advocacy, translation services, and help to make complaints (redress recommendation 25). It also recommended changes to how the redress agencies interact with survivors (redress recommendation 23). In addition to the specific proposals below, officials can continue to explore ways the support system can address the findings of the Royal Commission, and ways to enhance access to supports for poorly-served groups of survivors, as part of the proposed advice on a consistent support service offer.

---

<sup>17</sup> The Australian redress system offers counselling to claimants up to the equivalent value of \$5,000, which depends on the abuse the scheme accepts to have occurred. Schemes in Northern Ireland and Scotland (and Australia) offer wellbeing services similar to the redress system in New Zealand, with a focus on wellbeing support and navigation to access other publicly funded health and support services.

- 69 The proposals in this paper relate to services offered by the system, but it is important to acknowledge that delays in resolving claims are likely the largest contributor to survivor's poor experience of seeking redress. This will particularly apply to survivors who have initiated a claim but are waiting for the agency to begin assessing it. In some agencies, this wait can take several years. Investment in increasing system capacity, alongside efficiency gains, will reduce the wait times of current claimants.

#### *Legal advice for claimants*

- 70 The Royal Commission recommended the redress system continue to offer free independent legal advice to survivors seeking redress.
- 71 All existing claims agencies currently provide free legal advice to claimants and the Ministry of Education will also provide some compensation to professional advocates who are not lawyers. For claimants who can access legal aid, each claims agency has an agreement in place with the Ministry of Justice to provide a certain amount of legal aid funding, and the remaining debt is written off by legal aid. For claimants who do not qualify for legal aid, the agencies will meet reasonable legal costs incurred by claimants. The provision of this legal advice to claimants – approximately \$11,000 per claimant comes at a significant overall cost to the system.
- 72 An intended outcome of the proposed changes to assessment and decision making should act to reduce the need for legal representation. For example, removing the consideration of practice failures is expected to reduce the number of allegations in claims, thus reducing the legal fees incurred in preparing a claim without compromising survivors' experiences and outcomes.

#### *Records provision*

- 73 Through the Royal Commission's hearings and reports and in direct engagements with the Crown, survivors have consistently highlighted the high value they place on records about their time in care. These records fill important gaps in what survivors know and are an important source of information about family members, belonging, and identity. Access to records can be a first step in seeking redress.
- 74 The agencies which operate State redress processes must meet their legal obligations under the Public Records Act 2005 to create and maintain full and accurate records and, under the Privacy Act 2020, as holders of records about private individuals and must continue to offer the provision of records to claimants. The redress system will therefore need to continue to meet the costs associated with retrieving, assessing, and providing records.
- 75 Despite these legal obligations, the Royal Commission found that many survivors had difficulty accessing their records. The issues included lengthy delays or getting incomplete or heavily redacted information. The Royal Commission made several recommendations relating to how the redress system should provide records. These emphasised providing records with as few redactions as possible, with specific reasons given should anything be withheld (redress recommendations 85-86). The Inquiry also recommended

the Crown develop guidelines on delivering records in a way that better meets survivors' expectations (redress recommendations 87-88).

- 76 Cabinet agreed work to improve records processes as one of the four immediate projects following the receipt of the Royal Commission's redress report [CBC-22-MIN-0035]. The aim of this project was for survivors to more easily request, receive, and understand their care records, and to have an improved sense of control over their care narrative.
- 77 While work is underway to make improvements to recordkeeping practice, this work is still underway and yet to deliver significant change on the frontline for survivors. An independent external website that holds information about records has also been developed with the Citizens Advice Bureau.

### *Survivor Experiences Service*

- 78 The Royal Commission recommended that the redress system should offer a listening service to survivors so they can talk about their experiences of tūkino, or abuse, harm and trauma, in a private and non-judgemental setting (redress recommendation 26). It recommended this service continue be provided in the period between the end of the inquiry and the establishment of a redress scheme, at which point this function should be incorporated into the scheme (redress recommendation 93).
- 79 The Survivor Experiences Services (SES) was established on 3 July 2023. The service is available to people who were abused in State, faith-based, or other forms of care. It is open to survivors of historical abuse and neglect (prior to 1999) and people with more recent experiences of abuse. It is primarily a forum for direct survivors, however, wider whānau can also access the service.

### **Confirming scope and eligibility parameters**

#### *Access by next of kin of living or deceased survivors*

- 80 The Royal Commission recommended that whānau should be able to continue a claim to the redress system if a survivor dies after applying or can no longer continue a claim on their own (redress recommendation 18). It also recommended that a payment of \$10,000 be made available for members of whānau who have been cared for by survivors and thereby potentially impacted by their abuse (final report recommendation 21).
- 81 Under current claims processes, family members of survivors cannot directly access current State claims services, but if a survivor dies after making a claim their estate can continue the process. This approach honours the survivor's clear intent, and any limitations placed on them by ill health ahead of their passing and provides a posthumous acknowledgement of their experiences. It is also consistent with a decision from the Court of Appeal that ruled that civil proceedings such as this cannot be taken by a person on behalf of a deceased individual.
- 82 There would be significant policy and operational challenges in creating and implementing clear parameters for including claims made by whānau members resulting in the risk of scope creep and a significant increase in

financial costs. A clear exception is where a survivor was unable to continue a claim due to their passing.

### **Making the redress system more efficient**

- 83 The overarching mixed assessment model, and its corresponding evidentiary thresholds, currently balances:
- 83.1 Preserving options for survivors – those who are eligible and don't want to go through the more intensive individual assessments can choose the rapid option; those who want the fulsome process can opt for individual assessments;
  - 83.2 Managing capacity – through offering simpler, quicker assessment approaches that offer a similar payment amount as the individual assessment; and
  - 83.3 Maintaining integrity of the system – maintaining an appropriate degree of verification to ensure that the system is settling only meritorious claims.

### ***Removing allegations of practice failures from MSD and MOE claims assessments***

- 84 MSD and MOE currently investigate and respond to allegations of practice failures that do not link to allegations of abuse as part of their individual claims assessment processes. These practice failures relate to failures to comply with relevant policy and/or practice that impacted on the standard of care a survivor experienced but are not linked to experiencing abuse.
- 85 Investigating allegations of practice failures is an onerous process that does not ultimately have a material impact on the settlement outcome or payment amount. Payment levels are primarily determined by the nature and severity of abuse or neglect with the majority of practice failures having no or very little impact on the payment offer.
- 86 Removing practice failures from assessment processes would bring MSD and MOE in line with Oranga Tamariki, and the other claims agencies, which only investigate allegations of abuse and neglect. Further, this change would not preclude practice failures from being acknowledged as part of the broader redress process, for example as part of a survivor's apology.
- 87 Early testing by MSD on the impacts of this approach indicate that there is a potential for a 40% or more reduction in the time it takes to complete an individualised assessment. This reduction should enable staff to do more assessments, which could lift processing capacity above the current forecasts. This means that agencies may need to bring forward funding to meet settlement costs associated with the increase.
- 88 There will be a small number of exceptions where a practice failure relates to a legal obligation and resulted in significant harm, for example, inappropriate detainment.

### **Integration and independence**

- 89 There is limited integration across existing State claims processes. There is no common entry point for redress, meaning survivors must go to individual



agencies if their care spanned multiple settings. Agencies provide some assistance to connect survivors with relevant claims processes, for example there is a commitment between the Ministry of Social Development and Oranga Tamariki that agencies should work collectively to respond to relevant claims. Agencies also refer applicants to other services where available.

- 90 All claims' processes operate in line with the Crown Resolution Strategy principles which guides the approach to resolving claims. Each agency, however, is guided by its own policies and operational context meaning there is limited consistency across the claims processes in terms of payments and supports available (reflecting the individual care setting).
- 91 The Royal Commission found that redress offered through claims processes was inconsistent, siloed, failed to provide an independent means for survivors to have their claims resolved, and complex to access. It recommended a single independent redress scheme to respond to abuse in State care, indirect State care and faith-based care (redress recommendation 1) and the discontinuation of current claims processes (redress recommendation 15).
- 92 Both the Royal Commission and Design Group recommended a highly integrated redress system, while having different views on independence. The Royal Commission focused on independence from care agencies while the Design Group focused on independence from the Crown.

*Nature of changes to increase independence, consistency and integration within existing claims processes*

- 93 The following measures could improve survivor trust and confidence in current State claims processes:
- 93.1 introducing changes to increase the independent oversight of claims outcomes where survivors are unhappy with the outcome of their claim; and
- 93.2 implementing a common performance and reporting framework which includes information on the experiences people have seeking redress.
- 94 At present, survivors seeking to challenge settlement decisions must go through lengthy, resource-intensive processes, creating barriers to timely and fair resolutions. Introducing an independent review of claims outcomes (claims yet to reach settlement), could enable an easier and more timely way of receiving independent advice whilst also retaining Ombudsman and Court options.
- 95 To increase public accountability, a common performance and reporting framework for State claims processes could provide greater accountability, consistency, reduce discrepancies. The reporting framework could also strengthen trust, transparency, and fiscal oversight.
- 96 Redress recommendation 14 proposes to establish a governance body which reflects the diversity of survivors and other relevant expertise. As part of the broader response to the Royal Commission, advice is being prepared on the establishment of a ministerial advisory group. The purpose of the proposed group is to provide external advice on the Crown Response Plan and on the operation of the redress system.



# Cabinet Social Outcomes Committee

## Minute of Decision

*This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.*

### Delivering an Enhanced Redress System for Survivors of Abuse in State Care

**Portfolio** Government's Response to the Royal Commission's Report into Historical Abuse in State Care and in the Care of Faith-based Institutions

On 2 April 2025, the Cabinet Social Outcomes Committee (SOU):

#### Overall approach

- 1 **noted** the overall approach set out in the paper under SOU-25-SUB-0039 to delivering meaningful redress improvements for survivors of abuse in State care;
- 2 **noted** that the approach seeks to strike a balance between strengthening accountability, improving survivor outcomes, and addressing Crown affordability, risk, and liability;

#### Alignment with Royal Commission recommendations

- 3 **noted** that the approach detailed in the paper under SOU-25-SUB-0039 delivers some meaningful changes to the current redress system, but does not deliver on some of the substantive recommendations made by the Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-based Institutions (the Royal Commission), such as the establishment of a new and independent entity or access to redress for family and whānau of survivors;

#### Improving settlement offerings and increasing alignment and consistency across the redress system

- 4 **agreed** that the purpose of payments made by the State redress system will continue to acknowledge but not compensate for the harm of abuse and neglect in State care;
- 5 **agreed** in principle, subject to final Budget 2025 decisions, to increase the average settlement payment made by core State redress agencies to \$30,000 per claim;
- 6 **agreed** in principle, subject to final Budget 2025 decisions, that survivors with previously settled claims will be able to access a fixed top-up payment that does not involve reopening or reassessing of their claim;
- 7 **agreed** in principle, subject to final Budget 2025 decisions, that core State redress agencies will work towards offering comparable settlement payments for comparable experiences of abuse and/or neglect in care through the development and implementation of a common payment framework;

- 8 **agreed** that core State redress agencies implement a more consistent offer of support services to survivors, within funding levels agreed through Budget 2025;
- 9 **noted** that funding has been sought through Budget 2025 for a continuation of existing arrangements for claimants' legal costs, the independent records support website, and the Survivor Experiences Service and that officials will provide further advice for joint Ministers on the ongoing form of these system offerings;

### **Building on the existing system, retaining current eligibility, and delivering efficiencies**

- 10 **agreed** to continue to offer a dedicated redress pathway for survivors as an alternative to litigation;
- 11 **agreed** the purpose of the redress pathway should continue to be to address a person's experience of abuse in care by acknowledging the wrong and providing some form of remedy or reparation;
- 12 **agreed** the functions of redress will continue to be to:
- 12.1 provide a safe, supportive environment for survivors to share their experiences;
  - 12.2 facilitate acknowledgements and apologies for abuse in care;
  - 12.3 facilitate access to care records, support services, legal supports, and payments; and
  - 12.4 share insights on systemic issues relevant to abuse in care and the harms experienced;
- 13 **noted** that the Minister of Justice and the Minister for ACC will receive advice on Royal Commission recommendations relating to access to compensation and litigation and associated changes to the Limitation Acts of 1950 and 2010, and will, in consultation with appropriate portfolio Ministers, seek Cabinet decisions associated with those matters as required;
- 14 **agreed** that the process for resolving claims for abuse in care continues to be guided by the principles of the Crown Resolution Strategy agreed to by the previous government in December 2019 [SWC-19-MIN-0193], including that settlement will generally be full and final without admission of liability;
- 15 **agreed** that the scope and eligibility for the redress system will maintain the status quo relating to care settings, forms of abuse, duration of the redress system, claim time periods, and access by a survivor's estate if the survivor dies after applying for redress;
- 16 **noted** that funding has been sought through Budget 2025 to resolve a small number of claims made to the Department of Corrections and Te Puni Kōkiri, subject to further decisions on how these claims are managed;



- 17 **invited** the 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 recommends that the Committee (the Lead Coordination Minister) to report back to SOU in late 2025 on coverage and funding mechanisms for redress claims managed by:
- 17.1 non-State care providers (where a faith-based or private secular care organisation assumed responsibility for the safety and wellbeing of a child, young person, or vulnerable adult); and
  - 17.2 school Boards and Health New Zealand;
- 18 **agreed** in principle, subject to Budget 2025 decisions, to increase annual redress system processing capacity to at least 2,000 claims per year from 2026/27 and at least 2,150 claims per year from 2027/28;
- 19 **agreed** that State redress agencies will explore ways to make claims processes more efficient without compromising survivor experience or outcomes and any cost savings will be reinvested to support agencies to process more claims;

### **Independence and transparency**

- 20 **agreed** in principle, subject to Budget 2025 decisions, to the following measures to introduce independent advice within the redress system to improve survivor trust and confidence in existing State claims processes by:
- 20.1 introducing changes to implement an independent review where survivors are unhappy with the outcome of their claim; and
  - 20.2 implementing a common performance and reporting framework, which includes information on the experiences people have in seeking redress;
- 21 **noted** there will also be the opportunity for survivor input and engagement on the implementation of changes through a new Ministerial Advisory Group that the Lead Coordination Minister proposes to establish as part of the Government's broader response work;

### **Ease of access**

- 22 **agreed** in principle, subject to Budget 2025 decisions, to make existing State claims processes easier to access and navigate by implementing coordinated policy frameworks, shared governance arrangements, and a single point of entry;

### **Next steps**

- 23 **invited** the Lead Coordination Minister to report back to SOU by July 2025 with further advice on options for legislative change to enable more meaningful apologies to be made to survivors;

- 24 **authorised** the Minister of Health, the Minister of Education and Lead Coordination Minister, and the Minister for Social Development and Employment (joint Ministers), in consultation with any relevant Ministers as appropriate, to:
- 24.1 take detailed design and implementation decisions within the overall approach and parameters set out in the paper under SOU-25-SUB-0039 and within the final Budget 2025 envelope, informed by the findings and recommendations of the Royal Commission and Redress Design Group; and
- 24.2 confirm the Government's final response to specific recommendations of the Royal Commission, within the parameters and approach set out in the paper under SOU-25-SUB-0039;
- 25 **directed** officials to report to joint Ministers by July 2025 with an implementation plan, including advice on the common payment framework and a date for its introduction, next steps for the design and implementation of a review and complaints function, common support service framework, streamlined assessment processes, legislative change to support meaningful apologies, a new legal fees framework, a single entry point and one point of contact, a common monitoring framework and shared policies;
- 26 **agreed** to an independent review by October 2027 of the impact of the changes agreed in this package, with a Terms of Reference for that review agreed by Cabinet by March 2027.

Jenny Vickers  
Committee Secretary

---

**Present:**

Rt Hon Christopher Luxon  
Rt Hon Winston Peters  
Hon David Seymour  
Hon Simeon Brown  
Hon Erica Stanford  
Hon Paul Goldsmith  
Hon Louise Upston (Chair)  
Hon Dr Shane Reti  
Hon Mark Mitchell  
Hon Tama Potaka  
Hon Matt Doocey  
Hon Nicole McKee  
Hon Casey Costello  
Hon Penny Simmonds  
Hon Nicola Grigg  
Hon Scott Simpson

**Officials present from:**

Office of the Prime Minister  
Officials Committee for SOU  
Office of the Lead Minister  
Crown Response Office  
Ministry of Social Development





# Cabinet

## Minute of Decision

---

*This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.*

---

### **Report of the Cabinet Social Outcomes Committee: Period Ended 4 April 2025**

On 7 April 2025, Cabinet made the following decisions on the work of the Cabinet Social Outcomes Committee for the period ended 4 April 2025:

SOU-25-MIN-0039

#### **Delivering an Enhanced Redress System for Survivors of Abuse in State Care**

Portfolio: Government's Response to the Royal Commission's Report into Historical Abuse in State Care and in the Care of Faith-based Institutions

CONFIRMED

Rachel Hayward  
Secretary of the Cabinet

Proactive release - open and transparent Government