



23 February 2025

OIA 1205-26

[Redacted]

Tēnā koe [Redacted]

I refer to your request received on 6 February 2026, which has been considered under the Official Information Act 1982 (OIA). You requested the following information:

*I write to request that you please supply the following information under the Official Information Act:*

- *Briefing: Placeholder Submission – Crown Response to Abuse in Care Budget '25 Package, 12/12/2024, Report Number: CRACI 24/104*
- *Briefing: For Approval – Budget '25 Crown Response to Abuse Package, 17/01/2025, Report Number: CRACI 25/008*
- *Budget 2025 Cost Pressures and New Spending Template. File Name in Past OIA request response: '008 – 2024-12-23 – Placeholder B25 Abuse in Care Package Submitted\_Redacted.*

*I note that I have received these documents in response to an earlier OIA request. However, some information provided in response to that request is redacted because it was out of scope. I also ask for these documents again because Section 9(2)(f)(iv) was used to justify redaction in some places. I ask that the use of this withholding ground is reassessed in responding to this new OIA request, given that the Government has made and announced decisions about redress system changes, including budgetary decisions.*

### Response to your request

Please find enclosed the following documents:

Item	Date	Document Description	Decision
001	12/12/2024	Briefing: Placeholder Submission – Crown Response to Abuse in Care Budget '25 Package	Partial release – some information withheld
002	23/12/2024	Budget templates: Placeholder B25 Abuse in Care Package Submitted	Partial release – some information withheld
003	17/01/2025	For approval – Budget '25 Crown Response to Abuse Package	Partial release – some information withheld

I have decided to release the documents listed above, subject to information being withheld under one or more of the following sections of the OIA, as applicable:

- section 9(2)(a), to protect the privacy of individuals
- section 9(2)(f)(iv), to maintain the confidentiality of advice tendered by or to Ministers and officials

IN-CONFIDENCE

In making my decision, I have considered the public interest considerations in section 9(1) of the OIA. I do not consider that these considerations outweigh the need to withhold the information.

All information previously withheld as out of scope in these documents has now been released except for information that is still under consideration and is withheld in accordance with section 9(2)(f)(iv).

With regard to the second part of your request asking for a reassessment of the information previously withheld under section 9(2)(f)(iv) in the documents listed above. Given that further decisions have been made regarding the Crown Response to abuse in care, I have decided to reassess the reliance on section 9(2)(f)(iv) to withhold the information. However, the volume of information impacted and the consultations necessary means it will take some time to complete the reassessment. Therefore, I am notifying you of an extension of 15 working days to the time to make a decision on this part of your request. Accordingly, the new due date for response to you is 27 March 2025. The extension is necessary under the following sections of the OIA:

- section 15A(1)(a) – the request is for a large quantity of official information; and
- section 15A(1)(b) – consultations necessary to make a decision on the request are such that a proper response to your request cannot be reasonably made within the original time limit.

Notwithstanding the extension, a response will be provided to you as soon as possible.

We may publish this OIA response on [www.abuseinquiryresponse.govt.nz](http://www.abuseinquiryresponse.govt.nz) (with your personal details having been removed). Publishing responses to OIA requests increases the availability of information to the public and is consistent with the purpose of the OIA to enable effective participation in the making and administration of law and policies, and to promote the accountability of Ministers and officials.

You have the right to seek an investigation and review by the Ombudsman of this decision. Information about how to make a complaint is available via [www.ombudsman.parliament.nz](http://www.ombudsman.parliament.nz) or freephone 0800 802 602.

Nāku noa nā

John Henderson  
General Manager Enabling Services

# Briefing



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

## Placeholder Submission - Crown Response to Abuse in Care Budget '25 Package

Date:	12/12/2024	Security level:	
Priority:	High	Report number:	CRACI 24/104

### Actions sought

Hon Dr Shane Reti  
Minister of Health

Hon Erica Stanford  
Minister of Education  
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

Hon Louise Upston  
Minister for Social Development  
and Employment, for Disability  
Issues, transferred responsibilities  
from the Minister for Children for  
redress decisions

Provide input on the placeholder Budget '25 package  
Agree to submit the placeholder package into Treasury's system prior  
to 23 December 2025

### Contact for discussion

Name	Position	Telephone	1 <sup>st</sup> contact
Rajesh Chhana	Functional Chief Executive, Crown Response Office	9(2)(a)	
Molly Elliott	Chief Advisor, Crown Response Office	9(2)(a)	✓

### Agencies consulted

Crown Response Office, The Treasury, Ministry of Social Development, Ministry of Health, Oranga Tamariki, Ministry of Education, Public Service Commission, Department of Internal Affairs, Department of Correction, Te Puni Kōkiri, Whaikaha – Ministry of Disabled People, Ministry of Justice

Minister's office to complete

- Noted
  - Seen
  - See Minister's notes
  - Needs change
  - Overtaken by events
  - Declined
  - Referred to (specify)
- 

**Comments**

Released under the Official Information Act 1982

# Briefing



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

## Placeholder Submission - Crown Response to Abuse in Care Budget '25 Package

**For:** 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 and Minister of Education

Hon Dr Shane Reti, Minister of Health

Hon Lousie Upston, Minister for Social Development and Employment, Minister for Disability Issues and transferred responsibilities from the Minister for Children for redress decisions

**Copied:** Hon Nicola Willis, Minister for the Public Service

Hon Matt Doocey, Minister for Mental Health

Hon Casey Costello, Associate Minister of Health

**Date:** 12 December 2024

**Security level:**

**Priority:** High

**Report number:** CRACI 24/104

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### Purpose

1. This paper provides you with the draft "placeholder" Budget '25 package supporting the Crown's Response to Abuse in Care to support your discussion on 17 December regarding investment priorities.
2. The contents of this paper rolls up and builds from the various components of this Budget package which relevant Ministers recently received advice on through these five briefings:
  - a. Preparing redress costings for a Crown Response Budget 2025 bid – Redress system function, approach, and structure assumptions [CRACI 24/094];
  - b. Monetary payment for survivors of abuse in care [CRACI 24/095];
  - c. Redress Supports and Services for Survivors of abuse in care, including supporting survivor legal fees and access to records [CRACI 24/101];
  - d. Approach to Budget 2025 investment in ensuring the safety of people in the current care system [CRACI 24/098];
  - e. Preparing costings for a Crown Response Budget 2025 bid – Time limited funding for the proposed duration of the Crown Response Office [CRACI 24/096].

### Recommendations

3. It is recommended that you:
  4. **note** that in response to the Minister of Finance's invitation to the Lead Coordination Minister for the Government Response to the Royal

Commission, a “placeholder” Budget ’25 package has been drafted for submission prior to 23 December;

5. **note** that this placeholder package has been costed in a way that will allow Cabinet flexibility when considering the redress policy options and not unintentionally influence Cabinet policy decisions by setting perceived benchmarks;
6. **note** that officials are continuing to refine this package within their agencies and with their Ministers; therefore, we anticipate some adjustments to initiatives and costings between now and 23 December;
7. **provide** your input on the this package, in particular regarding funding priorities;
8. **agree**, taking into account your input, that Minister Stanford direct Officials to submit the placeholder Budget package to the Treasury prior to 23 December;

Minister of Health	YES / NO
Minister of Education and Lead Coordination Minister for the Government’s Response	YES / NO
Minister for Social Development and Employment, Disability Issues and transferred responsibilities from the Minister for Children for redress decisions	YES / NO

9. **note** that the final package is due by 1pm 23 January 2025 and following this, Cabinet decisions will be sought to confirm the redress policy settings and Government Response Plan.



Rajesh Chhana  
Chief Executive, Crown Response Office  
Crown Response to the Abuse in Care  
Inquiry  
12/12/2024

Hon Erica Stanford  
**Lead Coordination Minister for the Crown  
Response to the Royal Commission’s Report  
into Historical Abuse in State Care and in the  
Care of Faith-based Institutions**  
Minister of Education  
/ /

Hon Dr Shane Reti  
**Minister for Health**  
/ /

Hon Louise Upston  
**Minister for Social Development and  
Employment, Minister for Disability Issues  
and transferred responsibilities from the  
Minister for Children for redress decisions**  
/ /

## **We seek your input and approval on this “placeholder” Budget ’25 package**

10. In response to the Minister of Finance’s invitation to the Lead Coordination Minister for the Government response to the Royal Commission, a placeholder Budget ’25 package has been drafted. This briefing provides a summary view of that package for your input and approval to be submitted to Treasury before 23 December.
11. A final package is due on 23 January 2025. Following this, as part of the next stage of the Budget process, Cabinet decisions will be sought over February and March 2025 to confirm the redress policy settings and Government Response Plan. These decisions will inform Cabinet’s final decisions regarding the Government’s Budget ’25 package.
12. This placeholder package has been costed in a way that will allow Cabinet flexibility when considering the redress policy options; therefore, it is the intent that policy decisions will only further refine the new investment required.

### ***This budget package is a primary mechanism to enable delivery on the Crown Response and future redress system settings***

13. The recommendations from the Royal Commission set out a vision for system change that is wide in scope, therefore, considering and responding to this vision requires system investment. This, and the time limited funding model of the current State redress system, has guided the development of a multi-year funding proposal to sustain and make improvements to the system. This package has three core components:
  - a. **Address the wrongs of the past.** This part of the package is focused on options for redress, including options for monetary payments for survivors; enhanced supports and services for survivors; the operational costs of handling claims and engaging with survivors.
  - b. **Ensure the safety of children, young people, and vulnerable adults in the current system.** This part of the package focused on care agency and system level initiatives needed to ensure the safety of people within the care system, future proof the care system, and support families and communities to be empowered to look after their own.
  - c. **Crown Response Office time limited funding.** This part of the package will be focused on funding for the Crown Response Office, which currently ends on 30 June 2025. This will include consideration for survivor engagement, advisory, monitoring and oversight and on-going departmental needs. Scaling and reprioritisation options will be proposed.
14. As a reflection of the complexity, scale, and variety of options Ministers will need to consider for their overall response, this placeholder package is large and may require further refining. Appendix One provides some questions to prompt your consideration and discussion as you review this package and consider your investment priorities for this Budget verses subsequent Budgets.
15. We seek your input and approval on the placeholder package, noting that further changes can be made before the final submission on 23 January.

### ***You may want to further consider Government investment priorities across this package to refine the proposal***

16. As you review the contents of this draft placeholder package, in the context of your overall vision and objectives for redress and care systems, you may want to consider what your

collective priorities are for this Budget package versus what you may want to consider for future Budgets. Appendix One outlines some questions to support your consideration.

17. There will be some dependencies across investment decisions. For example, if you decide to invest in a structural shift to a new redress entity and new operating model, we recommend investing in multi-year funding that meets the public demand for redress. Otherwise, the upfront investment may be undermined by an ongoing funding uncertainty.
18. There may be certain care system investments that are viewed as more critical or urgent than others. These may be reflected in the “ready to go” initiatives outlined in this package, or they may require more decision making to be formed; therefore, they could seek funding in contingency or through future Budgets.

### **There are three primary components to the package: Redress, Care System Safety, Crown Response Office**

19. This section provides high level summary of the draft placeholder Budget '25 proposal with more detail on the proposal components outlined in Appendix Two (Redress), Appendix Three (Care System) and Appendix Four (Crown Response Office).
20. This placeholder package has been prepared based on costing assumptions confirmed with Ministers through a series of briefings<sup>1</sup>. There will be adjustments made to the to these figures as we continue to work with you and your officials to refine the package between now and the final submission deadline on 23 January.
21. Currently the package proposes the following investment across the three areas:
  - a. Addressing the Wrongs of the past (Redress): 9(2)(f)(iv) (depending on the costing assumptions used for payments and supports);
  - b. Ensuring the safety of people in the care system: 9(2)(f)(iv) ;
  - c. Crown Response Office Time-Limited Funding: \$28.638m over two years.

#### ***Addressing the Wrongs of the Past: Redress***

22. In large part, funding for the current State redress system ends in June 2026; therefore, the redress part of this placeholder Budget package has both Cost Pressure and New Spending proposal objectives.
23. The scope of the proposal is limited to State redress funding. We note that further work is being undertaken to explore redress system integration with non-State entities [CAB-24-MIN-0434]. Due to it being early in that exploration and there being a number of complex considerations to work through with non-State entities, we propose that any additional

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<sup>1</sup> Preparing redress costings for a Crown Response Budget 2025 bid – Redress system function, approach, and structure assumptions [CRACI 24/094]; Monetary payment for survivors of abuse in care [CRACI 24/095]; Redress Supports and Services for Survivors of abuse in care, including supporting survivor legal fees and access to records [CRACI 24/101]; Approach to Budget 2025 investment in ensuring the safety of people in the current care system [CRACI 24/098]; Preparing costings for a Crown Response Budget 2025 bid – Time limited funding for the proposed duration of the Crown Response Office [CRACI 24/096].

costs associated with integrating a State and non-State system should be considered through future Budget processes.

24. In November 2024, Cabinet also agreed to increase the capacity of the four current State claims processes and noted that claims agencies will report back to Ministers by the end of December 2024 with options for the better integration of the existing claims processes [CAB-24-MIN-0434].
25. The Ministry of Education (MOE), Ministry of Health (MOH), Ministry of Social Development (MSD), and Oranga Tamariki (OT) report that they are in process of increasing their capacity and are on track to process the additional claims in 2025. Since the November Cabinet agreement, the invitation to Budget has been received; therefore, the system improvement work programme priority of the claims agencies has been the development of this Budget package. This package, and subsequent policy advice, will provide the appropriate avenue to consider options for system integration.

*Details of Redress costings can be found in Appendix Two*

26. Under our latest costing estimates, to relieve the government cost pressure to keep the current State redress systems operating is approximately <sup>9(2)(f)(iv)</sup> [REDACTED]
27. The high level approach taken to develop the proposal and associated New Spending costings includes consideration of what funding is required to achieve:
  - a. Sustainability to respond to the current and future demand from survivors for a settlement-based alternative disputes resolution state redress system;
  - b. Possible transition of the current system to a potential integrated single State redress system;
  - c. Keeping operating costs similar to those of current case management approach;
  - d. Provision of redress payments and support services, as well as other services currently provided (i.e. survivor legal fees and provision of care records).
28. Under those assumptions our latest costing estimates for the following New Funding elements are:
  - a. Establishment costs to set up a potential new entity: <sup>9(2)(f)(iv)</sup> [REDACTED]
  - b. Transition costs: <sup>9(2)(f)(iv)</sup> [REDACTED]
  - c. Review and complaints function: <sup>9(2)(f)(iv)</sup> [REDACTED]
  - d. One-off independent review of system changes: <sup>9(2)(f)(iv)</sup> [REDACTED]
  - e. Funding to allow co-design with survivors on targeted supports: <sup>9(2)(f)(iv)</sup> [REDACTED]
29. In order to maintain the integrity of the Cabinet policy decision process, we have costed at three different levels of funding for:
  - a. monetary payments for new claims (average of payment of \$20k, \$50k, and \$100k);
  - b. targeted supports for survivors (average per claimant of \$5k, \$10k, and \$15k).

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<sup>2</sup> Note that this is an early costing estimate: FY25/26 figures will go down as do not include funding currently in agency budgets; number assumes processing of 3000 claims per year which is higher than what the current system is funded for; number assume an average monetary payment of \$20k per settlement and an average \$5k per claimant of targeted support service.

30. To provide you with a sense of the range and fiscal impact, Appendix Two shows total costings at the higher and lower end of those options. The average cost for the current redress system sits at the lower end for both payments and supports. There is opportunity to mix and match (i.e. higher payment average, medium or low support average). Keeping the Budget package costing open at the higher end will allow Cabinet more decision-making flexibility in February and March 2025. It's important to ensure the integrity of Cabinet's decision-making ability regarding policy options.
31. This component of the package, including Cost Pressure and New Spending proposes a total investment ranging from 9(2)(f)(iv) depending on the costing assumptions used for payments and supports.

***Ensure Safety for People in the Care System***

32. The Royal Commission report includes recommendations intended to keep people out of state care settings and strengthen the safety and accountability of the care system. Many of the recommendations are complex, have significant, system wide implications, including structural, and do not have a single agency or Ministerial 'owner'.
33. This package does not outline what Government currently has underway which contributes to the broader Government response to the Royal Commission. This complementary work across government agencies will be included in the full Government Response package. This Budget package presents an opportunity for Government to progress with initiatives that either:
- a. have already been scoped and can be progressed with limited further work or;
  - b. the policy, design and implementation can be undertaken within the Budget '25 year enabling funding to be drawn-down from a contingency over the course of the year.
34. This component of the overall Budget package seeks new and further investment for initiatives that aim to improve the safety of the current care system for children, young people and adults with disabilities or mental health challenges. Each initiative has been assessed against the following conditions set out by the Minister of Finance:
- a. demonstrably contributes to the goal of improving the safety of people in care;
  - b. responds to the Royal Commission's vision, findings, and/or recommendations;
  - c. not be something that could (or should) be done as 'business as usual'; and
  - d. not be able to be funded through baseline reprioritisation.
35. The initiatives have been organised under six investment areas. Descriptions of the initiatives can be found in Appendix Three. You will have recently received more detail a briefing titled "Approach to Budget 2025 investment in ensuring the safety of people in the current care system" [CRACI 24/098 refers].
36. Each investment area contains two or more possible initiatives which have been developed by various agencies. Currently the approximate potential investment by area is:
- a. Empowering families, whānau and communities to prevent entry into care: 9(2)(f)(iv)
  - b. Preventing, recognising and responding to abuse in care: 9(2)(f)(iv)
  - c. Building a diverse, capable and safe care workforce: 9(2)(f)(iv)

- d. Monitoring the provision of care by providers and individuals: 9(2)(f)(iv)
  - e. Supporting people in care to have their voices heard and through advocacy: 9(2)(f)(iv)
  - f. Recordkeeping to connect people in care to their families, whakapapa and whenua: 9(2)(f)(iv)
37. This component of the package proposes a total investment of 9(2)(f)(iv)
38. Officials are continuing to tighten and refine the potential initiatives. We recommend Ministers consider the discussion questions outlined in Appendix One and use the space available in the Appendix Three table to indicate the level of priority each initiative may present.
39. The Minister of Finance has noted in the Budget invitation letter that Ministers will need to demonstrate why initiatives cannot be funded through reprioritisation within agency baselines. At this stage in the package development process, reprioritisation options have not been proposed by any agencies.

#### ***Crown Response Office Time-Limited Funding***

40. In September 2024, Cabinet agreed that the Crown Response Office begin with the transfer of relevant functions from the Crown Response Unit. As of 9 December 2024, the Crown Response Unit officially became the Crown Response Office.
41. The Crown Response Office was established to drive the implementation of the work programme arising from the Royal Commission, with functions that include [CAB-24-MIN-0331 refers]:
- a. Advising on policy, legislative change and redress design, and working closely with the Treasury on investment advice;
  - b. Engaging closely with stakeholders, including survivors, and providing secretariat support to relevant reference groups, as required;
  - c. Coordinating, monitoring and reporting on implementation of recommendations and Cabinet decisions across government; and
  - d. Providing secretariat support for the Group of responsible Chief Executives with accountabilities established through the response plan.
42. The Crown Response Office is currently funded until 30 June 2025. This Budget '25 package seeks funding for an additional two-years to support Government's response to the Royal Commission, including monitoring and assurance functions.
43. This component of the package proposes a total investment of \$28.638m over two years. We note that the Crown Response Office will complete its reforecast of Budget 2024 which may allow for reprioritisation to deliver outstanding project deliverables e.g. the National Day of Remembrance. This placeholder Budget '25 proposal does not reflect this work to be completed. If reprioritised funding is not available, it will need to be included in the final Budget request.

## Next steps

44. The Crown Response Budget Ministers Group is meeting on 17 December. This briefing along with the briefing titled "Approach to Budget 2025 investment in ensuring the safety of people in the current care system" [CRACI 24/098 refers] will be the focus of that discussion.
45. A placeholder budget package is to be submitted prior to 23 December and the final package proposal is due on 23 January.
46. A meeting is looking to be scheduled in January 2025, prior to the 23<sup>rd</sup>, to provide joint Ministers to review and approve the final Budget package submission.
47. Redress policy decisions will need to be made in time to inform Government's final Budget '25 package. There will be a process with Ministers in February to confirm those policy decisions and take proposals through Cabinet in March.
48. The development of the full Government Response Plan is underway. This plan will reflect the outcome of Budget 2025 and policy decisions we will make in early 2025, as well as initiatives that are already underway or planned within existing funding. You will receive a proposed framework for the plan by 18 December, for discussion at a joint Ministers' meeting in early 2025. Final decisions on the plan will then be sought by Cabinet in March/April.

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## Considering 2025 and future investment priorities

### Redress system investment considerations for this and future Budgets



Sustainable multi-year investment now?



Time-limit funding now and consider sustained funding through future Budgets?



Increased investment in supports and services through this package?



Consider increase in future Budgets?



Invest up front in co-design and engagement approaches now?



Consider this investment in the future Budgets?



Invest upfront in redress system monitoring oversight and system review?



Consider this investment in future Budgets?

### Care System 2025 investment priorities

#### Key Investment Areas:

- Prevent entry into care
- Prevent, recognise & respond to abuse in care
- Workforce capability
- Oversight and monitoring
- Voice and advocacy
- Record keeping

#### Budget process criteria to consider:

- demonstrably contribute to the goal of improving the safety of people in care
- respond to the Royal Commission's vision, findings and/or recommendations
- not be something that could (or should) be done as 'business as usual'
- not be able to be funded through baseline reprioritisation.

#### Invest now in:

- Agency specific "ready to go" initiatives
- Contingency to allow time for more system planning on priorities
- A combination of the two

#### Questions to consider

- Is there cross-system level investment which is higher priority or are all equally weighted?
- Are there specific care settings that are a higher priority due to care safety concerns (e.g. child protection, youth justice, disability, health, education)?
- Are there particular investments in specific care setting that are more priority than others?

## Appendix Two – Addressing the Wrongs of the Past (Redress)

### Cost Pressure only

Cost Pressure (to fund current system beyond June 2026)	FY25/26	FY26/27	FY27/28	FY28/29 and outyears	Total
Operating costs	9(2)(f)(iv)				
Personnel costs for receiving claims, engaging with survivors and assessing claims					
Personnel costs for operating an integrated single State redress system					
Litigation contingency					
Monetary payments for new claims					
Reimbursement of legal aid / legal or advocate fees for survivors					
Records provision to survivors					
Survivor Experience Service					
Targeted supports for survivors					
Independent records website					
<b>Total Cost Pressures</b>					

Note that: 1) FY25/26 figures will go down as do not include funding currently in agency budgets; 2) all numbers assume processing of 3000 claims per year which is higher than what the current system is funded for; 3) all numbers assume an average monetary payment of \$20k per settlement and an average \$5k per claimant of targeted support service

### New Spending and Cost Pressure

New Spending and Cost Pressure (Average \$20k monetary payment; Average \$5k targeted support)	FY25/26	FY26/27	FY27/28	FY28/29 and outyears	Total
Establishment costs	9(2)(f)(iv)				
Transition costs					
Operating costs					
Personnel costs for receiving claims, engaging with survivors and assessing claims					
Personnel costs for operating an integrated single State redress system					
Review and complaints function					
One-off independent review of system changes					
Litigation contingency					
Monetary payments for new claims					
Top up monetary payments for closed claims					
Personnel costs to make top up payments / supports to closed claims (based on fixed single payment)					
Reimbursement of legal aid / legal or advocate fees for survivors					
Records provision to survivors					
Survivor Experience Service					
Targeted supports for survivors					
Funding to provide targeted supports to closed claims					
Independent records website					
Funding to allow co-design with survivors on targeted support					

New Spending and Cost Pressure (Average \$50k monetary payment; Average \$10k targeted support)	FY25/26	FY26/27	FY27/28	FY28/29 and outyears	Total
Establishment costs	9(2)(f)(iv)				
Transition costs					
Operating costs					
Personnel costs for receiving claims, engaging with survivors and assessing claims					
Personnel costs for operating an integrated single State redress system					
Review and complaints function					
One-off independent review of system changes					
Litigation contingency					
Monetary payments for new claims					
Top up monetary payments for closed claims					
Personnel costs to make top up payments / supports to closed claims (based on fixed single payment)					
Reimbursement of legal aid / legal or advocate fees for survivors					
Records provision to survivors					
Survivor Experience Service					
Targeted supports for survivors					
Funding to provide targeted supports to closed claims					
Independent records website					
Funding to allow co-design with survivors on targeted support					

New Spending and Cost Pressure (Average \$100k monetary payment; Average \$15k targeted support)	FY25/26	FY26/27	FY27/28	FY28/29 and outyears	Total
Establishment costs	9(2)(f)(iv)				
Transition costs					
Operating costs					
Personnel costs for receiving claims, engaging with survivors and assessing claims					
Personnel costs for operating an integrated single State redress system					
Review and complaints function					
One-off independent review of system changes					
Litigation contingency					
Monetary payments for new claims					
Top up monetary payments for closed claims					
Personnel costs to make top up payments / supports to closed claims (based on fixed single payment)					
Reimbursement of legal aid / legal or advocate fees for survivors					
Records provision to survivors					
Survivor Experience Service					
Targeted supports for survivors					
Funding to provide targeted supports to closed claims					
Independent records website					
Funding to allow co-design with survivors on targeted support					

### Appendix Three – Ensuring the Safety of People in the Care System

Empowering families, whānau and communities to prevent entry into care		Vote(s)	For Minister Consideration on Priority level (circle one)		
1	\$25m tagged contingency to identify and invest in early interventions to prevent people entering into the care system, and build capacity and capability at the community level, with a specific focus on how intervention can support access to appropriate health, education and social services and supports	Health, Education, Oranga Tamariki, Social Development (DSS)	High	Medium	Low
2	9(2)(f)(iv)				
		<b>Total:</b> 9(2)(f)(iv)			
Preventing, recognising and responding to abuse in care		Vote(s)			
3	9(2)(f)(iv)				
4					
5					
6					
7	\$1.725m to improve built environments of mental health inpatient units to ensure safer care settings for tāngata whaiora (operating) consistent with recommendation 75	Health	High	Medium	Low
8	\$50m tagged contingency to improve built environments of mental health inpatient units to ensure safer care settings for tāngata whaiora (capital) consistent with recommendation 75		High	Medium	Low
9	\$6m to provide auditing of every disability support service provider over 4 years to ensure the quality of services is maintained	Disability	High	Medium	Low
10	\$2.8m to improve critical incident and complaints system for disability support services		High	Medium	Low
11	9(2)(f)(iv)				
		<b>Total:</b> 9(2)(f)(iv)			
Building a diverse, capable and safe care workforce		Vote(s)			
12	9(2)(f)(iv) tagged contingency to lift the quality of safety of the care system workforce focussing on core training and ongoing development and workforce screening, across Health, Education, Social Development, Disability, Care 9(2)(f)(iv) sectors	Health, Education, Oranga Tamariki, Social Development (DSS), 9(2)(f)(iv)	High	Medium	Low
13	9(2)(f)(iv)				
		<b>Total:</b> 9(2)(f)(iv)			
Monitoring the provision of care by providers and individuals		Vote(s)			
14	\$9.36m to bolster independent oversight of compulsory mental health care (scalable initiative)	Health	High	Medium	Low
15	9(2)(f)(iv)				
		<b>Total:</b> 9(2)(f)(iv)			
9(2)(f)(iv)					
Recordkeeping to connect people in care to the families, whakapapa and whenua		Vote(s)			
19	\$0.5m to support disability support service providers to help them treat records like taonga	Disability	High	Medium	Low
20	9(2)(f)(iv) to support changes to record keeping requirements	Education	High	Medium	Low
21	9(2)(f)(iv)				
22	9(2)(f)(iv) to uplift care recordkeeping to support new systems and improve management of legacy records	Internal Affairs	High	Medium	Low
23	9(2)(f)(iv) to improve access to records by survivors and agencies		High	Medium	Low
		<b>Total:</b> 9(2)(f)(iv)			
		<b>TOTAL</b>			9(2)(f)(iv)

## Appendix Four – Crown Response Office

Description	FY25/26	FY26/27	Total
<b>Crown Response Office kaimahi costs</b>			
Monitoring and assurance	\$ 1,264,000.00	\$ 1,295,600.00	\$ 2,559,600.00
Stakeholder engagement	\$ 2,111,000.00	\$ 2,163,775.00	\$ 4,274,775.00
Policy	\$ 3,572,000.00	\$ 3,661,300.00	\$ 7,233,300.00
Legal Services	\$ 230,000.00	\$ 235,750.00	\$ 465,750.00
Executive support and corporate services	\$ 1,463,000.00	\$ 1,499,575.00	\$ 2,962,575.00
Executive leadership	\$ 702,000.00	\$ 719,550.00	\$ 1,421,550.00
Inflation adjustment (2.5%)	\$ 233,550.00	\$ 239,388.75	\$ 472,938.75
<b>Subtotal</b>	<b>\$ 9,575,550.00</b>	<b>\$ 9,814,938.75</b>	<b>\$ 19,390,488.75</b>
<b>Crown Response Office overheads cost</b>			
Overheads	\$ 4,566,907.45	\$ 4,681,080.14	\$ 9,247,987.58
<b>Subtotal</b>	<b>\$ 4,566,907.45</b>	<b>\$ 4,681,080.14</b>	<b>\$ 9,247,987.58</b>
<b>Total</b>	<b>\$ 14,142,457.45</b>	<b>\$ 14,496,018.89</b>	<b>\$ 28,638,476.33</b>

Note that: The above numbers do not reflect work that is currently under way to reforecast the Crown Response Office's 2024 budget. The results of this process may affect the above numbers.

# Annex 1: Budget 2025 Cost Pressures and New Spending Template

## Section 1: Overview

Section 1A: Basic initiative information										
<b>Initiative title (max 120 characters)</b>	Crown Response Office (time limited operating funding)									
<b>Lead Minister</b>	Lead Coordination Minister for the Government's Response to the Royal Commission's Report into Historical Abuse in State Care and in the Care of Faith-based Institutions	<b>Agency</b>	Public Service Commission (Crown Response Office)							
<b>Initiative description (max 800 characters)</b>	This initiative provides funding for the Crown Response Office to drive the implementation of the work programme arising from the Royal Commission, with functions that include monitoring and oversight, survivor engagement, legal services, advisory, and on-going departmental needs.									
<b>Priority Area (PA) Objective</b>	<input checked="" type="checkbox"/> New Spending Commitments	<input type="checkbox"/> Capital Investments								
	<input type="checkbox"/> Cost Pressures	<input type="checkbox"/> Capital Cost Escalation								
	<input type="checkbox"/> Performance Plan Scrutiny									
<b>Is this a cross-Vote initiative?</b>	<b>No</b>	No								
<b>Does this require legislative change?</b>	No									
<b>Agency contact</b>	Name: Molly Elliott Phone: 9(2)(a) Email: Molly.Elliott019@msd.govt.nz		<b>Treasury contact (Vote Analyst)</b>	Name: Talei Pasikale Phone: 9(2)(a) Email: Talei.Pasikale@treasury.govt.nz						
Section 1B: Summary of funding profile										
Operating costs associated with initiative (\$m)										
2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total					
-	13.96	14.27	-	-	28.23					
*For irregular outyears, add additional rows above to display the full profile of the initiative. Delete "& outyears" for time-limited funding. See the Budget 2025 Uploading Initiatives to CFISnet for more information on entering outyears into CFISnet.										
Capital costs associated with initiative (\$m)										
24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	31/32	33/34*	Total
-	-	-	-	-	-	-	-	-	-	-
*Extend the profile above if funding is needed beyond 2033/34.										

## Section 2: Alignment and options analysis

There are **specific sections to complete based on the PA Objective** of the Initiative (feel free to delete non-relevant sections of the template):

- Cost Pressures, Capital Cost Escalations and Performance Plan Scrutiny: **Section 2A and 2C**
- New Spending Commitments and Capital Investments: **Section 2B and 2C**

Section 2A: Problem definition – Cost Pressure	
The answer to each question must not exceed 1-2 paragraphs	
Type of cost pressure (select 1)	<input type="checkbox"/> Wage <input type="checkbox"/> Price <input type="checkbox"/> Volume <input checked="" type="checkbox"/> Other
What is the cause of the cost pressure?	The Crown Response Office (CRO) has no funding past 30 June 2025.
Why is the cost pressure unmanageable?	The CRO is mandated to drive and co-ordinate the Crown's response to the final report from the Royal Commission. The CRO is also mandated with leading cross-agency advice on addressing the urgent issues identified by the Abuse in Care Royal Commission of Inquiry (the Royal Commission) with current abuse claims services for survivors of abuse in care. As the CRO has, to date, been funded year-by-year to ensure that it remains responsive to the Royal Commission's particular phase, it has no funding past 30 June 2025. Time limited funding for the period that CRO is expected to exist is therefore necessary to enable the CRO to continue to drive and co-ordinate the Government's response to the Royal Commission's full set of findings and recommendations.
Alignment to Government Priorities (if alignment to multiple Priorities is possible, select the most relevant)	<input type="checkbox"/> Addressing the rising cost of living <input checked="" type="checkbox"/> Delivering effective and fiscally sustainable public services
	<input type="checkbox"/> Building for growth and enabling private enterprise <input type="checkbox"/> Not Aligned
	The CRO drives and co-ordinates Government's response to the Royal Commission whose recommendations relate to the quality and safety of current and future care services and the delivery of more effective redress services for survivors of abuse in care.
Section 2C: Options analysis	
The answer to each question must not exceed 1-2 paragraphs	
What was the range of options considered?	This Budget Bid seeks funding for an additional two-years of operation, to support redress design, the response plan to the Royal Commission and the monitoring and assurance functions of the Office. This component of the package proposes a total investment of \$28.23 million over two years.
What was the process used to select the preferred option?	Consideration has been given to the fiscally constrained environment the wider public sector is operating in, and the need for pace and delivery have been balanced with fiscal responsibility. High expectations among survivors and the public for a meaningful and urgent response from the Crown. This reflects the long-standing nature of concerns around survivor access to justice, the high-profile nature of the Royal Commission, and the adverse commentary the Royal Commission has made about existing abuse claims processes.
Interaction with savings proposals	The Crown Response Office was not required to submit savings proposals as it has no funding beyond FY2024/25 to return.

## Section 3: Costs and Benefits Analysis

All initiatives need to complete section 3A and 3B.

All initiatives except those submitted by:

- agencies provided with an envelope, or
- economic growth initiatives that are asked to provide a fiscally neutral option

are required to complete section 3C.

## Section 3A: Benefits and non-fiscal costs

The answer to each question must not exceed 1-2 paragraphs.

<p><b>What outcome(s) would the initiative achieve?</b></p>	<p>Funding for the CRO will drive the implementation of the work programme arising from the Royal Commission, with functions [CAB-24-MIN-0331 refers] that include:</p> <ol style="list-style-type: none"> <li>1. Advising on policy, legislative change and redress design, and working closely with the Treasury on investment advice;</li> <li>2. Engaging closely with stakeholders, including survivors, and providing secretariat support to relevant reference groups, as required;</li> <li>3. Supporting government decisions to deliver and implement its plan for responding to the Royal Commission recommendations, for improvements to redress;</li> <li>4. Coordinating, monitoring and reporting on implementation of recommendations and Cabinet decisions across government; and</li> <li>5. Providing secretariat support for the Group of responsible Chief Executives with accountabilities established through the response plan.</li> </ol> <p><i>What are the identifiable and measurable social, economic and/or environmental benefits and costs associated with this initiative? Describe how the expected benefits will be realised. Are there specific populations that this initiative is intended to serve? What is the specific impact or difference that funding this initiative will achieve? How likely is it that these outcomes will be achieved? What are the risks to this not being achieved? What are the risks associated with this initiative (e.g. non-fiscal costs/potential unintended consequences) and how will these be avoided or mitigated)?</i></p>		
<p><b>How will these outcomes be measured and evaluated?</b></p>	<p>One of the key roles of the Crown Response Office is to enable accountability by establishing and coordinating a clear plan, providing monitoring and assurance of agencies' activities, and communicating regularly with relevant agency Chief Executives [CAB-24-MIN-0331 refers]. Budget sought through this bid will enable the Crown Response Office to:</p> <ul style="list-style-type: none"> <li>• establish and implement centralised monitoring and oversight of the Government's abuse in care response plan; and</li> <li>• Provide in-house capability and capacity to coordinate and support centralised oversight, monitoring and reporting on cross-agency progress in implementing the response plan.</li> </ul> <p><i>What does success of this initiative look like? What is the evaluation plan to measure the success of this initiative?</i></p>		
<p><b>Evidence and assumptions</b></p>	<p><i>Provide key evidence (data/other information) and key assumptions to support the existence and timeframes of the identified benefits, including any gaps or uncertainties, including with the quality of evidence.</i></p> <p><i>For new spending proposals with a cost of \$100 million or more over the forecast period or if so directed, you must demonstrate value for money by a modelled cost benefit analysis (CBA). Except where an exception and alternative analysis has been agreed with your Treasury vote team, this should be monetised through the Treasury's CBAX model.</i></p> <p><i>For new spending proposals with a cost of less than \$100 million over the forecast period, you must identify impacts (costs and benefits) and to the extent feasible quantify and monetise these impacts. Again, monetisation should be implemented through the CBAX model.</i></p> <p><i>All new spending proposals should include:</i></p> <ul style="list-style-type: none"> <li>- <i>intervention logic. That is, how does the proposal lead to the costs and intended benefits?</i></li> <li>- <i>whether benefits exceed costs (whether monetised or not).</i></li> </ul>		
<p><b>Climate impact</b></p>	<p><input type="checkbox"/> Yes – emissions impacts (positive or negative)</p>	<p><input type="checkbox"/> Yes – climate adaptation or resilience impacts (positive or negative)</p>	<p><input checked="" type="checkbox"/> No impact</p>
<p>No impact</p>			

## Section 3B: Expenditure profile and cost breakdown

The answer to each question must not exceed 1-2 paragraphs.

Formula and assumptions underlying costings	Description	FY25/26	FY26/27	Total
	Crown Response Office kaimahi costs	\$'million	\$'million	\$'million
	Monitoring and assurance	1.33	1.36	2.68
	Stakeholder engagement	2.22	2.26	4.48
	Policy	3.60	3.68	7.28
	Legal Services	0.26	0.27	0.53
	Executive support and corporate services	1.54	1.57	3.10
	Executive leadership	0.74	0.75	1.49
	<b>Subtotal</b>	<b>9.68</b>	<b>9.89</b>	<b>19.57</b>
	Crown Response Office other costs			
Litigation costs	0.80	0.82	1.62	
Engagement costs	0.75	0.76	1.51	
Other Operating costs	0.83	0.85	1.68	
Overheads	1.90	1.95	3.85	
<b>Subtotal</b>	<b>4.28</b>	<b>4.38</b>	<b>8.66</b>	
<b>Total</b>	<b>13.96</b>	<b>14.27</b>	<b>28.23</b>	

An amount has been included in overhead costs for IT equipment that may need to be purchased in FY24/25 due to the move to a new host agency. These costs may be treated as fixed assets.

*Provide any formula that has been used to support the calculation of the costings. Alternatively, a spreadsheet of the costing that demonstrates the formula used to calculate the costing can be attached.*

Provide a breakdown of existing and additional funding sought by individual expense category and agency. Add additional rows as appropriate for additional expense categories.

### Operating expenses (\$m)

#### Existing operating funding (\$m)

Operating expense category	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
FTE costs	8.23					
Operating costs	1.91					
Overheads	0.71					

#### Operating costs associated with initiative (\$m)

Operating expense category	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
Operating costs	-	2.23	2.28	-	-	4.51

#### Personnel expenditure (\$m) – please state impact at the initiative level

Net FTE funding	-	9.68	9.89	-	-	19.57
Net contractor/consultant funding	-	0.15	0.15	-	-	0.30
Net FTE and contractor/consultant overhead funding	-	1.90	1.95	-	-	3.85
<b>Total operating expenses (\$m)</b>	<b>-</b>	<b>13.96</b>	<b>14.27</b>	<b>-</b>	<b>-</b>	<b>28.23</b>

\*Extend the profile above to a "steady state" if funding into outyears is irregular. Delete "& outyears" for time-limited funding.

#### FTE implications – please state impact at the agency level

	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears
Total # of net FTEs at [Agency / Crown Entity / etc.] (employees)	-	57.0	57.0	-	-
Total # of net FTEs at [Agency / Crown Entity / etc.] (contractors/consultants)	-	0.5	0.5	-	-
<b>Total # of net FTEs (employees and contractors/consultant) over the forecast period</b>	-	57.5	57.5	-	-

**Additional occupation breakdown of FTE changes (count) over the forecast period**

Occupation	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears
Managers	-	5	5	-	-
Policy Analyst	-	20	20	-	-
Information Professionals	-	13	13	-	-
Social, Health and Education Workers	-	-	-	-	-
ICT Professionals and Technicians	-	-	-	-	-
Legal, HR and Finance Professionals	-	3	3	-	-
Other Professionals not included elsewhere	-	13	13	-	-
Inspectors and Regulatory Officers	-	2	2	-	-
Contact Centre Workers	-	-	-	-	-
Clerical and Administrative Workers	-	1	1	-	-
Other Occupations	-	-	-	-	-

**Would funding this initiative impact current employees?** *Please indicate if funding this initiative extends the employment of or retains current employees, or if it is to fund new employees. If there is a split, please describe how it is split and if possible, provide figures here.*

**Existing capital funding (\$m)**

Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
<i>[Type of funding currently allocated or set aside in contingency. E.g. current baseline funding allocated.] - [Agency / Crown Entity etc.]</i>	-	-	-	-	-	-	-	-	-	-	-

Capital costs associated with initiative (\$m)											
Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
[Name of capital expense category] - [Agency / Crown Entity etc.]	-	-	-	-	-	-	-	-	-	-	-
[Name of capital expense category] - [Agency / Crown Entity etc.]	-	-	-	-	-	-	-	-	-	-	-
[Name/type of contingency] - [Agency / Crown Entity etc.]	-	-	-	-	-	-	-	-	-	-	-
<b>Total (\$m)</b>	-	-	-	-	-	-	-	-	-	-	-

\*Extend the profile above if funding is needed beyond 2033/34.

### Section 3C: Scaled and/or Reprioritisation Options to meet 75%, 50% and 25%

Operating expenses (\$m)						
Operating expenses and reprioritisation (\$m)	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
[Total cost of full or scaled option]	[●]	[●]	[●]	[●]	[●]	[●]
[Reprioritisation Option – please state the corresponding initiative ID and Title]	[●]	[●]	[●]	[●]	[●]	[●]
<b>Net Total (\$m) – 75%</b>	[●]	[●]	[●]	[●]	[●]	[●]
[Total cost of full or scaled option]	[●]	[●]	[●]	[●]	[●]	[●]
[Reprioritisation Option – please state the corresponding initiative ID and Title]	[●]	[●]	[●]	[●]	[●]	[●]
<b>Net Total (\$m) – 50%</b>	[●]	[●]	[●]	[●]	[●]	[●]
[Total cost of full or scaled option]	[●]	[●]	[●]	[●]	[●]	[●]
[Reprioritisation Option – please state the corresponding initiative ID and Title]	[●]	[●]	[●]	[●]	[●]	[●]
<b>Net Total (\$m) – 25%</b>	[●]	[●]	[●]	[●]	[●]	[●]

Capital expenses (\$m)											
Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
[Name of capital expense category]	-	-	-	-	-	-	-	-	-	-	-
[Name of capital expense category]	-	-	-	-	-	-	-	-	-	-	-
[Name/type of contingency]	-	-	-	-	-	-	-	-	-	-	-
<b>Total (\$m)</b>	-	-	-	-	-	-	-	-	-	-	-

\*Extend the profile above if funding is needed beyond 2032/33.

<p><b>Scaling of initiative</b></p>	<p>Scaling options for this part of the package (75%, 50% and 25%) are proposed.</p> <p><i>What are the expense categories being scaled to achieve the scaled options described above?</i></p> <p><i>Detail:</i></p> <ul style="list-style-type: none"> <li>- <i>The main expense category being changed and the impact on the initiative's output.</i></li> <li>- <i>Any significant changes to workforce implications of the initiative (both numbers and the occupational roles)</i></li> </ul>
<p><b>What are the main risks of the options presented above?</b></p>	<p>There are options to scale the funding request and we recommend that these are considered alongside the decisions Ministers are expected to make in relation to the scope of any new redress system (including the nature of a new redress entity, and what redress will be delivered through the system), care system safety package, and overall plan for responding to the Royal Commission recommendations. The outcomes of these decisions will impact on the nature and costs of the capability required to deliver.</p> <p>Note that any reductions will impact the Crown Response Office's ability to coordinate and drive the implementation of the work programme arising from the Royal Commission</p> <p><i>What are the implications of the proposed scaled/reprioritisation options proposed above. Including potential implications if the initiative was funded through reprioritisation only. Detail:</i></p> <ul style="list-style-type: none"> <li>- <i>Any risks or impacts if the affected reprioritisation activity is stopped, deferred or rescoped</i></li> <li>- <i>Any trade-offs required (e.g., changing policy settings for existing arrangements, choosing to reduce either output or quality of an existing service), including reprioritising existing funding.</i></li> <li>- <i>Any flow-on implications this may have (e.g., impacts on service delivery, failure to meet legislative or contractual obligations, future cost pressures).</i></li> </ul> <p><i>Any risks to the effectiveness and resilience of regulatory systems (e.g., risks of regulatory failures)?</i></p>

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## Section 4: Delivery

There are **specific sections to complete based on the PA Objective** of the Initiative (feel free to delete non-relevant sections of the template):

- Cost Pressures, Capital Cost Escalations and Performance Plan Scrutiny: **Section 4A and 4D**
- New Spending Commitments and Capital Investments: **All sections**

### Section 4A: Procurement

The answer to each question must not exceed 1-2 paragraphs.

<p><b>What is the initiative purchasing/funding?</b></p>	<p>The Crown Response Office is funded until 30 June 2025. This Budget Bid seeks funding for an additional two-years of operation, to drive the implementation of the work programme arising from the Royal Commission, with functions that include:</p> <ul style="list-style-type: none"> <li>• Advising on policy, legislative change and redress design, and working closely with the Treasury on investment advice;</li> <li>• Engaging closely with stakeholders, including survivors, and providing secretariat support to relevant reference groups, as required;</li> <li>• Coordinating, monitoring and reporting on implementation of recommendations and Cabinet decisions across government; and</li> <li>• Providing secretariat support for the Group of responsible Chief Executives with accountabilities established through the response plan.</li> </ul> <p>Most of the funding is for fixed-term or seconded personnel, covering both general and specialist functions – policy development and analysis, legal services, monitoring, reporting and oversight, engagement with survivors and other relevant stakeholders, corporate services and ministerial support.</p> <p>The other costs are:</p> <ul style="list-style-type: none"> <li>• Overheads, which includes: <ul style="list-style-type: none"> <li>○ overhead costs, that in previous years, were covered by Oranga Tamariki as our host agency. These costs cannot be absorbed by the Public Service Commission, as our new host. This includes paying for desk space, phone and laptop plans and equipment, IT licences and helpdesk and payroll support services; and</li> <li>○ An increase in overhead recovery costs sought by the Public Service Commission for an estimated increase in audit fees and for general corporate service support</li> </ul> </li> <li>• Operating costs: <ul style="list-style-type: none"> <li>○ to pay fees for members of formal groups and other associated costs to host meeting or engagement events; and</li> <li>○ legal services provided by the Crown Law Office, or an external provider.</li> </ul> </li> </ul> <p><i>Describe the key resources (workforce, goods, assets, and services) that need to be sourced, including any ancillary services, and how sourcing these resources will address the cost pressure or deliver the initiative. The answer should align with the initiative description and the problem definition in Section 1A and Section 2A (for cost pressures ) /2B (for new spending) respectively. Please also describe any significant changes to the key resources because of scaling/reprioritisation options presented in Section 4. Attach the Procurement Plan for the initiative (if there is one).</i></p>
<p><b>What market constraints or other delivery risks exist?</b></p>	<p>There are some employment market constraints for retaining and recruiting appropriately skilled and experienced personnel. However, the strong service-focussed nature of the work can help alleviate some of the general employment pressures.</p> <p>There is a delivery risk that government agencies may be unable to contribute sufficiently to the response to the Royal Commission due to competing priorities and/or resource constraints. This bid seeks funding to enable secondments of expert staff into the Crown Response Office, or alternatively, support agencies to lead cross-agency work.</p> <p><i>Briefly describe key market constraints/conditions (including capacity and capability), dependencies or other delivery risks that may prevent delivering the outcome sought, and whether there are any possible mitigations.</i></p>

	<i>Describe the likelihood of additional funding being needed in the future, with reference to the original cost pressure drivers and any anticipated timeframes for when future pressure will materialise.</i>
<b>Government Procurement Rules</b>	Will be undertaken in line with Government Procurements, Principles, Rules and related guidance.

### Section 4B: Risks, constraints, and dependencies

The answer to each question must not exceed 1-2 paragraphs

<b>What are the main risks?</b>	<p>There are some employment market constraints for retaining and recruiting appropriately skilled and experienced personnel. However, the strong service-focussed nature of the work can help alleviate some of the general employment pressures.</p> <p>There is a delivery risk that government agencies may be unable to contribute sufficiently to the response to the Royal Commission due to competing priorities and/or resource constraints. This bid seeks funding to enable secondments of expert staff into the Crown Response Office, or alternatively, support agencies to lead cross-agency work.</p> <p><i>Describe the main risks associated with this initiative and the proposed mitigations to address these. What are the potential and likely consequences of risks being realised? Focus on the 20% of risks which are likely to provide 80% of the initiative's risk values. Attach the risk register for the initiative (if there is one).</i></p> <p><i>You should state whether the initiative will have any revenue implications for your agencies, for other agencies, or for the crown.</i></p>
<b>What are the key constraints?</b>	<i>Describe any key constraints that have been and/or could be placed on the initiative.</i>
<b>What are the key dependencies?</b>	<i>Describe any key dependencies that are outside the scope of the initiative and may determine the initiative's success.</i>

### Section 4C: Governance and oversight

The answer to each question must not exceed 1-2 paragraphs.

<b>What are the governance arrangements for this initiative?</b>	<p>Strategic oversight is provided by a Crown Response Chief Executives Group. The role of the group is to enable agency accountability by:</p> <ul style="list-style-type: none"> <li>• establishing a clear plan</li> <li>• monitoring agencies' progress on their actions</li> <li>• communicating regularly with relevant agency chief executives.</li> </ul> <p>The group is chaired by a Deputy Public Service Commissioner of the Public Service Commission. Members of the group are Chief Executives from:</p> <ul style="list-style-type: none"> <li>• Department of the Prime Minister and Cabinet</li> <li>• Oranga Tamariki   Ministry for Children</li> <li>• Ministry of Education</li> <li>• Ministry of Health</li> <li>• Ministry of Justice</li> <li>• Ministry of Social Development</li> <li>• The Treasury</li> <li>• Whaikaha   Ministry of Disabled People.</li> </ul> <p>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 is Hon Minister Erica Stanford.</p> <p>This bid also seeks funding to establish an independent reference or advisory group/s that provide oversight and monitoring advice to Ministers.</p> <p><i>What is the proposed governance structure and the membership composition, including decision making and any advisory groups? Describe the accountability for delivery. It is optional to attach the Governance Diagram showing the governance structure.</i></p> <p><i>Explain how the proposed governance structure provides for input from partners/stakeholders/customers, including iwi and Māori?</i></p>
<b>Timeframes and monitoring</b>	

Outline key milestones and the expected timeframe for the delivery of these milestones. When will the lead Minister(s) receive information on implementation and delivery of this initiative?

## Section 4D: Demonstrating performance

The answer to each question must not exceed 1-2 paragraphs.

Is it part of an existing strategy / work programme / initiative with existing reporting, and if so what is it called and how is it monitored?

Outline the type (or types) of evaluation planned and their timeframe(s). Indicate what funding is proposed to be allocated for evaluation.

Indicate if the evaluation requires data/information to be produced or made available that is not included as part of this investment and would therefore need to be provided by other investment(s).

Describe the performance information that would be included in the Estimates if this initiative was funded, or if the performance information in the Estimates is not expected to change then describe the reasons for that decision.

## Section 5: Equity

All initiatives need to complete this section.

The answer to each question must not exceed 1-2 paragraphs.

<p><b>Timing of costs and benefits</b></p>	<p>The bulk of the cost will be incurred between FY25/26 and FY 26/27 as the time period for redress system design work and responding to the Royal Commission's final report. Benefits are expected in out years, as new or improved redress and care services are accessed or experienced by survivors (for redress) and children and young people (for care services).</p> <p>Indicate if the costs and benefits associated with this cost pressure or new spending initiative will accrue over the short term (&lt;5 years), medium term (5-10 years), long term (&gt;10 years) or inter-generationally. Indicate whether, and why, benefits and costs vary across different timeframes and the length of impact.</p>			
<p><b>Treaty of Waitangi (Te Tiriti o Waitangi) Obligations</b></p>	<p>Yes</p>	<p>There are Treaty implications for the work of the CRO as Māori have disproportionately experienced abuse in care, which has had compounding impacts on loss of language, identity, and belonging.</p> <p>Specific breaches of Crown obligations under the Treaty in relation to the care system have been acknowledged by Chief Executives of Crown agencies in the Royal Commission's State institutional response hearings in 2022. Part of the ongoing work of the CRO and the wider Crown Response is addressing those breaches through the expected new redress system and other work programmes that are expected in response to the Royal Commission's final report.</p> <p>There are no specific settlement implications directly relevant to the CRO.</p> <p>Are there any opportunities in relation to conducting the Government's obligations under the Treaty of Waitangi?</p> <p>Describe any specific opportunities and outline how these arise. Guidance on applying the Treaty to policy work can be found <a href="#">here</a> and <a href="#">here</a>.</p>		
<p><b>Specific implications regarding human rights</b></p>	<p>Yes</p>	<p>Abuse in State care represents a breach of human rights under the New Zealand Bill of Rights Act 1990 and Human Rights Act 1993 and can in some instances represent a breach of the Convention against Torture and Other Cruel, Inhuman and Degrading Treatment or Punishment. Redress seeks to address these breaches and help ensure the Government is providing an appropriate remedy under the Convention.</p>		
<p><b>Does the initiative have a larger impact on any of the following groups of New Zealanders than on the population as a whole?</b></p>	<p>Māori</p>	<p>Yes - Positive <input checked="" type="checkbox"/></p>	<p>Yes - Negative <input type="checkbox"/></p>	<p>No impact <input type="checkbox"/></p>
	<p>Pasifika</p>	<p>Yes - Positive <input checked="" type="checkbox"/></p>	<p>Yes - Negative <input type="checkbox"/></p>	<p>No impact <input type="checkbox"/></p>
	<p>Other minority ethnic groups</p>	<p>Yes - Positive <input type="checkbox"/></p>	<p>Yes - Negative <input type="checkbox"/></p>	<p>No impact <input checked="" type="checkbox"/></p>
	<p>Rural Populations</p>	<p>Yes - Positive <input type="checkbox"/></p>	<p>Yes - Negative <input type="checkbox"/></p>	<p>No impact <input checked="" type="checkbox"/></p>
	<p>Seniors</p>	<p>Yes - Positive <input type="checkbox"/></p>	<p>Yes - Negative <input type="checkbox"/></p>	<p>No impact <input type="checkbox"/></p>
	<p>Disabled Peoples</p>	<p>Yes - Positive <input checked="" type="checkbox"/></p>	<p>Yes - Negative <input type="checkbox"/></p>	<p>No impact <input type="checkbox"/></p>
	<p>Women and girls</p>	<p>Yes - Positive <input type="checkbox"/></p>	<p>Yes - Negative <input type="checkbox"/></p>	<p>No impact <input checked="" type="checkbox"/></p>

	<i>Low-income individuals / families</i>	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	<i>Children and Young People</i>	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	<i>Other groups (please specify)</i>	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
<b>Distributional Impacts</b>	<p>There are Treaty implications for the work of the CRO as Māori have disproportionately experienced abuse in care, which has had compounding impacts on loss of language, identity, and belonging.</p> <p>Specific breaches of Crown obligations under the Treaty in relation to the care system have been acknowledged by Chief Executives of Crown agencies in the Royal Commission's State institutional response hearings in 2022. Part of the ongoing work of the CRO and the wider Crown Response is addressing those breaches through the expected new redress system and other work programmes that are expected in response to the Royal Commission's final report.</p> <p>There are no specific settlement implications directly relevant to the CRO.</p>			

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# For Reference: Consolidation of 23/12/2024 Placeholder Templates uploaded into CiFSNet: Section One only Care System Safety package.

Agency-specific initiatives by investment area	2025/26	2026/27	2027/28	2028/29	\$ million	(over 4 years)
<b>Investment Area 1: Empowering families, whānau and communities to prevent entry into care</b>	6.25	6.25	6.25	6.25		25.00
Early Intervention (joint contingency)	6.25	6.25	6.25	6.25		25.00
<b>Investment Area 2a: Preventing abuse in care</b>	9(2)(f)(iv)					
Safer mental health and addiction environments - operating	0.86	0.86				9(2)(f)(iv)
Safer mental health and addiction environments - capital	1.00	5.00	10.00	34.00		50.00
<b>Investment Area 2b: Recognising and responding to abuse in care</b>	9(2)(f)(iv)					
Audits	1.50	1.50	1.50	1.50		6.00
Improve our critical incident and complaints system	1.80	0.70	0.15	0.15		2.80
Reducing abuse and harm to children and young people cared for by individual caregivers	3.60	1.35	1.35	0.85		9(2)(f)(iv)
Reducing abuse and harm to children and young people in community and remand homes – both	5.35	3.05	3.30	1.55		
<b>Investment Area 3: Building a diverse, capable and safe care workforce</b>	9(2)(f)(iv)					
Workforce training (joint contingency)	18.75	18.75	18.75	18.75		9(2)(t)(iv)
<b>Investment Area 4: Monitoring the provision of care by providers and individuals</b>	1.58	1.81	2.98	2.98		9.36
Bolstering independent oversight of compulsory mental health care	1.58	1.81	2.98	2.98		9.36
<b>Investment Area 6: Recordkeeping to connect people in care to their families, and to whakapapa</b>	9(2)(f)(iv)					
Provider records	0.50					0.50
Supporting future record keeping	1.16	1.16	1.16	1.16		9(2)(f)(iv)
Uplift in care recordkeeping	1.11	1.13	1.15	1.17		
Access to records	0.44	0.45	0.46	0.47		
<b>Grand Total</b>	9(2)(f)(iv)					

## Annex 1: Budget 2025 Cost Pressures and New Spending Template

### Section 1: Care System Safety - recognising and responding to abuse in care

#### Section 1A: Basic initiative information

<b>Initiative title (max 120 characters)</b>	Care System Safety - recognising and responding to abuse in care.		
<b>Lead Minister</b>	Lead Coordination Minister for the Government's Response to the Royal Commission's Report into Historical Abuse in State Care and in the Care of Faith-based Institutions	<b>Agency</b>	Crown Response Office, Public Service Commission
<b>Initiative description (max 800 characters)</b>	<p>This initiative is one of seven initiatives that respond to recommendations made by the Abuse in Care Royal Commission of Inquiry (Royal Commission) in its final report and focuses on recommendations to embed safeguarding at all levels of the care system as a key preventative mechanism.</p> <p>Agencies have identified four initiatives 9(2)(f)(iv) for investment to recognise and respond to abuse in care:</p> <ul style="list-style-type: none"> <li>Vote Oranga Tamariki – 9(2)(f)(iv) to reduce abuse and harm to children and young people cared for by individual caregivers and 9(2)(f)(iv) to reduce abuse and harm to children and young people in community and remand homes; and</li> <li>Vote Social Development (DSS) – \$6m to audit every disability support service provider to ensure the quality of services is maintained and \$2.8m to improve the critical incident and complaints system for disability support services.</li> </ul> <p>Please note that an abbreviated version of this description has been entered into CFISnet.</p>		

Priority Area (PA) Objective	<input checked="" type="checkbox"/>	New Spending Commitments	<input type="checkbox"/>	Capital Investments
	<input type="checkbox"/>	Cost Pressures	<input type="checkbox"/>	Capital Cost Escalation
	<input type="checkbox"/>	Performance Plan Scrutiny		

Is this a cross-Vote initiative?	Yes	Oranga Tamariki, Social Development (DSS)
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Does this require legislative change?	No
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Agency contact	Name: Molly Elliott Phone: 9(2)(a) Email: Molly.Elliott019@msd.govt.nz	Treasury contact (Vote Analyst)	Name: Talei Pasikale Phone: 9(2)(a) Email: Talei.Pasikale@treasury.govt.nz
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**Section 1B: Summary of funding profile**

**Total operating costs associated with initiative (\$m)**

2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total
9(2)(f)(iv)					

**Operating costs associated with initiative – Vote Oranga Tamariki (\$m)**

2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total
9(2)(f)(iv)					

**Operating costs associated with initiative – Vote Social Development (DSS) (\$m)**

2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total
0.000	3.300	2.200	1.650	1.650	8.800

\*For irregular outyears, add additional rows above to display the full profile of the initiative. Delete "& outyears" for time-limited funding. See the Budget 2025 Uploading Initiatives to CFISnet for more information on entering outyears into CFISnet.

**Capital costs associated with initiative (\$m)**

24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	31/32	33/34*	Total
[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]

\*Extend the profile above if funding is needed beyond 2033/34.

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## Section 1: Care System Safety - recordkeeping to improve quality, quantity, capacity, access to records, and whanau connections

Section 1A: Basic initiative information					
<b>Initiative title (max 120 characters)</b>	Care System Safety - recordkeeping to improve quality, quantity, capacity, access to records, and whanau connections				
<b>Lead Minister</b>	Lead Coordination Minister for the Government's Response to the Royal Commission's Report into Historical Abuse in State Care and in the Care of Faith-based Institutions	<b>Agency</b>	Crown Response Office, Public Service Commission		
<b>Initiative description (max 800 characters)</b>	<p>This initiative is one of seven initiatives that respond to recommendations made by the Abuse in Care Royal Commission of Inquiry (Royal Commission) in its final report. The Royal Commission highlighted how records provide survivors with information about their identity and made recommendations relating to improving recordkeeping practices and access to records.</p> <p>Agencies have identified four initiatives <sup>9(2)(f)(iv)</sup> relating to recordkeeping:</p> <ul style="list-style-type: none"> <li>• Vote Education – <sup>9(2)(f)(iv)</sup> to support changes to record keeping requirements;</li> <li>• Vote Internal Affairs – <sup>9(2)(f)(iv)</sup> to uplift care recordkeeping to support new systems and improve management of legacy records and <sup>9(2)(f)(iv)</sup> to improve access to records by survivors and agencies; and</li> <li>• Vote Social Development (DSS) – \$0.500m to support disability support service providers.</li> </ul> <p>Please note, an abbreviated version of this description has been entered in CFISnet.</p>				
<b>Priority Area (PA) Objective</b>	<input checked="" type="checkbox"/> <i>New Spending Commitments</i>	<input type="checkbox"/> <i>Capital Investments</i>			
	<input type="checkbox"/> <i>Cost Pressures</i>	<input type="checkbox"/> <i>Capital Cost Escalation</i>			
	<input type="checkbox"/> <i>Performance Plan Scrutiny</i>				
<b>Is this a cross-Vote initiative?</b>	<b>Yes</b>	Education, Internal Affairs, Social Development (Disability Support Services)			
<b>Does this require legislative change?</b>	<b>No</b>				
<b>Agency contact</b>	Name: Molly Elliott Phone: <sup>9(2)(a)</sup> Email: Molly.Elliott019@msd.govt.nz		<b>Treasury contact (Vote Analyst)</b>	Name: Talei Pasikale Phone: <sup>9(2)(a)</sup> Email: Talei.Pasikale@treasury.govt.nz	
Section 1B: Summary of funding profile					
Total operating costs associated with initiative (\$m)					
2024/25 <sup>9(2)(f)(iv)</sup>	2025/26	2026/27	2027/28	2028/29 & outyears*	Total
Operating costs associated with initiative – Education (\$m)					
2024/25 <sup>9(2)(f)(iv)</sup>	2025/26	2026/27	2027/28	2028/29 & outyears*	Total
Operating costs associated with initiative – Vote Internal Affairs (\$m)					
2024/25 <sup>9(2)(f)(iv)</sup>	2025/26	2026/27	2027/28	2028/29 & outyears*	Total

**Operating costs associated with initiative – Vote Social Development (DSS) (\$m)**

2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total
0.000	0.500	0.000	0.000	0.000	<b>0.500</b>

\*For irregular outyears, add additional rows above to display the full profile of the initiative. Delete "& outyears" for time-limited funding. See the Budget 2025 Uploading Initiatives to CFISnet for more information on entering outyears into CFISnet.

**Capital costs associated with initiative (\$m)**

24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	31/32	33/34*	Total
[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]

\*Extend the profile above if funding is needed beyond 2033/34.

Released under the Official Information Act 1982

## Section 1: Care System Safety - monitoring the provision of care by providers and individuals

### Section 1A: Basic initiative information

<b>Initiative title (max 120 characters)</b>	Care System Safety - monitoring the provision of care by providers and individuals				
<b>Lead Minister</b>	Lead Coordination Minister for the Government's Response to the Royal Commission's Report into Historical Abuse in State Care and in the Care of Faith-based Institutions	<b>Agency</b>	Crown Response Office, Public Service Commission		
<b>Initiative description (max 800 characters)</b>	<p>This initiative is one of seven initiatives that respond to recommendations made by the Abuse in Care Royal Commission of Inquiry (Royal Commission) in its final report. The Royal Commission found that "the State failed to ensure that there was robust, independent oversight and monitoring of all care settings", and made recommendations to improve independent oversight.</p> <p>Agencies have identified initiatives (\$9.356m over four years) to improve monitoring of care providers:</p> <ul style="list-style-type: none"> <li>• Vote Health – \$9.356m to bolster safeguards and oversight of compulsory mental health and addiction care by expanding independent statutory roles and enhancing capability through improved models of care.</li> </ul>				
<b>Priority Area (PA) Objective</b>	<input checked="" type="checkbox"/> <i>New Spending Commitments</i>	<input type="checkbox"/> <i>Capital Investments</i>			
	<input type="checkbox"/> <i>Cost Pressures</i>	<input type="checkbox"/> <i>Capital Cost Escalation</i>			
	<input type="checkbox"/> <i>Performance Plan Scrutiny</i>				
<b>Is this a cross-Vote initiative?</b>	<b>No</b>	Health			
<b>Does this require legislative change?</b>	<b>No</b>				
<b>Agency contact</b>	<i>Name:</i> Molly Elliott <i>Phone:</i> 9(2)(a) <i>Email:</i> Molly.Elliott019@msd.govt.nz		<b>Treasury contact (Vote Analyst)</b>	<i>Name:</i> Talei Pasikale <i>Phone:</i> 9(2)(a) <i>Email:</i> Talei.Pasikale@treasury.govt.nz	

### Section 1B: Summary of funding profile

#### Operating costs associated with initiative (\$m)

2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total
0.000	1.583	1.807	2.983	2.983	<b>9.356</b>

\*For irregular outyears, add additional rows above to display the full profile of the initiative. Delete "& outyears" for time-limited funding. See the Budget 2025 Uploading Initiatives to CFISnet for more information on entering outyears into CFISnet.

#### Capital costs associated with initiative (\$m)

24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	31/32	33/34*	Total
[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	<b>[0.000]</b>

\*Extend the profile above if funding is needed beyond 2033/34.

## Section 1: Care System Safety - preventing abuse in care

### Section 1A: Basic initiative information

<b>Initiative title (max 120 characters)</b>	Care System Safety - preventing abuse in care		
<b>Lead Minister</b>	Lead Coordination Minister for the Government's Response to the Royal Commission's Report into Historical Abuse in State Care and in the Care of Faith-based Institutions	<b>Agency</b>	Crown Response Office, Public Service Commission
<b>Initiative description (max 800 characters)</b>	<p>This initiative is one of seven initiatives that respond to recommendations made by the Abuse in Care Royal Commission of Inquiry (Royal Commission) in its final report. This initiative focuses on recommendations to embed safeguarding at all levels of the care system as a key preventative mechanism.</p> <p>Three projects (9(2)(f)(iv) operating and \$50m capital) were identified for investment to prevent abuse in care:</p> <ul style="list-style-type: none"> <li>Vote Health – 9(2)(f)(iv) and \$50m (capital) tagged contingency to review and improve mental health inpatient units to ensure care settings are safe and responsive to people's needs; and</li> <li>9(2)(f)(iv)</li> </ul>		
<b>Priority Area (PA) Objective</b>	<input checked="" type="checkbox"/> <i>New Spending Commitments</i>	<input checked="" type="checkbox"/> <i>Capital Investments</i>	
	<input type="checkbox"/> <i>Cost Pressures</i>	<input type="checkbox"/> <i>Capital Cost Escalation</i>	
	<input type="checkbox"/> <i>Performance Plan Scrutiny</i>		
<b>Is this a cross-Vote initiative?</b>	<b>Yes</b>	Health, Social Development (Disability Support Services)	
<b>Does this require legislative change?</b>	<b>No</b>		
<b>Agency contact</b>	Name: Molly Elliott Phone: 9(2)(a) Email: Molly.Elliott019@msd.govt.nz	<b>Treasury contact (Vote Analyst)</b>	Name: Talei Pasikale Phone: 9(2)(a) Email: Talei.Pasikale@treasury.govt.nz

### Section 1B: Summary of funding profile

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

\*For irregular outyears, add additional rows above to display the full profile of the initiative. Delete "& outyears" for time-limited funding. See the Budget 2025 Uploading Initiatives to CFISnet for more information on entering outyears into CFISnet.

Capital costs associated with initiative (\$m)										
24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	31/32	33/34*	Total
0.000	1.000	5.000	10.000	34.000	0.000	0.000	0.000	0.000	0.000	<b>50.000</b>

\*Extend the profile above if funding is needed beyond 2033/34.

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## Section 1: Care System Safety - building a diverse, capable and safe care workforce.

Section 1A: Basic initiative information					
Initiative title (max 120 characters)	Care System Safety - building a diverse, capable and safe care workforce.				
Lead Minister	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	Agency	Crown Response Office, Public Service Commission		
Initiative description (max 800 characters)	<p>This initiative responds to recommendations made by the Royal Commission. Three initiatives were identified 9(2)(f)(iv) to build a diverse, capable and safe workforce:</p> <ul style="list-style-type: none"> <li>Vote Health, Education, Oranga Tamariki, Social Development (DSS), 9(2)(f)(iv) tagged contingency to lift the quality of safety of the care system workforce focussing on core training and ongoing development and screening;</li> </ul> <p>9(2)(f)(iv)</p>				
Priority Area (PA) Objective	<input checked="" type="checkbox"/> New Spending Commitments	<input type="checkbox"/> Capital Investments			
	<input type="checkbox"/> Cost Pressures	<input type="checkbox"/> Capital Cost Escalation			
	<input type="checkbox"/> Performance Plan Scrutiny				
Is this a cross-Vote initiative?	Yes	Health, Education, Oranga Tamariki, Social Development (DSS), Justice			
Does this require legislative change?	No				
Agency contact	Name: Molly Elliott Phone: 9(2)(a) Email: Molly.Elliott019@msd.govt.nz		Treasury contact (Vote Analyst)	Name: Talei Pasikale Phone: 9(2)(a) Email: Talei.Pasikale@treasury.govt.nz	
Section 1B: Summary of funding profile					
Operating costs associated with initiative – overview (\$m)					
2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total
9(2)(f)(iv)					
Operating costs associated with initiative – Vote Education tagged contingency (\$m)					
2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total
9(2)(f)(iv)					
Operating costs associated with initiative – Vote Social Development (DSS) tagged contingency (\$m)					

2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total
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9(2)(f)(iv)

**Operating costs associated with initiative – Vote Oranga Tamariki tagged contingency (\$m)**

2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total
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9(2)(f)(iv)

\*For irregular outyears, add additional rows above to display the full profile of the initiative. Delete "& outyears" for time-limited funding. See the Budget 2025 Uploading Initiatives to CFISnet for more information on entering outyears into CFISnet.

**Capital costs associated with initiative (\$m)**

24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	31/32	33/34*	Total
[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]

\*Extend the profile above if funding is needed beyond 2033/34.

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## Section 1: Care System Safety - empowering families, whānau, and communities to prevent entry into care

### Section 1A: Basic initiative information

<b>Initiative title (max 120 characters)</b>	Care System Safety - empowering families, whānau, and communities to prevent entry into care				
<b>Lead Minister</b>	Lead Coordination Minister for the Government's Response to the Royal Commission's Report into Historical Abuse in State Care and in the Care of Faith-based Institutions	<b>Agency</b>	Crown Response Office, Public Service Commission		
<b>Initiative description (max 800 characters)</b>	<p>This initiative is one of seven that respond to recommendations made by the Abuse in Care Royal Commission of Inquiry (Royal Commission) in its final report.</p> <p>This initiative focuses on empowering families, whānau, and communities to prevent entry into care. The new spending commitment seeks \$25m funding for the following project:</p> <ul style="list-style-type: none"> <li>A joint proposal for a tagged contingency across Votes Education, Health, Oranga Tamariki and Social Development (Disability Support Services) – \$25m to identify and invest in early interventions to prevent people entering the care system.</li> </ul>				
<b>Priority Area (PA) Objective</b>	<input checked="" type="checkbox"/> <i>New Spending Commitments</i>	<input type="checkbox"/> <i>Capital Investments</i>			
	<input type="checkbox"/> <i>Cost Pressures</i>	<input type="checkbox"/> <i>Capital Cost Escalation</i>			
	<input type="checkbox"/> <i>Performance Plan Scrutiny</i>				
<b>Is this a cross-Vote initiative?</b>	<b>Yes</b>	Education, Health, Oranga Tamariki, Social Development (Disability Support Services)			
<b>Does this require legislative change?</b>	<b>No</b>				
<b>Agency contact</b>	Name: Molly Elliott Phone: 9(2)(a) Email: Molly.Elliott019@msd.govt.nz		<b>Treasury contact (Vote Analyst)</b>	Name: Talei Pasikale Phone: 9(2)(a) Email: Talei.Pasikale@treasury.govt.nz	

### Section 1B: Summary of funding profile

Total operating costs associated with initiative (\$m)										
2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total					
0.000	6.250	6.250	6.250	6.250	25.000					
Operating costs associated with cross Vote initiative (\$m)										
Capital costs associated with initiative (\$m)										
24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	31/32	33/34*	Total
[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]

\*Extend the profile above if funding is needed beyond 2033/34.

Care System Safety - 23 December 2024 Placeholder Budget 2025 Initiatives Description

Lead Agency	Initiative	Description	Alignment with Royal Commission recs	Addresses known gap	Funding need	Type
Ministry of Health	Safer mental health and addiction environments - capital	<p>These initiatives support an in-depth review and scoping of mental health inpatient units focusing on modernising safety features. This would provide a prioritised assessment of safety upgrades required to bring units in line with modern best practice. Operational changes required are expected to be met from baselines. The objective would be to improve environments of inpatient units to ensure care settings are safer and more responsive to tāngata whāiora needs.</p> <p>It is proposed to establish a tagged contingency of capital investment to support implementation of immediate improvements and installation of modern safety features in units based on the review and scoping exercise. Note, there is an associated initiative seeking operating funding for the in-depth review and scoping work above</p>	<p>The Royal Commission identified a range of issues relating to the physical environments where State care is being provided. In particular this initiative would support:</p> <p>Recommendation 74: accelerate work to minimise and eliminate the use of solitary confinement</p> <p>Recommendation 75: review physical building and design features to identify and address elements that may place people in care at risk of abuse and neglect</p>	<p>Places of care should be safe and welcoming environments not only to mitigate risks of abuse and neglect but also to ensure that the environments are contributing to the wellbeing and recovery of a person who is experiencing severe mental distress and requires inpatient care.</p> <p>There are number of inpatient units that are aging and require maintenance and safety upgrades that exceed what is possible within baseline funding. These facilities are not consistent with best practice standards. Improvements are needed to ensure rooms and environments have appropriate features to support safety, privacy and dignity for patients (for example, ability for patients to lock their own doors and ensuring appropriate dignity and privacy elements in rooms).</p>	<p>This requires time-limited operating funding to undertake the in-depth review and scoping of safety improvements and a review of what is needed to improve safety of care for Māori, along with a proposed contingency for capital funding to implement the new physical safety features.</p> <p>There are limited opportunities for further reprioritisation within existing Vote Health baselines. Any reprioritisation would require stopping other critical work.</p> <p>Funding is needed for both new builds and ensuring existing facilities are safe. Current funding is focused on new builds; reprioritising costs to ensure existing facilities are up to standard would potentially mean new builds are not able to be built to best practice safety standards.</p> <p>This initiative is scalable with trade-offs relating to the extent of safety upgrades that could be undertaken</p>	Investment Area 2: Preventing, recognising and responding to abuse in care
Ministry of Health	Safer mental health and addiction environments - operating	<p>These initiatives support an in-depth review and scoping of mental health inpatient units focusing on modernising safety features. This would provide a prioritised assessment of safety upgrades required to bring units in line with modern best practice. Operational changes required are expected to be met from baselines. The objective would be to improve environments of inpatient units to ensure care settings are safer and more responsive to tāngata whāiora needs.</p> <p>It is proposed to establish a tagged contingency of capital investment to support implementation of immediate improvements and installation of modern safety features in units based on the review and scoping exercise. Note, there is an associated initiative seeking operating funding for the in-depth review and scoping work above</p>	<p>The Royal Commission identified a range of issues relating to the physical environments where State care is being provided. In particular this initiative would support:</p> <p>Recommendation 74: accelerate work to minimise and eliminate the use of solitary confinement</p> <p>Recommendation 75: review physical building and design features to identify and address elements that may place people in care at risk of abuse and neglect</p>	<p>Places of care should be safe and welcoming environments not only to mitigate risks of abuse and neglect but also to ensure that the environments are contributing to the wellbeing and recovery of a person who is experiencing severe mental distress and requires inpatient care.</p> <p>There are number of inpatient units that are aging and require maintenance and safety upgrades that exceed what is possible within baseline funding. These facilities are not consistent with best practice standards. Improvements are needed to ensure rooms and environments have appropriate features to support safety, privacy and dignity for patients (for example, ability for patients to lock their own doors and ensuring appropriate dignity and privacy elements in rooms).</p> <p>Health New Zealand currently has a Mental Health Infrastructure Programme underway. However, this is a long term programme with a focus on new builds that will meet best-practice design principles – many facilities are many years away</p>	<p>This requires time-limited operating funding to undertake the in-depth review and scoping of safety improvements and a review of what is needed to improve safety of care for Māori, along with a proposed contingency for capital funding to implement the new physical safety features.</p> <p>There are limited opportunities for further reprioritisation within existing Vote Health baselines. Any reprioritisation would require stopping other critical work.</p> <p>Funding is needed for both new builds and ensuring existing facilities are safe. Current funding is focused on new builds; reprioritising costs to ensure existing facilities are up to standard would potentially mean new builds are not able to be built to best practice safety standards.</p> <p>This initiative is scalable with trade-offs relating to the extent of safety upgrades that could be undertaken across the country.</p>	Investment Area 2: Preventing, recognising and responding to abuse in care
9(2)(f)(iv)						
Ministry of Health	Bolstering independent oversight of compulsory mental health care	<p>This initiative would improve models of care and increase capacity and capability of independent statutory roles and bodies under the Mental Health (Compulsory Assessment and Treatment) Act 1992, Substance Addiction (Compulsory Assessment and Treatment) Act 2017, the Intellectual Disability (Compulsory Care and Rehabilitation) Act 2003 (including independent watchdogs and review tribunals).</p> <p>Funding would ensure that the capacity and capability of key statutory roles meet demand and will support increased activity levels across the country in line with an enhanced approach to care safety. This includes making specialist expertise (eg, for Māori and children/young people) available to support statutory functions in relation to these populations. The funding would support the shift needed in practice to strengthen safeguarding and more person-centred models of care.</p>	<p>The role of oversight bodies and effective complaints processes were highlighted by the Royal Commission. District inspectors and review tribunals are critical safeguards under the Mental Health (Compulsory Assessment and Treatment) Act 1992, Substance Addiction (Compulsory Assessment and Treatment) Act 2017, the Intellectual Disability (Compulsory Care and Rehabilitation) Act 2003 (eg, receiving and investigating complaints of breaches of rights, inspecting inpatient units, reviewing the condition of a patient on request or on their own motion). This aligns with:</p> <p>Recommendation 39: care safety principle 9 (responding to complaints).</p> <p>Recommendation 62: recruitment of a diverse workforce.</p> <p>Recommendation 71: support and invest in models of care that do not perpetuate the environments and practices that led to historic abuse and neglect.</p> <p>Recommendation 86(b): ensuring oversight bodies are adequately resourced.</p>	<p>District inspectors are lawyers appointed by the Minister of Health to protect the rights of people receiving treatment under the Mental Health (Compulsory Assessment and Treatment) Act 1992, the Intellectual Disability (Compulsory Care and Rehabilitation) Act 2003 or the Intellectual Disability (Compulsory Care and Rehabilitation) Act 2003. Funding rates for these roles have not increased in many years, despite activity increasing and increasing expectations for safeguarding. Low funding levels for these roles may also be contributing to issues of finding sufficient people and people with the right perspectives and expertise to fulfil these roles; we expect this to be a growing challenge. If not addressed, this will result in gaps in key safeguards for people under the Mental Health Act.</p> <p>This investment is necessary to strengthen existing care oversight mechanisms, but will also help future-proof the care system. These roles will be carried over in the new Mental Health Bill and it is expected that changes in legislation will result in</p>	<p>Funding rates for these roles have not been reviewed or adjusted in over 10 years. The Ministry of Health has recently been through a cost saving exercise, and there are no opportunities for reprioritisation to enhance and expand these activities above current levels through baseline. Any further reprioritisation would require stopping other critical work or potentially compromising key regulatory functions.</p>	Investment Area 4: Monitoring the provision of care by providers and individuals
Ministry of Education	Supporting future record keeping	<p>This package of record keeping initiatives will support the education sector to prepare for significant changes to record keeping requirements in response to the RCOI's recommendations. It includes funding to:</p> <p>9(2)(f)(iv)</p>	<p>Recommendation 81: Record keeping principles.</p> <p>Recommendation 82: All State and faith-based entities providing care directly or indirectly to children, young people or adults should, together with the person in care, document an account of their life during their time in care.</p> <p>Royal Commission observation in Whānāketia: The RCOI made observations relating to content, retention, destruction and accessibility of records. These went beyond the issue of lost or destroyed records - some survivors pointed out that records concentrated – sometimes exclusively so – on the negative aspects of life in care, leaving no record of, or comment about, happier moments, social events or accomplishments along the way – all of which would create a fuller, more rounded picture for survivors who came to read their files in later years. Training for staff on these elements of record-keeping would be one way, in the Royal Commission's view, to help leave a more balanced picture of life in care.</p>	<p>The initiative will support the Ministry and the sector to prepare for changes to record keeping requirements. The Chief Archivist has issued a temporary care records protection instruction. This protection instruction withdraws and replaces the disposal moratorium on records relevant to the Abuse in Care Royal Commission of Inquiry originally issued 28 March 2019. The new instruction is to protect care records while work is undertaken to review the retention and disposal of State care records.</p> <p>We know that this work will likely result in changes to what type of records the sector will be required to keep, and for how long. The Ministry will need to support workforce capability and infrastructure in this area.</p>	<p>The Ministry has been conducting a reprioritisation exercise and the resulting savings have already been allocated to support Budget initiatives. The Ministry is unable to find further savings to support this.</p>	Investment Area 6: Recordkeeping to connect people in care to their families, and to whakapapa, whānau, hapū and whenua
9(2)(f)(iv)						
MSD (DSS)	Audits	<p>Audits - audit every provider over the next two years. Audits help check the quality of service is maintained. Increased frequency of audits improves safety and prevents abuse.</p>	<p>The RCOI recommended all entities providing care have safeguarding policies and procedures in place that are regularly audited for compliance, including periodic external audits (R 55(i))</p>	<p>Audits currently occur with a target period of once every 5 years. Increasing the frequency of audits would provide a visible and meaningful increase in monitoring providers' compliance with expected standards of care and contractual obligations</p>	<p>MSD's primary and Disability Support Services Performance Plans outline substantial cost pressures. Other than utilising MSD's invest-to-save framework or policy changes being considered through Budget 2025, any further reprioritisation would impact frontline services.</p>	Investment Area 2: Preventing, recognising and responding to abuse in care
9(2)(f)(iv)						
MSD (DSS)	Improve our critical incident and complaints system	<p>•Improve our critical incident and complaints system</p> <p>•ERM programme</p>	<p>Recommendations 65-69: Aligns with RCOI recommendations that complaints are responded to effectively</p>	<p>Current reporting relies on data entry into spreadsheets. A more efficient system will improve our ability to identify (and therefore react to) trends and outliers. Increased efficiency also frees up resources so that they can focus on responding to complaints and other aspects of preventing and responding to abuse</p>	<p>MSD's primary and Disability Support Services Performance Plans outline substantial cost pressures. Other than utilising MSD's invest-to-save framework or policy changes being considered through Budget 2025, any further reprioritisation would impact frontline services.</p>	Investment Area 2: Preventing, recognising and responding to abuse in care
MSD (DSS)	Provider records	<p>Funding to support providers to help them treat records like taonga</p>	<p>Recommendations 81-84: The Royal Commission made recommendations on best practice data collection, record keeping and information sharing</p>	<p>Providers are contractually required to keep records. Many records are paper-based.</p>	<p>MSD's primary and Disability Support Services Performance Plans outline substantial cost pressures. Other than utilising MSD's invest-to-save framework or policy changes being considered through Budget 2025, any further reprioritisation would impact frontline services.</p>	Investment Area 6: Recordkeeping to connect people in care to their families, and to whakapapa, whānau, hapū and whenua
9(2)(f)(iv)						

Oranga Tamariki	Reducing abuse and harm to children and young people cared for by individual caregivers	<p>There are known risk factors and points in a child's care journey where they are at greater risk of harm. To reduce this harm we will:</p> <ul style="list-style-type: none"> <li>•Develop a training and development programme for all staff and caregivers working with children with a particular focus on age appropriate trauma and disability related responses</li> <li>•Develop an escalation pathway to ensure early indicators are identified and actions are taken before abuse occurs (for example GP, teacher, ECE)</li> <li>•Redesign the end to end caregiver approval, support and investigation pathway</li> <li>•Develop an investigation and accountability framework across every placement.</li> </ul>	<p>9(2)(f)(iv)</p> <p>Investment Area 2: Preventing, recognising and responding to abuse in care</p>
Oranga Tamariki	Reducing abuse and harm to children and young people in community and remand homes – both Oranga Tamariki and provider run homes	<p>9(2)(f)(iv) To reduce harm and abuse we will:</p> <ul style="list-style-type: none"> <li>•Develop targeted training and development for the workforce.</li> <li>•Establish a new policy and monitoring and assurance framework that is then applied to all environments</li> <li>•Establish a time-limited, independent from service, monitoring and investigation function.</li> </ul> <p>9(2)(f)(iv)</p> <ul style="list-style-type: none"> <li>•Establish a real time reporting mechanism that enables improved oversight of children.</li> </ul>	<p>9(2)(f)(iv)</p> <p>Investment Area 2: Preventing, recognising and responding to abuse in care</p>
Joint	Early Intervention (joint contingency)	<p>Joint design of mechanisms to identify, evaluate and embed existing whānau and community-based interventions showing promise in achieving positive outcomes across systems. This could include a jointly funded contestable fund (or ROI process) which provides funding for existing early intervention services and supports working with families in areas of high deprivation. Each initiative would be evaluated against a standardised framework and identify barriers to embed, to inform a wider roll-out of the most promising intervention(s) and to measure long-term outcomes. Initial investigative design work would be required to identify all linkages with other sectors, such as Justice, Police and Corrections; consider and design the approach to identifying and supporting existing service providers (procurement of contestable fund) and develop the monitoring and evaluation framework.</p> <p>The Royal Commission recommendations highlighted the importance of early intervention through a number of recommendations and principles. reported a number of 'Survivors' dreams for the future', which form the heart of the inquiry's recommendations. They highlight that "Communities, hapū and iwi must be enabled and empowered to design, implement, innovate and control how the care systems operate for their community. The Government should invest in communities that have levels of social deprivation, support communities to identify those in need, understand the evidence of what works to prevent the need for a care intervention, take an early investment approach and measure long-term outcomes in communities."</p>	<p>The most promising approaches are those that acknowledge and operate within the context of the care recipient's lived experiences and environments. This requires culturally responsive, locally available interventions at a whānau and community level, which currently exist but are not well understood by agencies and are not available in all areas they are needed or are oversubscribed. Our plan is to identify these gaps and address them using the most efficacious interventions, and build capacity and capability at the community level, with a specific focus on how such approaches can support access to services across Health, Education and Social Development.</p> <p>Total indicative funding needed across four years that cannot be absorbed from within agencies' baselines: \$25m</p> <p>Investment Area 1: Empowering families, whānau and communities to prevent entry into care</p>
Joint	Workforce training (joint contingency)	<p>The Royal Commission has made recommendations and observations related to:</p> <ul style="list-style-type: none"> <li>•Training on a number of issues throughout its reports. It made findings of poor or inadequate training and development specific to care roles, and on how to recognise the signs of abuse and neglect in care.</li> <li>•the safety of the care workforce and the safeguarding practices of care entities. Work has commenced on changes to the Children's Act, to be followed by options for improved safety checking requirements.</li> <li>•the courts playing a critical role in the system and services for preventing or responding to abuse in care. Many of those who use the courts are either care-experienced or currently in care.</li> </ul>	<p>Investing in lifting the quality and safety of our workforce in the care sector is a critical factor in identifying and reducing harm and abuse to any child or young person in state care. The RCI made this strongly evident through their recommendations and evidence reinforces that a skilled, trusted and effective workforce can make a difference and is protective against social wellbeing issues later in life. Our plan is to focus on two key workstreams across Education, Health, Oranga Tamariki, and Social Development.</p> <p>In addition, funding to develop resources that the Ministry of Justice and sector organisations (e.g. Counties of Continuing Professional Development) need, management and disposal of care records across Government and its contracted service providers. Although steps have been taken to assist in addressing some of these issues from a limited baseline service, BAU alone will be insufficient to support the kind of systemic and wide-ranging change required to create a safer and more accountable state Care environment. This includes work to help agencies process records into the archives where possible, to provide targeted records advice to care agencies and their 3rd party providers and the production of updated or new guidance or standards to inform care records management. It has been acknowledged that the current processes for supporting access to the records held by Archives New Zealand has not always been fit for purpose for those who have experienced abuse in care and are seeking redress. To provide a sustainable, effective and safe service to both the care experienced and relevant Crown agencies will require a new approach and skill base to be developed at Archives. This will also include considering a new set of Disposal rules which could</p> <p>Total indicative funding needed across four years that cannot be absorbed from within agencies' baselines: \$76m This includes agency-specific funding of: •Oranga Tamariki: \$18 million over four years •Justice: \$2m over four years •Disability: \$6m over four years</p> <p>Investment Area 3: Building a diverse, capable and safe care workforce</p>
Internal Affairs	Uplift in care recordkeeping	<p>Uplift in care recordkeeping to support new system through advice, standards, monitoring, audit and disposal rules. Improve management of legacy records.</p> <p>Whanaketia Recommendations 81, 86, 89; Redress Report Recommendation 81, 82 and 84</p>	<p>Uplift in care recordkeeping is proposed to support with information management practice in care agencies, and wider, to support a reformed care system. Regulatory resources are sought to perform compliance assessments and implement additional recordkeeping audits of care agencies to ensure a solid foundation for recordkeeping in the new care system (funding for external auditors is included). Similarly additional operational policy resource is also being requested to ensure that a new set of appropriate standards and policies can be released to support the care sector in making the changes required to enact sustainable and effective improvements in their management of care records.</p> <p>The Department gave up significant savings in Budget 24. In addition to this, further savings in Archives New Zealand have been initiated in FY25 to meet ongoing cost pressures which means reprioritisation of existing Although Archives maintains access channels for its findings it has been recognised that these are not always sufficient or appropriate for supporting those who may be seeking redress. Similarly given the nature of past provision of care a significant degree of specialised skill and expertise is required to efficiently support agencies in locating and accessing historical documentation. This will mean that BAU baseline resources will be insufficient to meet these specific needs, and dedicated resource will need to be applied. Similarly, the resetting of disposal rules to help support some of the records related redress expectations of</p> <p>Investment Area 6: Recordkeeping to connect people in care to their families, and to whakapapa, whānau, hapū and whenua</p>
Internal Affairs	Access to records	<p>Improve accessibility to records to support redress system by survivors and agencies.</p> <p>Whanaketia Recommendations 81, 82, 84 Redress Report Recommendation 85</p>	<p>Investment Area 6: Recordkeeping to connect people in care to their families, and to whakapapa, whānau, hapū and whenua</p>

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# Budget 2025 Cost Pressures and New Spending Template

## Section 1: Addressing the Wrongs of the Past – Redress for Abuse in Care

Section 1A: Basic initiative information										
<b>Initiative title (max 120 characters)</b>	Addressing the Wrongs of the Past – Redress for Abuse in Care									
<b>Lead Minister</b>	Lead Coordination Minister for the Government's Response to the Royal Commission's Report into Historical Abuse in State Care and in the Care of Faith-based Institutions	<b>Agency</b>	Crown Response Office, Public Service Commission							
<b>Initiative description (max 800 characters)</b>	This initiative relates to funding for an improved redress system for survivors of abuse in care. This template covers those aspects of a redress system driven by cost pressures – operating and personnel costs, elements of payment, supports and services, and transition costs, and a contingency for litigation costs that arise in responding to survivors who pursue claims through the courts – and new spending commitments – establishment, monitoring and complaints, and an independent review costs, and elements of payment, supports and services, and transition costs.									
<b>Priority Area (PA) Objective</b>	<input checked="" type="checkbox"/> <i>New Spending Commitments</i>	<input type="checkbox"/> <i>Capital Investments</i>								
	<input type="checkbox"/> <i>Cost Pressures</i>	<input type="checkbox"/> <i>Capital Cost Escalation</i>								
	<input type="checkbox"/> <i>Performance Plan Scrutiny</i>									
<b>Is this a cross-Vote initiative?</b>	<b>Yes</b>	Social Development, Education, Health, Oranga Tamariki, Corrections, Māori Development								
<b>Does this require legislative change?</b>	<b>No</b>									
<b>Agency contact</b>	Name: Molly Elliott Phone: 9(2)(a) Email: Molly.Elliott019@msd.govt.nz		<b>Treasury contact (Vote Analyst)</b>	Name: Talei Pasikale Phone: 9(2)(a) Email: Talei.Pasikale@treasury.govt.nz						
Section 1B: Summary of funding profile										
Operating costs associated with initiative (\$m)										
2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total					
9(2)(f)(iv)										
*For irregular outyears, add additional rows above to display the full profile of the initiative. Delete "& outyears" for time-limited funding. See the Budget 2025 Uploading Initiatives to CFISnet for more information on entering outyears into CFISnet.										
Capital costs associated with initiative (\$m)										
24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	31/32	33/34*	Total
0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
*Extend the profile above if funding is needed beyond 2033/34.										

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

**BUDGET SENSITIVE**

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

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

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

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

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

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

Provision of Survivor Records  
\$82.3M over ten years

Survivor Legal Fees Reimbursement  
\$69.3M over ten years

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

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

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

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

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

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

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

Provision of Survivor Records  
9(2)(f)(iv)

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

Crown Litigation Contingency– status quo  
9(2)(f)(iv)

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

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

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

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

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

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

Provision of Survivor Records  
9(2)(f)(iv)  
Plus Independent Records Website:  
9(2)(f)(iv)

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

Crown Litigation Contingency– status quo  
9(2)(f)(iv)

**Notes**

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

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

# Briefing



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

For approval - Budget '25 Crown Response to Abuse Package			
Date:	17/01/2025	Security level:	
Priority:	High	Report number:	CRACI 25/008

Actions sought	
<p>Hon Dr Shane Reti  <b>Minister of Health</b></p> <p>Hon Erica Stanford  <b>Minister of Education</b>  <b>Lead Coordination Minister for the Government's Response to the Royal Commission's Report into Historical Abuse in State Care and in the Care of Faith-based Institutions</b></p> <p>Hon Paul Goldsmith  <b>Minister of Justice</b></p> <p>Hon Louise Upston  <b>Minister for Social Development and Employment, for Disability Issues, transferred responsibilities from the Minister for Children for redress decisions</b></p> <p>Hon Mark Mitchell  <b>Minister of Corrections</b></p> <p>Hon Tama Potaka  <b>Minister for Māori Development</b></p> <p>Hon Brooke van Velden  <b>Minister of Internal Affairs</b></p> <p>Hon Karen Chhour  <b>Minister for Children</b></p>	<p>Agree to submit the Budget '25 Crown Response to Abuse in Care Package</p>

Contact for discussion			
Name	Position	Telephone	1 <sup>st</sup> contact
Rajesh Chhana	Functional Chief Executive, Crown Response Office	9(2)(a)	
Molly Elliott	Chief Advisor, Crown Response Office	9(2)(a)	✓

Agencies consulted
Crown Response Office, The Treasury, Ministry of Social Development, Ministry of Health, Oranga Tamariki, Ministry of Education, Public Service Commission, Department of Internal Affairs, Department of Corrections, Te Puni Kōkiri, Ministry of Justice

**Minister's office to complete**

- Noted
  - Seen
  - See Minister's notes
  - Needs change
  - Overtaken by events
  - Declined
  - Referred to (specify)
- 

**Comments**

Released under the Official Information Act 1982

# Briefing



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

## For approval - Budget '25 Crown Response to Abuse Package

**For:** Hon Dr Shane Reti, Minister of Health  
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 and Minister of Education  
Hon Paul Goldsmith, Minister of Justice  
Hon Louise Upston, Minister for Social Development and Employment, Minister for Disability Issues and transferred responsibilities from the Minister for Children for redress decisions  
Hon Mark Mitchell, Minister of Corrections  
Hon Tama Potaka, Minister for Māori Development  
Hon Brooke van Velden, Minister of Internal Affairs  
Hon Karen Chhour, Minister for Children

**Copied:** Hon Nicola Willis, Minister for the Public Service  
Hon Matt Dooney, Minister for Mental Health  
Hon Casey Costello, Associate Minister of Health

**Date:** 17 January 2025

**Security level:**

**Priority:** High

**Report number:** CRACI 25/008

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### Purpose

1. This paper provides you, as the responsible Vote and portfolio Ministers, with the final Budget '25 package supporting the Crown's Response to Abuse in Care. We seek your input and approval by 2pm Monday 21 January.
2. This package has been developed collaboratively with relevant Vote agencies and incorporates any feedback we received from you on the materials circulated the evening of 15 January [CRACI 25/006 refers]. Key changes are outlined in paragraphs 17 through 19 of this briefing.
3. Pending your final input and approval, the Lead Coordination Minister for the Government's Response, will direct officials to submit the package to The Treasury on your collective behalf. This process will begin on the afternoon of Wednesday 22 January.

### Recommendations

4. It is recommended that you:
  5. **note** that in response to the Minister of Finance's invitation to the Lead Coordination Minister for the Government Response to the Royal Commission, a Budget '25 package has been developed for submission;
  6. **note** that the redress component of this package has been costed in a way to allow Cabinet flexibility when considering the policy options and to not

unintentionally influence Cabinet policy decisions by setting perceived benchmarks;

7. **note** that the Care System Safety component of this package is designed in a way to provide a balance of individual agency delivery ready initiatives and seeks tagged contingency funding for system wide initiatives that require a joined-up planning and decision making approach;
8. **provide final input** on this budget package by 2pm or through the joint Minister's discussion taking place at that time on 21 January;
9. **agree** that the Lead Coordination Minister for the Government's Response direct officials to submit the package to The Treasury

<b>Minister of Health</b>	YES / NO
<b>Minister of Education and Lead Coordination Minister</b>	YES / NO
<b>Minister of Justice</b>	YES / NO
<b>Minister for Social Development and Employment</b> and with transferred responsibilities from the Minister for Children for redress decisions	YES / NO
<b>Minister of Corrections</b>	YES / NO
<b>Minister for Māori Development</b>	YES / NO
<b>Minister of Internal Affairs</b>	YES / NO
<b>Minister for Children</b>	YES / NO

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10. **note** that Cabinet policy options regarding redress that have significant financial implications related to this Budget package will be considered through February and March at Cabinet Strategy Committee (STR) on 18 February and at Cabinet Social Outcomes Committee (SOU) on 12 March.



Rajesh Chhana  
**Functional Chief Executive, Crown Response  
Office**  
**Crown Response to the Abuse in Care Inquiry**  
17/01/2025

Hon Dr Shane Reti  
**Minister of Health**  
/ /

Hon Erica Stanford  
**Lead Coordination Minister for the Crown  
Response to the Royal Commission's Report into  
Historical Abuse in State Care and in the Care of  
Faith-based Institutions**  
**Minister of Education**  
/ /

Hon Paul Goldsmith  
**Minister of Justice**  
/ /

Hon Louise Upston  
**Minister for Social Development and  
Employment, Minister for Disability Issues and  
transferred responsibilities from the Minister for  
Children for redress decisions**  
/ /

Hon Mark Mitchell  
**Minister of Corrections**  
/ /

Hon Tama Potaka  
**Minister for Māori Development**  
/ /

Hon Brooke van Velden  
**Minister of Internal Affairs**  
/ /

Hon Karen Chhour  
**Minister for Children**  
/ /

## **We seek your final input and approval of Budget '25 package**

11. In response to the Minister of Finance's invitation to the Lead Coordination Minister for the Government response to the Royal Commission, a multi-Vote Budget '25 package has been developed. This budget package is a key mechanism to enable delivery on the Crown Response to the Royal Commission recommendations, including any future redress system changes.
12. The recommendations from the Royal Commission set out a vision for system change that is wide in scope, therefore, considering and responding to this vision requires system investment. This, and the time limited funding model of the current State redress system, has guided the development of a multi-year funding proposal to sustain and make improvements to that system.
13. Investment decisions made through this budget package, alongside upcoming redress policy decisions and key initiatives already underway by the Government, are anticipated to shape the Full Government Response Plan currently in development. The timing for the plan's consideration will involve joint Ministers and, subsequently, Cabinet, with these timelines being determined by the Lead Coordination Minister.
14. The redress component of this Budget package has been developed using costing assumptions that were confirmed with Ministers during a series of briefings and discussions at the end of 2024<sup>1</sup>. It has been structured in a way that provides Cabinet with flexibility when reviewing the redress policy options in February and March 2025. It is anticipated that Cabinet will make final decisions on Budget 2025 in early April.
15. On 15 January 2025 you received a draft version of this Budget package for your input [CRACI 25/006 refers]. The attached package incorporates changes based on feedback received in the morning of 17 January - see paragraphs 17 to 19 for summary of changes. We now seek any final input and your agreement to submit to The Treasury.
16. For ease of your navigation, the following table, Appendix 2.3 and Appendix 3.0 set out an overview of the package.

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<sup>1</sup> Placeholder Submission – Crown Response to Abuse in Care Budget '25 Package [CRACI 24/104]; Preparing redress costings for a Crown Response Budget 2025 bid – Redress system function, approach, and structure assumptions [CRACI 24/094]; Monetary payment for survivors of abuse in care [CRACI 24/095]; Redress Supports and Services for Survivors of abuse in care, including supporting survivor legal fees and access to records [CRACI 24/101]; Approach to Budget 2025 investment in the care system safe [CRACI 24/103]; Preparing costings for a Crown Response Budget 2025 bid – Time limited funding for the proposed duration of the Crown Response Office [CRACI 24/096].

**Table One**

Area	Votes	Appendices
<p>Redress</p> <p>Funding to continue a state redress system post June 2026 and implement any system change policy decisions that may be made such as monetary payments and/or enhanced supports and services for survivors</p>	<p>Social Development, Education, Health, Oranga Tamariki, Public Service, Māori Development, Corrections, Internal Affairs</p>	<p>Appendix 2.0: Budget Template</p> <p>Appendix 2.1: Intervention Logic</p> <p>Appendix 2.2: <i>Note a spreadsheet is referenced in Appendix 2.0, it is not provided in this package for Ministers.</i></p> <p>Appendix 2.3 Scaling Options A3</p> <p>Appendix 2.4 Survivor claims journey</p>
<p>Appendix 3.0: A3 Summary</p>		
<p>Care System Safety 1: Empowering families and communities to prevent entry into care</p>	<p>Education, Health, Oranga Tamariki, Social Development</p>	<p>Appendix 4.0: Budget Template</p>
<p>Care System Safety 2A: Preventing Abuse in Care</p>	<p>Health, Social Development</p>	<p>Appendix 5.0: Budget Template</p> <p>Appendix 5.1: Intervention Logic</p>
<p>Care System Safety 2B: Recognising and responding to Abuse in Care</p>	<p>Oranga Tamariki, Social Development</p>	<p>Appendix 6.0: Budget Template</p> <p>Appendix 6.1: Intervention Logic</p>
<p>Care System Safety 3: Building a diverse, capable and safe care workforce</p>	<p>Health, Education, Oranga Tamariki, Social Development, 9(2)(f)(iv)</p>	<p>Appendix 7.0: Budget Template</p> <p>Appendix 7.1: Intervention Logic</p>
<p>Care System Safety 4: Monitoring the provision of care by providers and individuals</p>	<p>Health</p>	<p>Appendix 8.0: Budget Template</p> <p>Appendix 8.1: Intervention Logic</p>
<p>9(2)(f)(iv)</p>		

Area	Votes	Appendices
Care System Safety 6: Recordkeeping to connect people in care to their families and whakapapa	Education, Internal Affairs, Social Development	Appendix 10.0: Budget Template Appendix 10.1: Intervention Logic
Crown Response Office: Funding for the Crown Response Office post June 2025 to drive the implementation of the work programme arising from the Royal Commission.	Public Service	Appendix 11.0: Budget Template Appendix 11.1: Crown Response Office Organisational Chart

### **Changes have been made based on your input - the substance of the proposal remains the same**

17. Thank you for providing input on the draft version of the package circulated on 15 January [CRACI 25/006 refers]. Minor changes were made to individual initiatives but on the whole they did not substantially change the substance of the package.
18. Changes have been made to the budget templates in how initiatives are explained, with a focus on concise content and being clearer on what is being proposed, including tangible outcomes and activities.

### **Next steps**

19. We seek your final feedback and agreement to submit the package by 2pm Tuesday 21 January.
20. There is a meeting with the key Vote and portfolio Ministers at 2pm Tuesday 21 January to discuss any remaining input on this package.
21. Officials will begin uploading the package into The Treasury system from midday Wednesday 22 January.

### **Appendices**

- 1.0 Draft letter from Minister Stanford that is submitted with the bid;
- 2.0 Redress Budget Template;
- 2.1 Redress Intervention Logic;
- 2.2 Please note, a spreadsheet is referenced in Appendix 2.0, it is not provided in this package for Ministers but can be provided on request;
- 2.3 Redress Scaling Options A3;
- 2.4 Redress survivor claims journey and personas;
- 3.0 Care System summary A3;
- 4.0 Care System Safety 1: Empowering families and communities to prevent entry into care;
- 5.0 Care System Safety 2A: Preventing Abuse in Care;

6.0 Care System Safety 2B: Recognising and Responding to Abuse in Care;

7.0 Care System Safety 3: Building a diverse, capable and safe care workforce;

8.0 Care System Safety 4: Monitoring the provision of care by providers and individuals;

9(2)(f)(iv)

10.0 Care System Safety 6: Recordkeeping to connect people in care to their families and whakapapa;

11.0 Crown Response Office;

11.1 Crown Response Office Organisational Chart.

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**Office of Hon Erica Stanford**

Minister of Education  
Minister of Immigration  
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



23 January 2025

Hon Nicola Willis  
Minister of Finance  
Parliament Buildings  
Wellington

Dear Nicola

I am confirming that I, the Lead Coordination Minister for the Government's Response to the Royal Commission's Report into the Historical Abuse in State Care and in the Care of Faith-based Institutions, have submitted the final Budget package that will support survivors of abuse in care and further enable the Government's response to the recommendations of the Royal Commission of Inquiry.

I have worked closely with relevant historic claims and care system Vote and Portfolio Ministers on the development of this package and therefore am submitting this final Budget package on behalf of us as a collective.

The package is organised into three initiative areas:

1. Addressing the wrongs of the past (redress). This package consists of three scaled options for funding State redress which include consideration of the following elements: structure of a system, monetary payments for survivors, supports and services for survivors, the operational costs of responding to and processing survivor's claims. More details on the scaled options can be found in the appendices to this letter.
2. Care System Safety for children, young people and vulnerable adults. This focuses on initiatives needed to ensure the safety of people within the care system, future proof the care system, and will consider what else is needed to ensure families and communities are empowered to look after their own. This part of the package is separated into seven areas as detailed in the table below.
3. Crown Response Office time limited funding. This focuses on funding for the Crown Response Office which currently ends on 30 June 2025.

I have submitted new spending commitment initiatives as detailed below:

ID 16494	New Spending	New Spending Commitments	Addressing the Wrongs of the Past – Redress for Abuse in Care
ID 16495	New Spending	New Spending Commitments	Care System Safety 1: Empowering families and communities to prevent entry into care
ID 16496	New Spending	New Spending Commitments	Care System Safety 2A: Preventing abuse in care
ID 16497	New Spending	New Spending Commitments	Care System Safety 2B: Recognising and Responding to Abuse in Care
ID 16498	New Spending	New Spending Commitments	Care System Safety 3: Building a diverse, capable and safe care workforce
ID 16499	New Spending	New Spending Commitments	Care System Safety 4: Monitoring the provision of care by providers and individuals
9(2)(f)(iv)			
ID 16501	New Spending	New Spending Commitments	Care System Safety 6: Recordkeeping to connect people in care to their families and whakapapa
ID 16493	New Spending	New Spending Commitments	Crown Response Office (time limited operating funding)

The redress component of this Budget package has been costed in a way that will allow Cabinet flexibility when considering the redress policy options in February and March 2025.

The Care System Safety component of this package is designed in a way to provide a balance of individual agency delivery ready initiatives and seeks tagged contingency funding for system wide initiatives that require a joined-up planning and decision-making approach. Scaling options are provided across the package.

The Crown Response Office is currently funded until 30 June 2025. This Budget '25 package seeks funding for an additional two-years to support Government's response to the Royal Commission, including monitoring and assurance functions. Scaling options are provided for this component of the package, some of which will be determined by Cabinet's decisions on the overall response plan.

I look forward to discussing these proposals with you further.

Sincerely,

Hon Erica Stanford  
**Lead Coordination Minister for the Government's Response to the Royal Commission's Report into the Historical Abuse in State Care and in the Care of Faith-based Institutions**

# Appendix 2.0

## Annex 1: Budget 2025 New Spending Template

### Section 1: Overview

Section 1A: Basic initiative information										
<b>Initiative title (max 120 characters)</b>	Addressing the Wrongs of the Past – Redress for Abuse in Care									
<b>Lead Minister</b>	Lead Coordination Minister for the Government's Response to the Royal Commission's Report into Historical Abuse in State Care and in the Care of Faith-based Institutions	<b>Agency</b>	Crown Response Office, Public Service Commission							
<b>Initiative description (max 800 characters)</b>	This initiative relates to funding for an improved redress system for survivors of abuse in care. It covers aspects of a redress system driven by cost pressures – operating and personnel costs, elements of payment, supports and services, and transition costs, and a contingency for litigation costs that arise in responding to survivors who pursue claims through the courts – and new spending commitments – establishment, monitoring and complaints, an independent review costs, and elements of payment, supports and services, and transition costs.									
<b>Priority Area (PA) Objective</b>	<input checked="" type="checkbox"/> New Spending Commitments	<input type="checkbox"/> Capital Investments								
	<input checked="" type="checkbox"/> Cost Pressures	<input type="checkbox"/> Capital Cost Escalation								
	<input type="checkbox"/> Performance Plan Scrutiny									
<b>Is this a cross-Vote initiative?</b>	<b>Yes</b>	Social Development, Education, Health, Oranga Tamariki, Corrections, Māori Development, Public Service, Internal Affairs								
<b>Does this require legislative change?</b>	<b>No</b>									
<b>Agency contact</b>	Name: Molly Elliott Phone: 9(2)(a) Email: Molly.Elliott019@msd.govt.nz		<b>Treasury contact (Vote Analyst)</b>	Name: Talei Pasikale Phone: 9(2)(a) Email: Talei.Pasikale@treasury.govt.nz						
Section 1B: Summary of funding profile										
Operating costs associated with initiative (\$m)										
2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total					
9(2)(f)(iv)										
*For irregular outyears, add additional rows above to display the full profile of the initiative. Delete "& outyears" for time-limited funding. See the Budget 2025 Uploading Initiatives to CFISnet for more information on entering outyears into CFISnet.										
Capital costs associated with initiative (\$m)										
24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	31/32	33/34*	Total
0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
*Extend the profile above if funding is needed beyond 2033/34.										

## Section 2: Alignment and options analysis

There are **specific sections to complete based on the PA Objective of the Initiative** (feel free to delete non-relevant sections of the template):

- *Cost Pressures, Capital Cost Escalations and Performance Plan Scrutiny: Section 2A and 2C*
- *New Spending Commitments and Capital Investments: Section 2B and 2C*

### Section 2B: Problem definition – New Spending

The answer to each question must not exceed 1-2 paragraphs

<p><b>What is the problem that this initiative is trying to solve and why does it need to be solved now?</b></p>	<p>The State is responsible for responding to claims of abuse or neglect in its care and the Government has committed to implementing a new streamlined redress system for survivors in 2025. Providing redress through State claims processes offers survivors an alternative to pursuing their claim through civil litigation in the Courts, which reduces the costs to both the person seeking redress, the responsible agencies, and the Crown more broadly. It also provides a less adversarial experience for both parties. 'Redress' has multiple system components including being heard, financial redress (settlement payments), an apology, support services, legal advice, and individual claims management.</p> <p>The Ministries of Education, Health, Social Development, and Oranga Tamariki currently operate separate redress processes as described above through their historic claims processes. Claims have also been received by Te Puni Kokiri and the Department of Corrections (relating to claims of historic abuse in youth penal institutions) and neither agency has an established historic claims process. The Ministries of Social Development and Education have the highest numbers of claims in the State sector, with significant queues (approximately 3,100 and 450 claimants respectively) that result in claims waiting an average of four to five years for resolution. Seriously ill and elderly survivors are prioritised. State redress processes are currently funded through to June 2026. The Ministries of Social Development and Education are funded to process approximately 2607 claims. The Ministry of Health and Oranga Tamariki receive a smaller proportion of claims and are working to expected timeframes across active claims. However, both agencies are also experiencing increased numbers of claims and prior to Cabinet's recent agreement to increase capacity in claims service, neither agency had baseline funding for redress [CAB-24-MIN-0434 refers]. Following Cabinet's decision, the Ministry of Health and Oranga Tamariki are now respectively funded to process 75 and 64 claims by June 2026.</p> <p>The Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-based Institutions (the Royal Commission) was critical of having multiple claims processes which can be difficult to navigate, do not offer consistent payments or supports, and can have long waiting times for resolution. The Royal Commission recommended in its interim redress report in December 2021 the establishment of a new independent integrated redress system to replace existing processes. Survivors are also getting older, many are in ill health, need additional support, and are looking for resolution. This initiative seeks funding to meet the Government's commitment with the initial response to focus on redress for survivors of abuse in State care.</p>		
<p><b>Alignment to Government Priorities</b> (if alignment to multiple Priorities is possible, select the most relevant)</p>	<input type="checkbox"/> Addressing the rising cost of living	<input checked="" type="checkbox"/>	Delivering effective and fiscally sustainable public services
	<input type="checkbox"/> Building for growth and enabling private enterprise	<input type="checkbox"/>	Not Aligned
<p><b>Does this initiative relate to one of the Government's focus areas for Budget 2025?</b></p>	<input type="checkbox"/> Economic Growth (invitation only)	<input checked="" type="checkbox"/>	Not Applicable

### Section 2C: Options analysis

The answer to each question must not exceed 1-2 paragraphs

<p><b>What was the range of</b></p>	<p>Cabinet decisions on the Government's approach to redress, including its overall approach and structure, are to be sought in March 2025. Ministers have committed to announcing their approach to</p>
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<p><b>options considered?</b></p>	<p>State redress as part of budget decisions in April/May 2025 and indicated their intention to begin implementing these changes before the end of 2025.</p> <p>With the additional investment agreed by Cabinet in late 2024 to help address claims queues, current funding for agencies existing State redress processes ends in June 2026. The Government could ultimately decide to cease funding for redress through State claims agencies at that point or prioritise other initiatives in response to abuse in care. However, this will not address the responsibility that State agencies have for responding to these claims, and survivors would still have the option to pursue a claim through litigation in the Courts. This would result in significantly increased financial and human costs with serious distress and trauma likely to be caused to survivors seeking to progress their claims. In addition to this human cost, the average cost of defending a claim in Court is approximately \$1 million per trial, regardless of the litigation outcome. Ceasing State redress is therefore not considered a viable option.</p> <p>Cabinet decisions to be sought in March 2025 can include the approach to funding redress going forward, including whether to opt for a multi-year funding model for the State redress system. Previously, State claims agencies have been funded with time limited funding and this bid seeks funding over a four-year period plus out years which would enable a stabilisation of the system. The Royal Commission report and current demand demonstrate that there is significant demand for redress through an out-of-Court settlement process with no indication that this demand will lessen in the next few years. This initiative includes the costs of independent reviews of the system (either annually for the first four years or two reviews depending on scaling), as ongoing demand for redress can be more easily assessed after the system has opened to claims and more so after a few years of operation. The review(s) will support and enable further decisions about funding to be considered and/or to allow adjustments to be made to reflect changes in demand.</p> <p>Consideration has also been given to the size of the system and the number of claim assessments to be funded each year. For costing purposes, we have considered the current system capacity and the ability to increase this through operational efficiencies. The current system capacity is estimated to be 1,550 claims per annum (based on the number of funded claims for 2025/26). A high scenario scaling up to 5,000 over two years is proposed as an upper limit on system capacity, noting this will be affected by Cabinet's decisions on assessment and the level of evidence required to support a claim of abuse in care. Scaling options include a funding option that is consistent with current State claims scheme settings.</p>
<p><b>What was the process used to select the preferred option?</b></p>	<p>A cross-agency approach has been taken to developing the preferred option costed as part of the bid. Structure and costing options have been developed based on preserving choice for Cabinet as part of the policy decisions to be made in early 2025 while also reflecting the broader fiscal pressures faced by government. Reflecting the announcement by the Prime Minister at the public apology for abuse in care, the system is costed as a single system using existing costs data from claims agencies to inform the costing approach, to reflect the difference in demand and impact differing care settings have on the costs associated with assessing claims.</p> <p>When the policy options for the approach to redress are considered by Cabinet in March 2025, they will be assessed against the four objectives for redress agreed by Cabinet [CBC-24-MIN-050 refers], which are that redress: 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 arising from the poor outcomes experienced by survivors.</p> <p>It is intended that following these Cabinet decisions this initiative will be revised, to reflect the impact of these decisions on the overall costings, as part of finalising the Government's overall Budget package.</p>
<p><b>Interaction with savings proposals</b></p>	<p>There are no interdependencies or interactions with savings proposals. Existing redress functions have not been proposed as savings measures.</p>

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## Section 3: Costs and Benefits Analysis

All initiatives need to complete section 3A and 3B.

All initiatives except those submitted by:

- agencies provided with an envelope, or
- economic growth initiatives that are asked to provide a fiscally neutral option

are required to complete section 3C.

### Section 3A: Benefits and non-fiscal costs

The answer to each question must not exceed 1-2 paragraphs.

<p><b>What outcome(s) would the initiative achieve?</b></p>	<p>The provision of redress to survivors of abuse in State care is primarily focused on acknowledging the harm experienced by survivors. The direct outcomes associated with redress are that:</p> <ul style="list-style-type: none"> <li>• survivors will be heard, and the harm acknowledged</li> <li>• financial redress (a payment) will be received by survivors</li> <li>• survivors will be supported to access services.</li> </ul> <p>These direct outcomes and potential flow-on, wider outcomes, such as restoration of identity or mana, the benefits of services received, and connection to family or participation in community are outlined in the attached intervention logic model (ILM) in Appendix 1.</p>
<p><b>How will these outcomes be measured and evaluated?</b></p>	<p>Indicators will be developed against the ILM covering the inputs, outputs, impacts and medium- and longer-term outcomes. A benchmark will be established as a basis for measuring performance and improvement over time and inform development of targets as appropriate. Regular and transparent reporting on delivery will be a key aspect of the implementation.</p> <p>The initiative also includes funding for regular reviews of the system the medium and high scaling options, or two reviews in in the low option. This will include review of operational efficiency, individual impact and community impact. Ongoing performance monitoring will also occur as part of business-as-usual, to support efficient operation from day one.</p>

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<b>Evidence and assumptions</b>	<p>The following assumptions underpin the analysis of the benefits from implementing this initiative:</p> <ul style="list-style-type: none"> <li>• The primary purpose of providing redress is to acknowledge and address harm.</li> <li>• Without this budget initiative, survivors will still be entitled to seek redress through the Courts (noting this is time consuming and more expensive for all parties with increased financial and human costs, still requires servicing from government, and may result in the courts awarding higher settlement payments).</li> <li>• Many survivors of abuse in care have a low trust in government services, as they were abused whilst in the care of the government.</li> <li>• For redress to be effective, survivors must choose their redress journey (a key feature in building trust and agency with the people who took it from them when they were vulnerable), which puts some levers of control to achieve outcomes outside of government's direct influence.</li> </ul> <p>The benefits and non-fiscal costs associated with this initiative are directly linked to the policy decisions that will be made by Cabinet in early 2025. This is based on the assumption that the redress system will:</p> <ul style="list-style-type: none"> <li>• Provide survivors with access to redress that includes the choice of a settlement payment, access to supports, an apology.</li> <li>• Provides survivors with a safe listening space and legal advice to support their choices throughout the process of seeking redress.</li> <li>• Enables survivors access to records from their time in State care.</li> <li>• Supports survivors who have experienced abuse in multiple care settings.</li> <li>• Responds to claims in a timely way.</li> </ul>		
<b>Climate impact</b>	<input type="checkbox"/> Yes – emissions impacts (positive or negative)	<input type="checkbox"/> Yes – climate adaptation or resilience impacts (positive or negative)	<input checked="" type="checkbox"/> No impact
<input type="checkbox"/> No impact			

### Section 3B: Expenditure profile and cost breakdown

The answer to each question must not exceed 1-2 paragraphs.

<b>Formula and assumptions underlying costings</b>	<p>The three scaling options included in this bid have been developed in conjunction with joint Ministers. The options and associated assumptions used to develop this bid are not binding policy decisions and are intended to support the preparation of a maximum redress funding envelope for Budget purposes. In line with the overall redress approach discussed, policy decisions will be sought from Cabinet in March 2025 to support the implementation of a new redress system and refine the redress costings (within the maximum envelope and potentially at a lower level). An overview of the three scaling options is provided in Appendix 2.</p> <p>The initial design and development will focus on claims of abuse in State care. A further budget bid may be required to support the inclusion of non-State organisations into the redress system in the future if a decision is made by Cabinet that this work should be progressed.</p> <p>There is a wide range in the estimated survivor population, reflecting the limited data available on abuse rates, the numbers of people who went through different care settings, and a time period spanning many decades. For the purposes of costing this initiative we have used existing demand data (see Figure One below) to forecast projected demand based on the assumption that demand for redress will continue to increase at the current rate.</p> <p><b>Figure One<sup>1</sup> - Actual and projected claims received</b></p>
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<sup>1</sup> This model shows forecasts indicative demand using an average rate of increase calculated from the last three years to project future claims numbers. It assumes that the increase rate will remain relatively stable and not significantly change over the coming period.



No assumptions have been made about when demand may begin to stabilise or reduce as this point is not known. The initial demand model is comparable with experience in overseas redress systems, noting the limitations for comparisons given the differences between overseas systems.

The costs included in the bid have been developed using the knowledge and experience of joint agencies (including the Crown Response Office, the Department of Corrections, the Ministries of Education, Health and Social Development, Oranga Tamariki, the Public Service Commission, Te Puni Kōkiri, and Whaikaha). The key assumptions used to cost this bid are outlined below.

#### Key costing assumptions

- existing funding for redress processes has been factored into potential costs for 2024/25 and 2025/26, which means some elements of the bid do not require new funding for those years (such as legal aid/advice, or records support for 2025/26)
- the bid includes funding for out years, assumed at the same capacity as 2028/29 (5,000 claims per annum). Funding for an independent reviews of system capacity and demand has been included to enable this to be reviewed and adjustments made as needed
- the redress system operates a settlement-based alternative disputes resolution model with each survivor able to make a single claim to the system, costed using an average settlement package
- the redress system will continue to offer survivors a choice in claims assessment (i.e. rapid vs individualised assessment), which will continue to support reductions in waiting times/increased capacity, as the introduction of rapid payments has done for existing State redress processes
- the overall redress system operates a case management approach with operating costs based on the current claims processes' average per survivor costs
- the redress system will be delivered by a single Crown entity
- current settings in respect of civil litigation, such as the ACC bar and Limitation Acts, will remain unchanged
- the costs associated with assessing payments will remain the same or decrease as a result of future policy decisions
- the redress system will continue with current settings regarding abuse forms, and accept claims relating to sexual, physical, and psychological and emotional abuse and/or neglect
- the level of access to redress for survivor's next-of-kin will remain at current settings, meaning if a survivor has lodged a claim and they die before it is resolved, the next-of-kin or executor of their estate can continue with the claim
- the redress system will be open to previously settled claimants if additional 'top up' payments are required to ensure parity with new payment levels
- the redress system will be open to core Crown agencies with or without existing claims processes, as well as potentially Crown entities, with advice on the cost and operational implications of including those claims to be provided to Cabinet to enable policy decisions in 2025
- the redress system will be open to historic and contemporary claims of abuse and neglect in the care system and will have no cut-off date
- initial system capacity will be modelled on the basis of 1,550 claims being assessed in year one scaling up to 3,000 in year two and 5,000 in year three and beyond
- the redress system will fund independent legal representation and/or advice for claimants at the same level as existing claims agencies
- that 50 per cent of claimants will take up independent legal representation and/or advice
- an independent listening service, where survivors can share their experiences in a trauma-informed setting to facilitate healing, will continue to be provided
- the redress system will facilitate survivors access to their care records

- a centralised website that supports survivors in knowing how to access care records will continue to be funded
  - reflecting the diversity of supports and services that a redress system may need to facilitate access to, design of the supports and services aspect of redress will involve a co-design approach
- See attached costings spreadsheet (Appendix 3) for more detail on the costings and assumptions used.

Provide a breakdown of existing and additional funding sought by individual expense category and agency. Add additional rows as appropriate for additional expense categories.

**Operating expenses (\$m)**

**Existing operating funding (\$m)**

Operating expense category	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
Existing funding for State redress, including new investment in 2024 <sup>2</sup>	79.319	73.869	-	-	-	153.188

**Operating costs associated with initiative (\$m)**

Operating expense category	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
Establishment costs	9(2)(f)(iv)					
Transition costs	9(2)(f)(iv)					
Operating costs	9(2)(f)(iv)					
Review and complaints function	9(2)(f)(iv)					
Independent review of system changes	9(2)(f)(iv)					
Litigation contingency	9(2)(f)(iv)					
Monetary payments for new claims	9(2)(f)(iv)					
Top up monetary payments for closed claims	9(2)(f)(iv)					
Reimbursement of legal aid / legal or advocate fees for survivors	9(2)(f)(iv)					
Survivor Experience Service	9(2)(f)(iv)					
Targeted supports for survivors	9(2)(f)(iv)					
Funding to provide targeted supports to closed claims	9(2)(f)(iv)					
Independent records website	9(2)(f)(iv)					

<sup>2</sup> This total includes the additional \$32.524 million investment agreed by Cabinet in December 2024 [CAB-24-MIN-0434 refs] and \$2.67 million for Lake Alice claims which are administered by the Ministry of Health [SOU-24-MIN-0123 refs] but does not include the funding agreed for redress for torture at the Lake Alice Unit December 2024 [CAB-24-MIN-0516 refs] as this is separate process to redress for abuse in care.

Funding to allow co-design with survivors on targeted support 9(2)(f)(iv)

**Personnel expenditure (\$m) – please state impact at the initiative level**

Net FTE funding	9(2)(f)(iv)
Net contractor/consultant funding	
Net FTE and contractor/consultant overhead funding	
<b>Total operating expenses (\$m)</b>	

\*Extend the profile above to a “steady state” if funding into outyears is irregular. Delete “& outyears” for time-limited funding.

**FTE implications – please state impact at the agency level**

	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears
Total # of net FTEs at new redress Crown entity (employees)	0	348	470	619	619
Total # of net FTEs at new redress Crown entity (contractors/consultants)	0				
<b>Total # of net FTEs (employees and contractors/consultant) over the forecast period</b>	0				

**Additional occupation breakdown of FTE changes (count) over the forecast period**

Occupation	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears
Managers	0	11	11	11	11
Policy Analyst	0	11	11	11	11
Information Professionals	0	73	73	73	73
Social, Health and Education Workers	0	164	284	426	426
ICT Professionals and Technicians	0				
Legal, HR and Finance Professionals	0	29	31	38	38
Other Professionals not included elsewhere	0	55	55	55	55
Inspectors and Regulatory Officers	0				
Contact Centre Workers	0				
Clerical and Administrative Workers	0	5	5	5	5
Other Occupations	0				

<b>Would funding this initiative impact current employees?</b>	Funding would support retaining current employees following transition from existing claims agencies to a new Crown entity and would fund new employees.
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**Existing capital funding (\$m)**

Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
N/A	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

**Capital costs associated with initiative (\$m)**

Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
N/A	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
<b>Total (\$m)</b>	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

\*Extend the profile above if funding is needed beyond 2033/34.

**Section 3C: Scaled and/or Reprioritisation Options to meet 75%, 50% and 25%**

**Operating expenses (\$m)**

Operating expenses and reprioritisation (\$m)	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
9(2)(f)(iv)						

<b>Net Total (\$m) – MVP/Low option</b>	-	6.794	101.652	94.223	94.008	296.489
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**Capital expenses (\$m)**

Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
[Name of capital expense category]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[Name of capital expense category]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[Name/type of contingency]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
<b>Total (\$m)</b>	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

\*Extend the profile above if funding is needed beyond 2032/33.

**Scaling of initiative**  
 Three scaling options (high, medium and low) have been proposed. Each option reflects a different level of integration, system capacity, average monetary payment, targeted supports and other support payments. See the overview of the three scaling options in Appendix 2.  
 Key drivers of cost across these options are the level of integration and independence of the redress system, the number of claims assessed each year, the level of investment made into providing settlement payments, the level of additional targeted supports to survivors, and the number of outyears funded as part of the bid. Within each of the overall scaling options individual components could be scaled changing the over-all cost of the bid.  
 The level of integration and capacity of the system have workforce implications with more integration and assessment of higher numbers of claims requiring a higher number of FTE.

**What are the main risks of the options presented above?**  
 The main risk with scaling this bid relates to the constraints this places on Cabinet when making policy decisions for the redress process. Beyond the core objectives already agreed [CBC-24-MIN-050 refers], Cabinet is yet to consider policy advice on the redress process and to make decisions about the structure, function and redress offerings it will provide for survivors of abuse in State care. When making these decisions Cabinet will need to balance the costs of providing redress against the demand and survivors expectations on what an improved redress system should look like. As policy decisions are yet to be made, it will be important that Cabinet has sufficient flexibility within the redress Budget envelope to make decisions based on robust policy advice as opposed to purely fiscally-led decisions.  
 Each component of the package can be scaled, with different risks associated with this scaling. The key risks of scaling core components of the bid include:

- **Structure** – reducing the level of integration and/or independence would not align with the Royal Commission’s recommendation and could restrict Cabinet’s ability to align the redress approach with survivors’ expectations that there will be a single integrated redress system.
- **Capacity** – reducing the capacity of the system risks increasing the backlog of open claims awaiting redress and increasing the delays survivors experience waiting for their claims to be resolved. Delays in resolving claims is one of the key criticisms the Royal Commission made of existing redress processes, as this can cause further harm and trauma to survivors.
- **Monetary payment** – reducing the average payment amount will restrict Cabinet’s ability to consider what is a fair and appropriate amount to pay in settlement payments. The Royal Commission, survivors and the Ombudsman have all criticised the current monetary amounts stating these are insufficient and do not align with other comparable payments both within New Zealand and overseas.
- **Supports** – reducing investment in support services reduces Cabinet’s ability to provide a holistic redress package to survivors of abuse in State care. Survivors and the Royal Commission have recommended that redress should be made up of a package of supports, a monetary payment, and apology.
- **Records provision** – Under the Privacy Act survivors are lawfully entitled to receive a copy of their care records without undue delay. Insufficient resourcing to meet this demand could lead to these requests not being completed within an appropriate timeframe, resulting in the requirement to make additional compensation payments for an undue delay privacy breach.
- **Reimbursement of survivor legal fees** – This component is costed based on the current state, noting that there are opportunities to refine these costs through the policy process. Scaling ahead of these decisions may result in insufficient funding to meet the costs of these decisions.
- **Out years** – The Royal Commission has recommended that the Government ensure there is consistent and stable funding available to provide redress for claims of abuse in State care. There is an opportunity to scale the number of out years funded, noting that if no out years are funded this would create funding uncertainty and a ‘fiscal cliff’. This could impact the system’s ability to recruit and retain the skills and capabilities needed to deliver its services.

Each component of the package can thus be scaled with different risks associated with this scaling. We propose scaling options not be taken at this time so that Cabinet’s decision-making can be informed by robust policy advice on associated risks/trade-offs, which will be provided in March 2025.

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## Section 4: Delivery

There are **specific sections to complete based on the PA Objective of the Initiative** (feel free to delete non-relevant sections of the template):

- **Cost Pressures, Capital Cost Escalations and Performance Plan Scrutiny: Section 4A and 4D**
- **New Spending Commitments and Capital Investments: All sections**

### Section 4A: Procurement

The answer to each question must not exceed 1-2 paragraphs.

<p><b>What is the initiative purchasing/funding?</b></p>	<p>This bid seeks to develop a maximum redress funding envelope for Budget purposes ahead of Cabinet decisions on the Governments approach to. The Royal Commission and a Redress Design Group have provided advice and recommendations to Government about what matters to survivors and the structure, functions and offerings the redress system should include. The bid aims to anticipate what may be included as part of the Government's future redress approach while also reflecting the broader fiscal pressures faced by government.</p> <p>This bid assumes that the State will continue to provide an alternative disputes resolution process that provides a cost-effective and human-centred approach to responding to claims of abuse in State care. Appendix 4 ('Claims journeys') provides a high-level overview of the claims service and examples of survivor interaction with this service. This initiative includes costs associated with the following:</p> <ul style="list-style-type: none"> <li>• Receiving and processing claims, providing access to information about each claimant's time in care, and supporting claimants through the claims process.</li> <li>• Claim settlement payments and reimbursement of legal aid fees or reasonable legal costs for legally represented claimants.</li> <li>• Supporting claimants to access support services while they are waiting for their claim to be resolved including funding some targeted support services (such as counselling, wellbeing services or navigation support).</li> <li>• Proactive engagement with claimants whilst they wait for their claim to be resolved and ensuring they are not re-traumatised as a consequence.</li> <li>• Legal costs associated with resolving claims and responding to litigation.</li> <li>• Integration of existing State claims agencies and the costs associated with establishment, transition and ongoing operation of a redress entity.</li> <li>• Continuation of an independent listening service (the Survivor Experience Service) and independent support for survivors to access their care records.</li> <li>• Continuation of a centralised records website to support survivors to access their care records</li> <li>• Funding to enable survivors with closed claims to be able to receive a top-up payment for any difference between the current and new average payments and to access additional targeted supports available to survivors as part of the new redress system.</li> <li>• Funding to enable co-design and engagement with survivors on design and delivery of the redress system.</li> </ul> <p>This initiative is not seeking funding for any future redress for torture that would be required if further instances of abuse in care are formally confirmed to meet the definition of torture under the Convention Against Torture (such as some of the experiences of abuse at the Lake Alice Child and Adolescent Unit), and the Attorney-General agrees that redress for the torture is required as per New Zealand's reservation to Article 14 of the Convention. Any new funding required for torture-redress would need to be sought through a separate Budget bid or out-of-cycle funding process.</p>
<p><b>What market constraints or other delivery risks exist?</b></p>	<p>Subject to Cabinet decisions on the redress structure and overall approach, transition of teams from across multiple agencies to a single unit, agency, or entity will affect the ability to process claims while the transition is underway. This could result in fewer claims being processed and risk the growth of a claims queue for the new system. Phasing of teams' transition and temporary increases in capacity would mitigate this risk.</p>
<p><b>Government Procurement Rules</b></p>	<p>Any procurement to be undertaken, subject to Cabinet decisions on the structure for the redress system, will be in line with Government Procurements, Principles, Rules and related guidance.</p>

### Section 4B: Risks, constraints, and dependencies

The answer to each question must not exceed 1-2 paragraphs

<b>What are the main risks?</b>	<p>This bid has been developed ahead of policy decisions on an improved redress system. There is a risk that Budget decisions constrain the policy options available for consideration by Cabinet or that policy decisions result in additional costs not included as part of the Budget package. To mitigate these risks, costings have been proposed at the higher end to preserve flexibility for Cabinet decisions.</p> <p>There is uncertainty around the number of claims for abuse expected to be received. To mitigate this risk, demand has been forecast using data from existing claims agencies and having regard to international experiences of establishing a redress system (see section 3B – Evidence and Assumptions).</p> <p>Even if a new redress system is implemented, survivors may still seek to litigate their claim or may seek to challenge Cabinet’s decision-making process through the Courts. To mitigate this risk, a contingency to meet the costs of litigation is proposed.</p> <p>Policy decisions relating to the approach to settling claims may impact the number of claims that can be assessed, and the disruption of transition may impact the number of claims that can be assessed each year. To mitigate this risk and allow for scaling up as capability is built and efficiencies are realised, multi-year appropriations are sought.</p>
<b>What are the key constraints?</b>	Nil
<b>What are the key dependencies?</b>	This bid has been developed using a number of pragmatic assumptions intended to support the preparation of a maximum redress funding envelope for Budget purposes. Implementation of this initiative is dependent on Cabinet decisions, to be sought in March 2025, on the overall redress approach.

## Section 4C: Governance and oversight

The answer to each question must not exceed 1-2 paragraphs.

<b>What are the governance arrangements for this initiative?</b>	<p>Decision-making on redress sits with Cabinet. The Lead Coordination Minister is consulting closely with Ministers responsible for claims agencies to support options taken forward to Cabinet. Governance arrangements and the level of survivor input into these structures will be explored as part of this advice.</p>
<b>Timeframes and monitoring</b>	<p>Policy decisions on redress are expected to be made by Cabinet in March 2025 with public announcements able to be made as part of the Budget process. The advice provided to Cabinet to support decision making will include advice on timeframes for design, establishment, and transition to and ongoing monitoring of the new redress system.</p>

## Section 4D: Demonstrating performance

The answer to each question must not exceed 1-2 paragraphs.

Demonstrating performance for redress predominantly revolves around the time involved in processing claims, with the corresponding impact on survivor experience, and would reflect the various components of assessing and resolving claims of abuse or neglect in care.

Costing for this bid has used the assumption of a year one capacity of 1,550 claims per year, scaling up to 3,000 in year two and 5,000 in year three and beyond, which will involve significant performance improvements in addition to increased investment. Beyond claims processed per year, and drawing on comparable overseas schemes, redress system performance could further report against measures which break down the constituent parts of the claims assessment process – for example the time between claims being received and final decisions being made – and consider publishing these in semi-regular reports (See for example - <https://www.nationalredress.gov.au/news/novemberdecember-update-2024>).

## Section 5: Equity

*All initiatives need to complete this section.*

The answer to each question must not exceed 1-2 paragraphs.

<b>Timing of costs and benefits</b>	<p>Abuse in care has created considerable social, cultural, and economic costs for survivors and the country as a whole. Survivors have experienced poorer social outcomes than the general population, such as inequitable health and education outcomes, higher incarceration rates, family and sexual violence, unemployment, homelessness, mental distress, substance misuse. These impacts can be experienced inter-generationally.</p> <p>For many Māori, Pacific, disabled, and survivors from the rainbow community, these costs have compounded existing inequities.</p>
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	This bid seeks funding to strengthen the redress system to assist in the delivery of a timely, efficient resolution of survivors' claims, providing them with redress that acknowledges and addresses their experiences of abuse and concludes their claims against the State. Immediate impacts and short-term outcomes for survivors will begin to be realised straight away as claims are progressed (see intervention logic). The medium- and long-term outcomes identified in the intervention logic will take longer to realise and are dependent on ongoing delivery of an effective redress system.			
<b>Treaty of Waitangi (Te Tiriti o Waitangi) Obligations</b>	<b>Yes</b>	<p>Providing a redress process for claims of abuse in State care aligns with the Crown's Treaty obligations under Article II – protecting the ability for Māori to maintain control over their tangible and intangible assets - and would demonstrate manaakitanga to claimants. Demonstrating manaakitanga would include the Crown providing timely resolution, having a process that enhances and restores the mana of claimants by being able to acknowledge and addresses their harm, treats them with respect, helps them get the support they need and enable options for claimants about how their claim is resolved. This will help restore survivor mana, health and well-being (which also relates to obligations under Article III and Wairuatanga). Providing redress would help to improve relationships between Māori survivors and the circumstances of their whānau, hapu and iwi, which would support the achievement of equitable access and outcomes (Article III).</p> <p>For many Māori survivors of abuse in care, the impacts have compounded existing inequities. One of the Crown's guiding principles for its engagement with the Royal Commission has been meeting obligations under Te Tiriti o Waitangi – honouring the Treaty, its principles, and building a stronger Māori-Crown relationship through the way the Crown operates and behaves, which relates to the Crown's obligations under Article I – supporting the Crown's ability to govern in a way that respects and upholds te Tiriti. The upcoming Waitangi Tribunal Social Services and Social Development Kaupapa Inquiry, which is anticipated to start in the next 2-5 years, and the recently launched Education Services and Outcomes Kaupapa Inquiry have the potential to include claims of historic abuse in schools.</p>		
		Subject to the decisions made by Cabinet on redress structure, there will be opportunities for governance or advisory bodies to fulfil Treaty obligations. For example, if Cabinet decides redress should be delivered by a Crown entity, its board composition and appointments could reflect Treaty obligations.		
<b>Specific implications regarding human rights</b>	<b>Yes</b>	Abuse in State care represents a breach of human rights under the New Zealand Bill of Rights Act 1990 and Human Rights Act 1993.		
<b>Does the initiative have a larger impact on any of the following groups of New Zealanders than on the population as a whole?</b>	Māori	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	Pasifika	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	Other minority ethnic groups	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	Rural Populations	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	Seniors	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	Disabled Peoples	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	Women and girls	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	Low-income individuals / families	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	Children and Young People	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	Other groups (please specify)	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
<b>Distributional Impacts</b>	The Royal Commission found that Māori, Pacific peoples, disabled peoples, and the rainbow community were more likely to have experienced abuse in care.			

For example, of the survivors who have registered a claim with MSD (the largest of the four State claims agencies), approximately<sup>3</sup>:

- 51% identify as Māori
- 5% identify as Pacific
- two thirds are men
- one third are women.

Resolution of these claims will enable claimants to have their experiences acknowledged and receive an apology for what has occurred. This is often the first step to address their harm and restore their health and wellbeing. Improved health and wellbeing is a direct impact of claims processes and will directly impact survivors' ability to achieve their aspirations, improve their ability to be resilient and help to overcome gender stereotypes, roles and pressures in their lives.

Indirectly, the resolution of these claims will benefit survivors' families (whānau, hapu and iwi) and communities in that as their health and wellbeing is restored, they will in turn be able to improve outcomes for their children, wider whānau, and community.

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<sup>3</sup> These percentages are approximate numbers as ethnicity information has not been provided by all claimants.

## Appendix 2.1

Intervention Logic Model for providing redress to survivors of abuse in care

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## Purpose

This document is intended to support consideration of Budget25 options. Given the tight timeframes for Budget 2025, the approach to developing costings for the redress component of the Budget bid involves using assumptions about key features of the redress system, which will establish an initial funding envelope with the costs finalised through Cabinet policy decisions on the redress system sought in February/ March 2025.

## Overview

This intervention logic model (ILM) is based on a 'theory of change' approach, underpinned with evidence where available. It shows how the proposed redress interventions can lead to a wide range of outcomes for survivors, communities and government, over the short and long term. It also points to possible indicators for measuring success.

Any investment decisions will need to allow for the possibility of policy decisions that relate to any of the three options presented, without predetermining the policy decisions not yet made by Ministers.

This document outlines the approach used to create the ILM, the rationale behind the model and the evidence base underpinning it.

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## Invention Logic Map

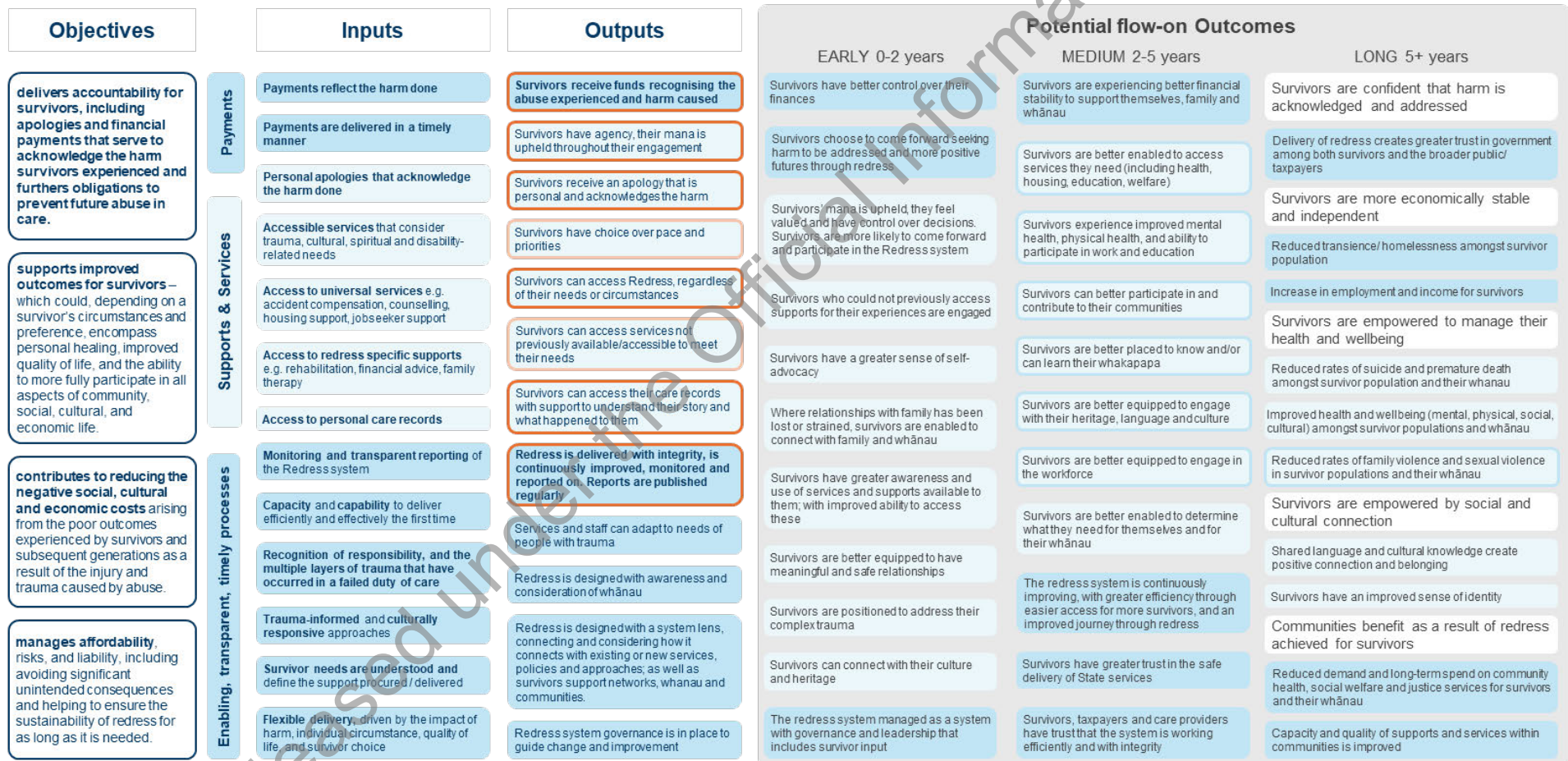
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# Intervention logic for providing redress to survivors of abuse in care

Redress is primarily a means of acknowledging and addressing a harm. Redress outcomes are a demonstration of potential benefits resulting from taking action to acknowledge and address the harm.

Purpose	Scope	Problem Definition
This ILM describes the impact of investing in redress in support of the Budget 25 submissions.	The ILM covers redress structure & function, payments, and supports & services (including operational costs of delivering redress). The ILM does not cover the future-proofing care services or time limited funding for CRO.	Wide-ranging abuse in care, representing a failure in the duty of care for children, young people, and vulnerable adults, has resulted in significant, ongoing individual and collective harm with complex flow-on impacts. Previous attempts to acknowledge and address abuse and the harm it has caused have been ineffective for a large range of survivors.

**Note:** the outputs highlighted in orange result directly from acknowledging the harm perpetrated. Other outcomes are flow on benefits that may be achievable dependent on decisions about the range of services made available to survivors, how these are delivered to survivors, survivors' circumstances and their capacity to utilise these supports.



## Context

### What is redress

Redress is the process of acknowledging and addressing a harm that has been perpetrated. When employed at a Governmental level, redress is primarily a tool for addressing wide-spread or systemic harm done. Whilst there is potential for broader societal outcomes (and cost reductions to government services), these are not the primary motivation behind providing redress for survivors of abuse.

Wider social outcomes (and cost reductions) are both a consequence and flow on impact of the primary objective, of acknowledging and addressing the harm. Survivors have significant distrust in government and government services, largely due to the state having broken their trust in not protecting them from abuse. It is important not to underestimate or overlook this as a factor affecting potential benefits of redress.

In developing the ILM, we have conceived of redress in the following ways:

- **Redress at an individual level** – the focus of redress is the individual who was abused in care. Their whānau and communities become relevant in context of their individual claim, acknowledging that individuals are not viewed in isolation but as a collective (eg, the individual's ability to care for their own whānau).
- **Redress as relevant to whānau, community and intergenerational issues** – whilst redress is understood at the individual level, the aspiration is for whānau and communities to be empowered to take care of their own..
- **Redress as relevant for state and non-state providers** – the level of the ILM is broad enough for non-state care providers and settings to be relevant, acknowledging that in the initial period it is more likely to be applied to those in state care.
- **ILM as broadly applicable to populations in care** – the ILM is still broadly relevant to anybody in care, not just those who have been abused whilst in care. Those in care have already experienced significant trauma which has resulted in them being in care. Abuse whilst in care is essentially a continuation of trauma.

## Developing the ILM

### Scope and approach of the ILM

#### *Underpinning Budget submission(s)*

An ILM model is needed to support the Budget 25 submissions for redress structure and function, payments, and supports & services (including operational costs of delivering redress).

The ILM does not focus on or cover the future-proofing care services, however there is a link to the future-proofing of care settings in the following ways:

- Many survivors' initial concerns are that abuse does not happen in the future, and there is a need for transparency and visibility of change in the care provision
- Monitoring and reporting of the redress system should highlight improvement opportunities in care provision and settings, with a clear feedback loop.

The ILM is also not relevant for the time limited funding for CRO aspects of the Budget 25 submission.

#### *Theory of change approach*

The model is based on a 'theory of change' approach, incorporating as much evidence as possible to substantiate the logical connections being drawn. It is not possible or helpful to create clear linear flows between individual inputs and outputs for the following reasons:

- **Significant diversity in needs for different population groups**, not all outcomes are relevant for each group, and there is not robust enough data on individual cohorts and their needs to create specific flows for each cohort.
- For redress to be provided meaningfully, it is important that the **survivor determines what redress means to them**, and that the system adjusts to meet their needs. This means that survivors essentially choose their pathway and life outcomes, and flexibility is paramount.

### Method used to develop ILM

As a start point, and to make the most of best current thinking and previous work, the problem definitions developed by CRU (now CRO) with other agencies in early 2024 have been used.

The objectives for redress agreed by Cabinet in June 2024 (CBC-24-MIN-0050 refers) have been used as a primary focus for the targeted outcomes in the ILM.

Under the umbrella of these problem statements and Cabinet objectives, the ILM has been developed with a range of survivor-focussed and government-oriented outcomes. These outcomes are relevant and known and build on the RC recommendations and known areas for improvement in the way redress is currently provided, drawing on experiences of NZ government agencies and redress schemes overseas.

A participatory social process with agencies has been used to develop the ILM. Several agencies (MSD, MoE, OT, MoH, TPK, Whaikaha) contributed to develop the intervention logic based on what they have learned, evidence and experience. CRO synthesised and structured the content, iterating with agencies to check for accuracy, fill gaps, and improve the framing.

### **Frameworks drawn on**

The following frameworks have been used to help shape the ILM, aligning with current NZ government approaches:

- **Whānau Ora** – a culturally-grounded, innovative, holistic approach to improving the wellbeing of whānau as a collective that puts whānau at the centre of decision making and addressing individual needs.
  - Aspects of the Whānau Ora framework were adapted to shape the long-term outcomes of: survivors are empowered to manage their health and wellbeing, survivors are empowered with social connection, survivors are economically stable and independent.
- **Living Standards Framework** – considers policy impacts across the various drivers of individual and collective wellbeing, institutions and governance, and overall wealth of Aotearoa New Zealand, as well as the long-term and distributional issues, and implications of policy.
- **Social Investment Approach** – using data to better target how, where, and who money is invested in, to maximise the likelihood of achieving longer term outcomes and reduce dependency on services.

In addition to these broader frameworks, this ILM draws on the existing ILM models developed for various aspects of redress within agencies (eg, MSD's Intervention Logic for Historic Claims, and MoE's Theory of Change implementing Tikanga into the Sensitive Claims service, and MoE's Theory of Change for its Wellbeing Service).

## Description of ILM Content

The ILM describes invention in terms of: Objectives, Inputs, Outputs, and Early Impact, Medium Outcomes and Long-term Outcomes. This section describes the basis for the statements made under these headings.

It is important to note that the *Inputs* and *Outputs* do not translate directly to *Impact*. Instead, much of the impact described is the sum of multiple inputs and the accumulated effort of those inputs over time.

For instance, receiving a significant financial payment improves a survivor's immediate purchasing power, allowing them to address immediate financial concerns; however, it is the combination of the financial boost alongside access to support services such as workforce training, mental health support or trauma care that enable long-term financial stability.

### Objectives

The Crown objectives for redress agreed by Cabinet in June 2024 (CBC-24-MIN-0050 refers) have been used as a primary focus for the targeted outcomes in the ILM.

The agreed Crown objectives for redress are:

- **contributes to reducing the negative social, cultural, and economic costs** arising from the poor outcomes experienced by survivors and subsequent generations as a result of the injury and trauma caused by abuse.
- **supports improved outcomes for survivors** – which could, depending on a survivor's circumstances and preference, encompass personal healing, improved quality of life, and the ability to more fully participate in all aspects of community, social, cultural, and economic life.
- **delivers accountability for survivors**, including apologies and financial payments that serve to acknowledge the harm survivors experienced and further obligations to prevent future abuse in care.
- **manages affordability, risks, and liability**, including avoiding significant unintended consequences and helping to ensure the sustainability of redress for as long as it is needed.

### Inputs

The inputs in the ILM have been described under three headings. These are the tangible attributes of a redress system that will enable change, based on findings by the Royal

Commission, advice and findings of current claims agencies, findings by international Redress Schemes, and published findings by academics.

- **Enabling, transparent, timely processes**

- Thorough monitoring and transparent reporting of the Redress system
- Capacity and capability to deliver efficiently and effectively the first time
- Recognition of responsibility, and the multiple layers of trauma that has occurred in a failed duty of care
- Trauma-informed and culturally responsive approaches
- Survivor needs are understood and define the support procured / delivered
- Flexible delivery, driven by the impact of harm, individual circumstance, quality of life, and survivor choice

- **Supports and services**

- Accessible services that consider trauma, cultural, spiritual and disability-related needs
- Access to universal services e.g. accident compensation, counselling, housing support, jobseeker support
- Access to redress specific supports e.g. rehabilitation, financial advice, family therapy
- Access to personal care records
- Personalised apologies that acknowledge the harm done

- **Payments**

- Payments are delivered in a timely manner
- Payments acknowledge that harm occurred

### Outputs

The outputs describe the immediate result of the inputs. The following outputs are primarily linking to inputs regarding an *enabling, transparent and timely process*:

- Redress system governance is in place to guide change and improvement

- Redress is delivered with integrity, is continuously improved, monitored and reported on. Reports are published regularly
- Services and staff can respond to needs of people with trauma
- Redress is designed with a system lens, connecting and considering how it connects with existing or new services, policies and approaches; as well as survivors support networks, whānau and communities
- Redress is designed with awareness and consideration of whānau.

The following outputs are primarily linking to *Supports and services*:

- Survivors have agency, their mana is upheld throughout their engagement
- Survivors can access their care records with support to understand their story and what happened to them
- Survivors receive an apology that is personal and acknowledges the harm

The following outputs are primarily linking to *Payments*:

- Survivors receive funds recognising the abuse experienced and harm caused.

### **Early Impacts**

Early impact describes the short-term benefits of the output. Many of these speak to positioning survivors on an improved life trajectory, with opportunities for long-term benefits. These can also be thought of as largely focused on ‘removing barriers.’

An example of this is, ‘Survivors can connect with their culture and heritage’. In many survivor testimonies, it was noted that lack of access to care records was a significant barrier to survivors forming a personal identity. In some cases, survivors had incorrect or minimal knowledge of their own ethnicity, or family lineage, or how they came to be in care. By enabling access to their records, survivors are able to establish the basic facts about who they are; however, deriving meaning and establishing connection to family and community is an outcome that is likely to take longer and draw on other related enablers.

### **Medium Outcomes**

In the *Medium Outcomes* we begin to see how the inputs overlap to generate more substantial benefits. Following the previous example, it is access to care records, as well as a monetary sum that enables a survivor to have the information, time and personal capacity to ‘engage with their heritage, language and culture’

As well as access to records, survivors have noted that the ability to learn their language and connect with their culture is a luxury they were unable to obtain when they were focused on meeting their daily needs.

### **Long-term Outcomes**

The long-term outcomes speak to collective benefits, that like the medium outcomes, are the sum of multiple inputs. This could include outcomes like greater trust in government among both survivors, improved health and wellbeing and economic opportunity for survivors, a strengthened communities and cultural connections for survivors.

Similar to the medium impact statements, these longer-term outcomes are increasingly interlinked benefits. By engaging with their heritage, language and culture a survivor may experience improved mental health and sense of connection with their family and community. Alongside improved trust in state services, at a collective level, this may correlate to reduced crime and rates of violence, reduced transience and greater employment, and therefore reduced cost of social services to the state.

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## Supporting evidence

A summary of findings regarding the impact of harm in care is described below within the themes of Health, Education and Economic, Justice and Corrections, Social and Cultural Wellbeing.

### Health

- Many survivors of abuse have suffered physical injuries from abuse in care, as well as having ongoing and long-term health needs, which include both mental distress and physical illnesses (RCOI b, 2024).
- Many survivors also developed longer-term medical conditions associated with trauma and abuse, including cardiovascular problems, diabetes, malnourishment, sexually transmitted diseases, chronic pain, and incontinence. (RCOI, 2021)
- 33% of survivors reported living with a chronic health condition at some stage of their lives ([RCOI – DOT Consulting, 2023](#)).
- Current health system costs:
  - The Royal Australian & New Zealand College of Psychiatrists reports the estimated annual cost of premature death in people with serious mental illness is \$3.1 billion (NZD) in New Zealand ([RANZCP, 2016](#)).
  - In 2021, ACC estimated the cost related to sexual violence cases is approximately more than \$6.9 billion annually.

### Education and Economic Impact

- Individuals have experienced social withdrawal as a result of trauma experienced, leading to poorer economic outcomes. Many survivors find it difficult to socialise, interact, and trust others after their experience of abuse whilst in care. Abuse experienced lead to a withdrawal from education. The loss of economic opportunity has ongoing consequences, including financial insecurity and loss of self-worth for generations (RCOI, 2021).
- In 2023, AUT found that lower low reading and math skill correlated with lower earnings. In a social context, the OECD describes a baseline of education to be one that enables a person to “participate effectively and productively in life”.

### Justice and Corrections

- People in prison tend to have greater levels of childhood and adult trauma, greater lifetime exposure to family violence, higher prevalence of substance abuse

disorder, mental health issues, and more neurocognitive diversity than the general population ([Ara Poutama, 2024](#)).

- There is a clear pathway to becoming a gang member and undertaking illegal activity or activities that led to imprisonment for survivors of social welfare residential care (RCOI a, 2024).
- For many Pacific survivors, abuse in care led to involvement with gangs, criminal activity and prison. It was the 'natural next step', and there was an identified direct connection. Criminal activity leading to prison was a result of not having received skills, education, support or opportunities to do anything else while in care (RCOI a, 2024).
- People in social welfare settings were at least five to nine times more likely to serve a prison sentence than those who had not been in social welfare settings (RCOI b, 2024).
- Data in the IDI shows that as many as 1 in 3 people who were in residential social welfare settings between 1950 and 1999 went on to be incarcerated (RCOI, 2022). For Māori youth who had been in residential social welfare settings within the same period, up to 42 per cent went on to receive a prison sentence later in their lives.
- Current justice system (corrections) costs:
  - The average annual cost for 2023/24 of people in prison per person, per day is \$562.00, and this had increased from \$555.00 for the year 2022/23 (Ara Poutama, 2024). Ara Poutama reports there are approximately 5,092 people currently serving a prison sentence, with an average length of sentence imposed of 636 days.

## Social and Cultural Wellbeing

- Consistently, survivors have described the impacts of abuse in holistic terms. That is, abuse has affected everything about their lives. It has harmed their physical health, their psychological and emotional wellbeing, their education and economic prospects, their relationships with family and others, their cultural and spiritual lives, and much more, leaving a legacy of harm that has spanned generations.
- Being in care meant many survivors lost contact with family, community, culture, language, identity and whakapapa, which many later aged and struggled to regain.
- Abuse and neglect in care caused many Pacific survivors to lose connections to their kainga (family), culture and language. This had significant impacts on their

sense of belonging, identity and their life pathway. Many Pacific survivors lost the ability to fakatupuolamoui, the ability to live vigorously and abundantly by having negative experiences in care settings which led to non-compliant behaviour or isolation.

- Abuse in care has resulted in intergenerational effects as some survivors have not had the support needed to work through their trauma.
- Partners and children live with the survivors' hurt, depression, loss, and anger. Some survivors struggle to show affection or care for their children, and some have gone on to inflict violence and other harm on the next generation.

## Other resources used to inform the ILM

Earlier work collected and created by CRO

- [Puretumu Torowhānui Outcomes Framework Development](#)
- [The Impact of Abuse in care in NZ](#)

Current or recent outcomes frameworks or intervention logics for reference

- [SES Evaluation and Monitoring Plan](#)
- MSD ILM for Historic Claims
- MoE Theory of Change implementing Tikanga into the Sensitive Claims service
- MoE Theory of Change for its Wellbeing Service
- [Te Aorerekura: The National Strategy to Eliminate Family Violence and Sexual Violence Outcomes and Measurement Framework](#)
- [Living Standards Framework](#)
- [Accelerating Social Investment-Cabinet-Paper.pdf](#)

International Redress Scheme: Performance measures / Outcomes / Intervention Logic

Australia

- [Australia Strategic Success Measures](#)
- [Service Charter: Australia National Redress Scheme](#)

Scotland

- [RS-Corporate-Plan\\_MAY-2023.pdf](#)
- [National Performance Framework | National Performance Framework](#)

### Objectives for Redress

- [What Makes Redress Better? \(Chapter 3\) - Monetary Redress for Abuse in State Care](#)
- [Abuse in state care: the rough road to financial redress - The University of Auckland](#)

### Intervention Logic Guidance

- [Investment Decision Process — Harm Reduction Action Plan for Work-Related Road Safety](#)
- [He awa whiria—A “Braided River”: An Indigenous Māori Approach to Mixed Methods Research - Rhiannon Martel, Matthew Shepherd, Felicity Goodyear-Smith, 2022](#)
- [IDIA | Indigenous Design & Innovation Aotearoa](#)

### Other evidence showing links between inputs and outcomes

- MoE Impact & Value Standards Measurement for Social Investment standards for the social sector

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## Appendix 2 - Redress System Package Costed Scaling Options

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

	Low Scaling Package (MVP)					Mid Scaling Package					High Scaling Package				
	Operating costs associated with this scaling option (\$m)					Operating costs associated with this scaling option (\$m)					Operating costs associated with this scaling option (\$m)				
	2025/26	2026/27	2027/28	2028/29 & outyears	Total	2025/26	2026/27	2027/28	2028/29 & outyears	Total	2025/26	2026/27	2027/28	2028/29 & outyears	Total
	\$6.79	\$101.65	\$94.22	\$94.01	\$296.49	9(2)(f)(iv)					9(2)(f)(iv)				
Number of out years	2 years					4 years					6 years				
Structure	Status quo for four State claims agencies in operation plus two agencies who need a mechanism					Transition and establishment of an integrated unit in an existing government department					Transition and establishment of a new entity				
Capacity	1550 claims per year					1550 claims rising to 5,000 claims by 2027/28					1550 claims rising to 5,000 claims by 2027/28				
Monetary payment	Average of \$20k per payment per claim					Average of \$30k per payment per claim					Average of \$40k per payment per claim				
Top up payments for previously settled claims	No					No					Yes				
Supports	Average cost of \$5K per claim					Average cost of \$7K per claim					Average cost of \$10K per claim				
Survivors with closed claims can access supports	No					No <sup>1</sup>					Yes				
Survivor experience service	Fixed – 2 years only					Yes					Yes				
Funding to allow co-design of supports with survivors	No					No					Yes				
Provision of care records to survivors	Yes					Yes					Yes				
Independent Records website	No					No					Yes				
Reimbursement of survivor legal fees	50% of claims at \$11K per claim					50% of claims at \$11K per claim					50% of claims at \$11K per claim				
Review and complaint function	No					Yes					Yes				
Independent review	Two reviews at year 2/3 and 4/5					Annual review					Annual review				
Crown Litigation Contingency	Fixed					Fixed					Fixed				

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**Notes**

<sup>1</sup> Top-up payments for survivors with closed claims could be added to this package for \$50.32 million over two years

## Appendix 4: Redress journey for survivors to support Budget 25 considerations

### Purpose

This document is intended to support consideration of Budget25 options. Given the tight timeframes for Budget 2025, the approach to developing costings for the redress component of the Budget bid involves using assumptions about key features of the redress system, which will establish an initial funding envelope with the costs finalised through Cabinet policy decisions on the redress system sought in March 2025.

### Context

The Royal Commission of Inquiry into Abuse in Care found that people who experienced abuse in care in New Zealand span a diverse population across a range of care settings; experiences of abuse have resulted in wide-ranging physical, mental and psychological harm and trauma; and that the lasting impact on survivors' lives and their ability to overcome the harm differs significantly. Poor delivery of redress can add to the survivor's trauma while successful redress can enable healing and recovery.

### Cohorts overview

Forecasting the total population of survivors is incredibly difficult due to the undocumented nature of the abuse over the time-period examined by the Royal Commission. Survivor characteristics to consider in delivering Redress include:

- *Care settings:* may inform the impact of the harm (eg, abuse in a school setting, leading to leaving school early and poorer long-term employment opportunities) and the focus for Redress needs (eg, improved education for their children). Care settings also relate to responsibility and eligibility for Redress services.
- *Time period:* when the abuse happened will affect the information available through care records, policy settings, and responsibility
- *Ethnicity:* Survivors are over-represented by Māori and Pacific Peoples
- *Disabilities:* Deaf people and people with disabilities have been a particular target of abuse and have limited ability to identify abuse and/or to access support to address the impact due to the inaccessibility of services
- *Age:* Survivor age can affect the Redress focus and sense of urgency between apology, services and payments
- *Life circumstances:* Personal circumstances may make it hard for survivors to engage or may disrupt the process of receiving redress.

### Survivor personas – a sample

The following personas have been developed as examples of people who may engage in State Redress. Their priorities are highlighted. These personas are representative of a combination of survivors' testimonies to the Royal Commission and case studies shared with CRO by agencies. How these personas might progress through Redress is explored on the following page.



**Aron, 56, lives in Kaikohe with his partner. Aron has two adult children and is currently receiving cancer treatment.**



Expedited payment



Individual apology

**Aron anticipates he will die within 18 months. He needs an easy and speedy Redress process.**

"I want an apology and my records. Money is secondary but I want something to leave my children. The process must be easy, and it has to be fast. I don't have the time or education to navigate another big legal process. Sometimes I think the state is just hoping I'll die before they have to pay up."



**Erina, Ngāi Tahu, 17, lives with her Mum and 2 younger siblings in Nelson. She has an older sister living in Christchurch.**



Assisted services



Individual apology

**Erina wants the state to take responsibility for what happened. She is seeking support to move forward.**

"Other kids are working or studying, I'm just lost. I don't have the skills to do those things. That's what I want, support to get my life back on track and get my family back together. Money comes and goes. I want an apology – one that I understand and actually means something, respecting tikanga, not just some lawyer trying to pay us off."



**Caroline, 63, lives with her sister in Hawkes bay.**



Assisted services



Individual apology

**Caroline needs access to Redress to account for her disability.**

"After leaving the institution, I struggled for a long time with social skills. I want to see an end to the kind of treatment I experienced. I want access to supports that address the skills and education I missed out on while in care. Whatever is delivered must be accessible. It would be cruel to present something so complicated and inflexible that after everything, I still couldn't access what I need."



**David, Ngāti Kahungunu, 45, is currently in Rimutaka Prison. He has one daughter.**



Individual payment



Assisted services

**David needs support to manage and protect any funds he receives while in prison.**

"I have a lot of anger, and I'm constantly scared I will lose control if I don't get the help that I know I need. I want support to address my trauma. I also want someone to recognise the path state services put me on. I should never have been placed in care – I don't trust authority, or the state, but once I am out of prison, I never want to come back."

# Survivor journey through Redress

This page describes what the journey through Redress could look like for different survivors. The steps described here are based on the current claims processes.

## Entry

### Becoming aware

Survivors become aware of Redress through wide-spread and targeted communications eg. for deaf, disabled, digitally illiterate and transient.

### First contact

Some initial information is gathered to register the survivor and verify their time in care. Depending on their care setting, and records, this may be time consuming. This is done in a trauma-informed way to establish trust.



"I don't know if I trust this."



"Finally, someone is taking responsibility."



"What do I need to do? Am I allowed a support person?"



"I'd better get a lawyer"

## Engagement

### Registration

The survivor is informed of the services available to them, as a survivor of abuse in care. These may include:

- specialist support services
- support to access universal services
- application for payment which may be individually assessed or expedited
- access to care records
- an individual apology
- a place to share their story

A representative explain what to expect given the survivors situation. Processes are heavily shaped by the survivor's claim, care setting, and specific needs.

### Progressing through Redress

As a survivor progresses through Redress, there may be delays due to demand on the system, degree of information or research required, complexity of the case or changes in the survivor's personal circumstances.

Survivors may wish to pause their engagement or change the focus of their Redress journey.

Redress will adapt and respond to changes in a way that supports the survivor. This may include discussing options with the survivor or making changes to what is requested. Redress representatives keep the survivor updated with the progress of services and follow-up with requests on the survivor's behalf.



"Support services are 40 year too late. Just give me the money, if it's all I can get, I'll take it."

Aron opts for the quickest process options. He receives access to his records and shares these with his partner. He would like his son to be able to access counselling.



"This is daunting. I need my family walking alongside me. I need to go at my pace, not be rushed"

Erina chooses to access support services and develops a meaningful apology with the support of a Redress representative who understands tikanga.



"Websites and forms are difficult for me. I just need someone who treats me like a person and can walk me through the process with dignity."

Caroline works with a redress representative to develop a meaningful apology. Support services are chosen to give her more independence. Due to poor health, Caroline pauses her application for several months.



"How can you expect me to know this information? Isn't that your job?"

David's lawyer supports him through an individual payment process. Through meeting with Redress, he is made aware of several corrections-based programme he can engage for trauma support. He is receiving specialist support to connect with his whakapapa and understand his identity.

## Case close

### Ready to receive payments

Once a sum is approved, how payments are received considers what survivor needs for financial advice and management may be. This may include personal circumstances such as addiction, health concerns or financial literacy. Different means of delivering funds may be engaged.

### Confidence to move on

Survivors have received specialised redress services, including payments and feel confident to transition to universal services or move on independently.



"I need to know my children will have access to this money."

Aron receives an expedited payment and an apology. He also receives end of life support.



"I'm getting back on track with the support of my whānau."

It is arranged that a payment is placed in a trust for when Erina is 18. She receives an apology and support to plan her future.



"I have more independence now. The apology helps me tell my story."

Caroline receives an apology, support services and expedited payment.



"I have ongoing support to prepare for life after prison."

David's legal fees are reimbursed alongside his individual payment. He receives an apology with this.

# Care System Safety - Summary of Initiatives

Area	Sub-Initiative(s)	Vote and Proposed Funding																																				
<p><b>Appendix 4.0</b> 1. Empowering families, whānau and communities to prevent entry into care</p> <table border="1" data-bbox="91 495 1032 637"> <thead> <tr> <th colspan="6">Total operating costs associated with initiative (\$m)</th> </tr> <tr> <th>2024/25</th> <th>2025/26</th> <th>2026/27</th> <th>2027/28</th> <th>2028/29 &amp; outyears*</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>0.000</td> <td>6.250</td> <td>6.250</td> <td>6.250</td> <td>6.250</td> <td>25.000</td> </tr> </tbody> </table>	Total operating costs associated with initiative (\$m)						2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total	0.000	6.250	6.250	6.250	6.250	25.000	<p><b>Preventing entry into care:</b> A joint proposal for a tagged contingency across multiple care agencies to.</p> <p>To conduct impact analysis on existing early intervention initiatives and to apply the results of that evidence base to identify and invest in effective interventions to prevent people entering the care system.</p>	<p>Education, Health, Oranga Tamariki and Social Development (Disability Support Services)</p> <p>\$25m over four years</p>																		
Total operating costs associated with initiative (\$m)																																						
2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total																																	
0.000	6.250	6.250	6.250	6.250	25.000																																	
<p><b>Appendix 5.0</b> 2A. Preventing, recognising and responding to abuse in care This initiative focuses on recommendations to embed safeguarding at all levels of the care system as a key preventative mechanism.</p> <table border="1" data-bbox="91 919 1032 1060"> <thead> <tr> <th colspan="6">Total operating costs associated with initiative (\$m)</th> </tr> <tr> <th>2024/25</th> <th>2025/26</th> <th>2026/27</th> <th>2027/28</th> <th>2028/29 &amp; outyears*</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>9(2)(f)(iv)</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table> <table border="1" data-bbox="91 1090 1032 1201"> <thead> <tr> <th colspan="6">Capital costs associated with initiative (\$m)</th> </tr> <tr> <th>24/25</th> <th>25/26</th> <th>26/27</th> <th>27/28</th> <th>28/29</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>0.000</td> <td>1.000</td> <td>5.000</td> <td>10.000</td> <td>34.000</td> <td>50.000</td> </tr> </tbody> </table>	Total operating costs associated with initiative (\$m)						2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total	9(2)(f)(iv)						Capital costs associated with initiative (\$m)						24/25	25/26	26/27	27/28	28/29	Total	0.000	1.000	5.000	10.000	34.000	50.000	<p><b>Improving environments of inpatient units</b> to ensure care settings are safer and more responsive</p> <p>Safer mental health and addiction environments (operating and capital) to review and improve mental health inpatient units to ensure care settings are safe and responsive to people’s needs</p> <p>9(2)(f)(iv)</p>	<p>Health 9(2)(f)(iv)</p> <p>Health \$50m capital over four years</p>
Total operating costs associated with initiative (\$m)																																						
2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total																																	
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# Care System Safety - Summary of Initiatives

Area	Sub-Initiative(s)	Vote and Proposed Funding																		
<p><b>Appendix 6.0</b> 2B. Recognising and responding to abuse in care This initiative focuses on recommendations to embed safeguarding at all levels of the care system as a key preventative mechanism.</p> <table border="1" data-bbox="83 600 1024 741"> <thead> <tr> <th colspan="6">Total operating costs associated with initiative (\$m)</th> </tr> <tr> <th>2024/25</th> <th>2025/26</th> <th>2026/27</th> <th>2027/28</th> <th>2028/29 &amp; outyears*</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>0.000</td> <td>9(2)(f)(iv)</td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Total operating costs associated with initiative (\$m)						2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total	0.000	9(2)(f)(iv)					<p><b>Reducing abuse and harm to children and young people in community and remand homes</b> – both Oranga Tamariki and provider run homes</p> <p>For training and development, monitoring and assurance, 9(2)(f)(iv) to reduce abuse and harm to children and young people in community and remand homes run either by Oranga Tamariki or by external service providers</p>	<p>Oranga Tamariki 9(2)(f)(iv)</p>
	Total operating costs associated with initiative (\$m)																			
	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total														
	0.000	9(2)(f)(iv)																		
<p><b>Reducing abuse and harm to children and young people cared for by individual caregivers</b></p> <p>For training and development, and improved escalation, approvals and accountability processes to reduce abuse and harm to children and young people cared for by individual caregivers</p>	<p>Oranga Tamariki 9(2)(f)(iv)</p>																			
<p><b>Audit every disability support service provider to ensure the quality of services is maintained</b></p> <p>A one-off audit of safety and quality service delivery by disability service providers to be conducted over an 18 month period is required. This will provide:</p> <ul style="list-style-type: none"> <li>• a baseline understanding of safety and quality service provision across of all providers, to identify future targeting parameters for audits</li> <li>• benchmarking of individual providers against other similar providers</li> <li>• a strong evidence base on what disabled people are experiencing in care; and</li> <li>• an opportunity to recognise and respond immediately to any current processes that may lead to abuse in care.</li> </ul>	<p>Social Development \$6m over four years</p>																			
<p><b>Improving the critical incident and complaints system for disability support services</b></p> <p>To improve the critical incident and complaints system for disability support services (which currently uses manual data entry processes).</p>	<p>Social Development \$2.8m over four years</p>																			

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# Care System Safety Summary

Area	Sub-Initiative(s)	Vote and Proposed Funding																		
<b>Appendix 7.0</b> 3. Building a diverse, capable and safe care workforce.	Tagged contingency to lift the quality of safety of the care system workforce focussing on core training and ongoing development and screening 9(2)(f)(iv)	Health, Education, Oranga Tamariki, Social Development: \$71.5m over four years																		
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #1a3d4d; color: white;"> <th colspan="6">Operating costs associated with initiative – overview (\$m)</th> </tr> <tr style="background-color: #d9d9d9;"> <th>2024/25</th> <th>2025/26</th> <th>2026/27</th> <th>2027/28</th> <th>2028/29 &amp; outyears*</th> <th>Total</th> </tr> </thead> <tbody> <tr style="background-color: #a0a0a0;"> <td>9(2)(f)(iv)</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Operating costs associated with initiative – overview (\$m)						2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total	9(2)(f)(iv)							
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2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total															
9(2)(f)(iv)																				
<b>Appendix 8.0</b> 4. Monitoring the provision of care by providers and individuals	To bolster safeguards and oversight of compulsory mental health and addiction care by expanding independent statutory roles and enhancing capability through improved models of care.	Health: \$9.360m over four years																		
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #1a3d4d; color: white;"> <th colspan="6">Operating costs associated with initiative (\$m)</th> </tr> <tr style="background-color: #d9d9d9;"> <th>2024/25</th> <th>2025/26</th> <th>2026/27</th> <th>2027/28</th> <th>2028/29 &amp; outyears*</th> <th>Total</th> </tr> </thead> <tbody> <tr style="background-color: #a0a0a0;"> <td>-</td> <td>1.584</td> <td>1.808</td> <td>2.984</td> <td>2.984</td> <td>9.360</td> </tr> </tbody> </table>	Operating costs associated with initiative (\$m)						2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total	-	1.584	1.808	2.984	2.984	9.360		
Operating costs associated with initiative (\$m)																				
2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total															
-	1.584	1.808	2.984	2.984	9.360															
<b>Appendix 10.0</b> 6. Recordkeeping to improve quality, quantity, capacity, access to records, and whanau connections	To uplift care recordkeeping to support new systems and improve management of legacy records ant to improve access to records	Internal Affairs: 9(2)(f)(iv)																		
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #1a3d4d; color: white;"> <th colspan="6">Total operating costs associated with initiative (\$m)</th> </tr> <tr style="background-color: #d9d9d9;"> <th>2024/25</th> <th>2025/26</th> <th>2026/27</th> <th>2027/28</th> <th>2028/29 &amp; outyears*</th> <th>Total</th> </tr> </thead> <tbody> <tr style="background-color: #a0a0a0;"> <td>9(2)(f)(iv)</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Total operating costs associated with initiative (\$m)						2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total	9(2)(f)(iv)						Support the education sector to improve record keeping	Education: 9(2)(f)(iv)
Total operating costs associated with initiative (\$m)																				
2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total															
9(2)(f)(iv)																				
	Support Disability Support service providers with recordkeeping	Social Development: \$0.5m in one year <span style="float: right;">47</span>																		

# Appendix 4.0

## Annex 1: Budget 2025 Cost Pressures and New Spending Template

### Section 1: Overview

Section 1A: Basic initiative information										
<b>Initiative title (max 120 characters)</b>	Making the care system safe – key investment area one: empowering families, whānau, and communities to prevent entry into care									
<b>Lead Minister</b>	Lead Coordination Minister for the Government's Response to the Royal Commission's Report into Historical Abuse in State Care and in the Care of Faith-based Institutions	<b>Agency</b>	Crown Response Office, Public Service Commission							
<b>Initiative description (max 800 characters)</b>	<p>This initiative is one of seven that respond to recommendations made by the Abuse in Care Royal Commission of Inquiry (Royal Commission) in its final report.</p> <p>This initiative focuses on empowering families, whānau, and communities to prevent entry into care. The new spending commitment seeks \$25m funding for the following project:</p> <ul style="list-style-type: none"> <li>A joint proposal for a tagged contingency across Votes Education, Health, Oranga Tamariki and Social Development (Disability Support Services) – \$25m to conduct impact analysis on existing early intervention initiatives and to apply the results of that evidence base to identify and invest in effective interventions to prevent people entering the care system.</li> </ul>									
<b>Priority Area (PA) Objective</b>	<input checked="" type="checkbox"/> <i>New Spending Commitments</i>	<input type="checkbox"/> <i>Capital Investments</i>								
	<input type="checkbox"/> <i>Cost Pressures</i>	<input type="checkbox"/> <i>Capital Cost Escalation</i>								
	<input type="checkbox"/> <i>Performance Plan Scrutiny</i>									
<b>Is this a cross-Vote initiative?</b>	<b>Yes</b>	Education, Health, Oranga Tamariki, Social Development (Disability Support Services)								
<b>Does this require legislative change?</b>	<b>No</b>									
<b>Agency contact</b>	Name: Molly Elliott Phone: 9(2)(a) Email: Molly.Elliott019@msd.govt.nz				<b>Treasury contact (Vote Analyst)</b>	Name: Talei Pasikale Phone: 9(2)(a) Email: Talei.Pasikale@treasury.govt.nz				
Section 1B: Summary of funding profile										
Total operating costs associated with initiative (\$m)										
2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total					
0.000	5.460	9.770	9.770	0.000	25.000					
Operating costs associated with cross Vote initiative (\$m)										
Capital costs associated with initiative (\$m)										
24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	31/32	33/34*	Total
[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]
*Extend the profile above if funding is needed beyond 2033/34.										

## Section 2: Alignment and options analysis

### Section 2B: Problem definition – New Spending

The answer to each question must not exceed 1-2 paragraphs

**What is the problem that this initiative is trying to solve and why does it need to be solved now?**

The Government is committed to driving change for survivors and for all those engaged in the current care system, in line with the Prime Minister's apology to survivors of abuse in care made on 12 November 2024. Cabinet has agreed to broadly accept the Royal Commission's overall findings in its final report, Whanaketia<sup>1</sup>, and noted the overall shifts Whanaketia pointed towards: addressing the wrongs of the past; empowering whānau and communities; and making the care system safe for children, young people and adults [SOU-24-MIN-0118 refers]. This package of initiatives focuses on the second and third of these shifts.

#### **Identifying and investing in early interventions to prevent people entering the care system**

Agencies need to better understand what works to prevent people coming into care. While there are examples of early interventions within the social sector, there has not been a specific focus on whether the interventions have successfully prevented entry into care. Undertaking this impact analysis will build an evidence base of what works, uncover opportunities for improvement of existing interventions and investment in new interventions to fill gaps based on the evidence of what works. It may also expose where there is duplication and/or over-subscription across the social sector.

The Royal Commission found that the circumstances that made it more likely that people were placed in care also increased the likelihood that the person would experience abuse and neglect in care.<sup>[1]</sup> People were more likely to be placed in State or faith-based care if there was a lack of early support in the home and if they had experienced poverty, family crisis, or violence; disability (including experiencing mental distress), or parental abuse and neglect. Whanaketia has detailed commentary on the need to intervene early and invest to support families, whānau and communities as a mechanism to address conditions and circumstances that lead to people entering care in the first place.

This initiative is a system wide joint initiative across Votes Education, Health, Oranga Tamariki and Social Development (Disability Support Services) and has two stages:

- implementing a joint impact analysis, which will allow agencies to better understand what is working to prevent entry into care across social services
- investing in existing initiatives to further leverage what is working and potentially invest in new initiatives that fill gaps based on evidence of what is needed and what works

Examples of early interventions that would be included in the impact analysis include:

- Bolstering the implementation of the 'Supporting Parents Healthy Child' approach which involves evidence-based community-based health and mental health interventions for whānau whose parents experience mental health challenges, to support children and young people with development and mental health
- Evaluating and expanding the Ka Pai Rangatahi project. This project worked with rangatahi and their whānau on waitlists for mental health services to meet the needs of both the young person and their whānau (including other tamariki in the whānau) in a holistic sense.
- Evaluating and assessing the key elements of localised programmes running in schools that are showing promise in supporting at risk students, and keeping them engaged in school, and seeing whether a more widespread approach could be developed from the identified elements of success. This could be brought together into an accelerated and more targeted approach in all areas of high deprivation and include support for families and whānau. Initiatives that have shown promise such as Mana Ake, Te Tupu Managed Moves, Positive Behaviour for Learning (PB4L) and Counsellors in Schools are just some that could be evaluated and assessed.

This initiative sits alongside work being led by the Social Investment Agency with three initial areas of focus. We expect that there will be cross-pollination of ideas, including evaluation and outcomes tracking.

There are currently gaps in the provision of early interventions that target the conditions that contribute to children, young people, and vulnerable adults to enter into care. Early intervention models broadly focus on bringing together research and effective practice to test and grow approaches that can be

<sup>1</sup> Whanaketia: Through pain and trauma, from darkness to light (Whanaketia)

<sup>[1]</sup> See – Whanaketia – The Future – page 282.

embedded back into core services. The cost of designing and incubating early interventions could not be absorbed within agencies' existing baselines.

As above, this initiative will focus on impact analysis in the first instance that will allow agencies to better understand what is working to prevent entry into care across social services. Its second step will be investing in those initiatives that have been identified as showing strong efficacy and impact. The emphasis would be on initiatives that prevent entry into care through meeting needs relating to experiences of poverty, family crisis, or violence, disability (including experiencing mental distress), or parental abuse and neglect. The support of these initiatives by central government would assist us in improving the way that we determine which individuals and families need intervention (as well as better understanding the types of interventions that work).

The central Government intervention is minimal as the role is that of a convenor, not a provider, that supports the identification of interventions at the whānau and community level, invests in them, supports the evaluation of them, and then looks to embed successful approaches. A benefit of this work will be obtaining a greater understanding of the way that central government determines which individuals and families need intervention.

An alternative delivery agency that spans the social sector is not apparent, although future investment could build this capability and capacity within an NGO.

The delivery of this initiative could enhance the operational/service delivery aspects of agencies as it could complement other innovation and evaluation work that is being done within each agency.

This initiative includes some limited funding to consult with appropriate stakeholder groups to support the policy design and implementation work needed to draw down the contingency.

The nature of the initiative is about empowering families, whānau and communities so, by design, it prioritises their experiences. The contingency drawdown will have a clear reference back to this experience.

<b>Alignment to Government Priorities</b> (if alignment to multiple Priorities is possible, select the most relevant)	<input type="checkbox"/>	Addressing the rising cost of living	<input checked="" type="checkbox"/>	Delivering effective and fiscally sustainable public services
	<input type="checkbox"/>	Building for growth and enabling private enterprise	<input type="checkbox"/>	Not Aligned
<b>Does this initiative relate to one of the Government's focus areas for Budget 2025?</b>	<input type="checkbox"/>	Economic Growth (invitation only)	<input checked="" type="checkbox"/>	Not Applicable

**Section 2C: Options analysis**

The answer to each question must not exceed 1-2 paragraphs

**What was the range of options considered?**

The initiative in this bid was selected on the basis that it meets the following requirements and that policy, design and implementation work on it could be undertaken within the Budget 2025 financial year, with contingency funding to be drawn down over the course of the year:

- demonstrably contributes to the goal of improving the safety of people in care;
- aligns with and responds to the Royal Commission's vision, findings, and/or recommendations;
- not be something that could (or should) be done as 'business as usual'; and
- not be able to be funded through baseline reprioritisation.

**What was the process used to select the preferred option?**

A cross-agency approach has been taken to identifying the initiative costed as part of the bid. Costing options have been developed on the basis of preserving choice for Cabinet as part of the policy decisions to be made in early 2025 while also reflecting the broader fiscal pressures faced by government.

<b>Interaction with savings proposals</b>	This is a joint proposal between the Ministry of Education, the Ministry of Health and Health New Zealand, Oranga Tamariki and the Ministry of Social Development that has policy design and implementation interdependencies between these agencies.
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## Section 3: Costs and Benefits Analysis

### Section 3A: Benefits and non-fiscal costs

The answer to each question must not exceed 1-2 paragraphs.

<b>What outcome(s) would the initiative achieve?</b>	<p>Effective early intervention is essential in reducing the need for formal care systems, and this is most effective at a whānau and community level. The benefits of this initiative are:</p> <ul style="list-style-type: none"> <li>Increased evidence base of what works to prevent the need for a care intervention</li> <li>early prevention investment approach</li> <li>measuring community outcomes.</li> </ul>						
<b>How will these outcomes be measured and evaluated?</b>	<p>The focus of this initiative is building an evidence base through impact analysis of existing investment and leveraging that knowledge to invest more in what works. The evaluation approach will be part of the foundation of this initiative as it brings together research and effective practice to test and grow approaches.</p> <p>Social sector agencies will jointly work to identify, evaluate and embed existing, and emergent, whānau and community-based interventions showing promise in achieving positive outcomes across systems.</p>						
<b>Evidence and assumptions</b>							
<b>Climate impact</b>	<table border="1"> <tr> <td><input type="checkbox"/></td> <td>Yes – emissions impacts (positive or negative)</td> <td><input type="checkbox"/></td> <td>Yes – climate adaptation or resilience impacts (positive or negative)</td> <td><input checked="" type="checkbox"/></td> <td>No impact</td> </tr> </table>	<input type="checkbox"/>	Yes – emissions impacts (positive or negative)	<input type="checkbox"/>	Yes – climate adaptation or resilience impacts (positive or negative)	<input checked="" type="checkbox"/>	No impact
<input type="checkbox"/>	Yes – emissions impacts (positive or negative)	<input type="checkbox"/>	Yes – climate adaptation or resilience impacts (positive or negative)	<input checked="" type="checkbox"/>	No impact		

### Section 3B: Expenditure profile and cost breakdown

The answer to each question must not exceed 1-2 paragraphs.

<b>Formula and assumptions underlying costings</b>	<ul style="list-style-type: none"> <li>Joint bid Education, Health, MSD and OT</li> <li>1 Senior advisor FTE (per agency) to conduct the impact analysis and provide advice on further investment, develop the fund and ongoing support and monitoring for two years</li> <li>Evaluation: \$250,000 for two years</li> <li>Funding to allow service provider applicants to increase existing staffing, resources, during pilot programme: Tagged contingency for years 3 and 4 to embed, build capability and capacity and roll-out the most effective intervention more widely</li> </ul>
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Provide a breakdown of existing and additional funding sought by individual expense category and agency. Add additional rows as appropriate for additional expense categories.

#### Operating expenses (\$m)

#### Existing operating funding (\$m)

Operating expense category	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
[Type of funding currently allocated or set aside in contingency. E.g. current baseline funding allocated.] – [Agency / Crown Entity etc.]	[●]	[●]	[●]	[●]	[●]	[●]

Operating costs associated with initiative (\$m)						
Operating expense category	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
TBC Operating Costs to be held in contingency	-	9(2)(f)(iv)				
Inflation adjustment for [insert input] – [Agency / Crown Entity etc.]	[•]	[•]	[•]	[•]	[•]	[•]
Depreciation and/or capital charge (if relevant) – [Agency / Crown Entity etc.]	[•]	[•]	[•]	[•]	[•]	[•]
Personnel expenditure (\$m) – please state impact at the initiative level						
Net FTE funding (1FTE per agency: MoH, MoE, MSD, OT)	-	9(2)(f)(iv)				
Net contractor/consultant funding	[•]	[•]	[•]	[•]	[•]	[•]
Net FTE and contractor/consultant overhead funding	[•]	[•]	[•]	[•]	[•]	[•]
<b>Total operating expenses (\$m)</b>	-	9(2)(f)(iv)				
*Extend the profile above to a “steady state” if funding into outyears is irregular. Delete “& outyears” for time-limited funding.						
FTE implications – please state impact at the agency level						
	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	
Total # of net FTEs at [Agency / Crown Entity / etc.] (employees)	[•]	[•]	[•]	[•]	[•]	[•]
Total # of net FTEs at [Agency / Crown Entity / etc.] (contractors/consultants)	[•]	[•]	[•]	[•]	[•]	[•]
<b>Total # of net FTEs (employees and contractors/consultant) over the forecast period</b>	[•]	[•]	[•]	[•]	[•]	[•]
Additional occupation breakdown of FTE changes (count) over the forecast period						
Occupation	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	
Managers	[•]	[•]	[•]	[•]	[•]	[•]
Policy Analyst	[•]	4	[•]	[•]	[•]	[•]
Information Professionals	[•]	[•]	[•]	[•]	[•]	[•]
Social, Health and Education Workers	[•]	[•]	[•]	[•]	[•]	[•]
ICT Professionals and Technicians	[•]	[•]	[•]	[•]	[•]	[•]

Legal, HR and Finance Professionals	[●]	[●]	[●]	[●]	[●]
Other Professionals not included elsewhere	[●]	[●]	[●]	[●]	[●]
Inspectors and Regulatory Officers	[●]	[●]	[●]	[●]	[●]
Contact Centre Workers	[●]	[●]	[●]	[●]	[●]
Clerical and Administrative Workers	[●]	[●]	[●]	[●]	[●]
Occupations TBC through planning process	[●]	[●]	4	4	[●]

**Would funding this initiative impact current employees?**

**Existing capital funding (\$m)**

Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
[Type of funding currently allocated or set aside in contingency. E.g. current baseline funding allocated.] - [Agency / Crown Entity etc.]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

**Capital costs associated with initiative (\$m)**

Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
[Name of capital expense category] - [Agency / Crown Entity etc.]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[Name of capital expense category] - [Agency / Crown Entity etc.]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[Name/type of contingency] - [Agency / Crown Entity etc.]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
<b>Total (\$m)</b>	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

\*Extend the profile above if funding is needed beyond 2033/34.

**Section 3C: Scaled and/or Reprioritisation Options to meet 75%, 50% and 25%**

**Operating expenses (\$m)**

Operating expenses and reprioritisation (\$m)	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
[Total cost of full or scaled option]	[●]	[●]	[●]	[●]	[●]	[●]
[Reprioritisation Option – please state the corresponding initiative ID and Title]	[●]	[●]	[●]	[●]	[●]	[●]
<b>Net Total (\$m) – 75%</b>	[●]	[●]	[●]	[●]	[●]	[●]

[Total cost of full or scaled option]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	
[Reprioritisation Option – please state the corresponding initiative ID and Title]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	
<b>Net Total (\$m) – 50%</b>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	
[Total cost of full or scaled option]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	
[Reprioritisation Option – please state the corresponding initiative ID and Title]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	
<b>Net Total (\$m) – 25%</b>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	
Capital expenses (\$m)											
Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
[Name of capital expense category]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
[Name of capital expense category]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
[Name/type of contingency]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Total (\$m)	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
*Extend the profile above if funding is needed beyond 2032/33.											
<b>Scaling of initiative</b>											
<b>What are the main risks of the options presented above?</b>											

## Section 4: Delivery

### Section 4A: Procurement

The answer to each question must not exceed 1-2 paragraphs.

<b>What is the initiative purchasing/funding?</b>	A cross agency impact analysis to build the evidence base on effective intervention preventing people from entering care Investment in effective early intervention initiatives (which will be determined through the impact analysis process)
<b>What market constraints or other delivery risks exist?</b>	This analysis would be undertaken as part of the impact analysis process.
<b>Government Procurement Rules</b>	Procurement will be done in accordance with Government Procurement rules

### Section 4B: Risks, constraints, and dependencies

The answer to each question must not exceed 1-2 paragraphs

<b>What are the main risks?</b>	This analysis would be undertaken as part of the impact analysis process.
<b>What are the key constraints?</b>	This analysis would be undertaken as part of the impact analysis process.
<b>What are the key dependencies?</b>	This analysis would be undertaken as part of the impact analysis process.

## Section 4C: Governance and oversight

The answer to each question must not exceed 1-2 paragraphs.

What are the governance arrangements for this initiative?	Oversight can be provided by existing Ministerial and senior leadership groups.
Timeframes and monitoring	Impact analysis will be completed in the 6 to 12 months after funding is secured with investment initiatives to follow from there.

## Section 4D: Demonstrating performance

The answer to each question must not exceed 1-2 paragraphs.

## Section 5: Equity

The answer to each question must not exceed 1-2 paragraphs.

Timing of costs and benefits	This analysis would be undertaken as part of the impact analysis process.			
Treaty of Waitangi (Te Tiriti o Waitangi) Obligations	Yes	This analysis would be undertaken as part of the impact analysis process.		
		This analysis would be undertaken as part of the impact analysis process.		
Specific implications regarding human rights	Y	Analysis on human rights implications would be undertaken as part of the policy design and implementation work needed to draw down the contingency.		
Does the initiative have a larger impact on any of the following groups of New Zealanders than on the population as a whole?	Māori	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	Pasifika	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	Other minority ethnic groups	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	Rural Populations	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	Seniors	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	Disabled Peoples	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	Women and girls	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	Low-income individuals / families	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	Children and Young People	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	Other groups (please specify)	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
Distributional Impacts	This analysis would be undertaken as part of the impact analysis process.			

# Appendix 5.0

## Annex 1: Budget 2025 Cost Pressures and New Spending Template

### Section 1: Overview

Section 1A: Basic initiative information					
<b>Initiative title</b> (max 120 characters)	Making the care system safe – key investment area two, part one: preventing abuse in care.				
<b>Lead Minister</b>	Lead Coordination Minister for the Government's Response to the Royal Commission's Report into Historical Abuse in State Care and in the Care of Faith-based Institutions	<b>Agency</b>	Crown Response Office, Public Service Commission		
<b>Initiative description</b> (max 800 characters)	<p>This initiative is one of seven initiatives that respond to recommendations made by the Abuse in Care Royal Commission of Inquiry (Royal Commission) in its final report. This initiative focuses on recommendations to embed safeguarding at all levels of the care system as a key preventative mechanism.</p> <p>Three projects <span style="background-color: #cccccc;">9(2)(f)(iv)</span> (operating and \$50m capital) were identified for investment to prevent abuse in care:</p> <ul style="list-style-type: none"> <li>Vote Health – \$0.734m (operating) and \$50m (capital) tagged contingency to review and improve mental health inpatient units to ensure care settings are safe and responsive to people's needs; and</li> <li><span style="background-color: #cccccc;">9(2)(f)(iv)</span></li> </ul>				
<b>Priority Area (PA) Objective</b>	<input checked="" type="checkbox"/> New Spending Commitments	<input checked="" type="checkbox"/> Capital Investments			
	<input type="checkbox"/> Cost Pressures	<input type="checkbox"/> Capital Cost Escalation			
	<input type="checkbox"/> Performance Plan Scrutiny				
<b>Is this a cross-Vote initiative?</b>	<b>Yes</b>	Health, Social Development (Disability Support Services)			
<b>Does this require legislative change?</b>	<b>No</b>				
<b>Agency contact</b>	Name: Molly Elliott Phone: <span style="background-color: #cccccc;">9(2)(a)</span> Email: Molly.Elliott019@msd.govt.nz		<b>Treasury contact (Vote Analyst)</b>	Name: Talei Pasikale Phone: <span style="background-color: #cccccc;">9(2)(a)</span> Email: Talei.Pasikale@treasury.govt.nz	
Section 1B: Summary of funding profile					
Total operating costs associated with initiative (\$m)					
2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total
0.000	<span style="background-color: #cccccc;">9(2)(f)(iv)</span>				
Operating costs associated with initiative – Vote Health (\$m)					
2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total
-	0.367	0.367	-	-	0.734
<span style="background-color: #cccccc;">9(2)(f)(iv)</span>					

2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total					
9(2)(f)(iv)										
*For irregular outyears, add additional rows above to display the full profile of the initiative. Delete "& outyears" for time-limited funding. See the Budget 2025 Uploading Initiatives to CFISnet for more information on entering outyears into CFISnet.										
<b>Capital costs associated with initiative (\$m)</b>										
24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	31/32	33/34*	Total
0.000	1.000	5.000	10.000	34.000	0.000	0.000	0.000	0.000	0.000	50.000
*Extend the profile above if funding is needed beyond 2033/34.										

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## Section 2: Alignment and options analysis

### Section 2B: Problem definition – New Spending

The answer to each question must not exceed 1-2 paragraphs

**What is the problem that this initiative is trying to solve and why does it need to be solved now?**

*Describe the problem the initiative is trying to solve by outlining its root cause(s) and consequence(s), and explain why the problem needs to be solved now. The problem should be framed in terms of current and/or future outcome(s) for New Zealanders.*

The Government is committed to driving change for survivors and for all those engaged in the current care system, in line with the Prime Minister's apology to survivors of abuse in care made on 12 November 2024. Cabinet has agreed to broadly accept the Royal Commission's overall findings in its final report, Whanaketia<sup>1</sup>, and noted the overall shifts Whanaketia pointed towards: addressing the wrongs of the past; empowering whānau and communities; and making the care system safe for children, young people and adults [SOU-24-MIN-0118 refers]. This package of initiatives focuses on the second and third of these shifts.

#### **Royal Commission findings and recommendations in relation to preventing abuse in care**

The Royal Commission found many institutions had no, inadequate, or poorly implemented safeguarding procedures including training, reporting and investigation systems to prevent and respond to abuse and neglect. Many institutions providing care paid insufficient attention to preventing and detecting the abuse and neglect of children, young people and adults in care. This was particularly evident in social welfare and youth justice residences, psychiatric and psychopaedic hospitals, special schools, faith-based children's homes and faith-based boarding schools.

The Royal Commission made several recommendations to embed safeguarding at all levels of the care system as a key preventative mechanism (recommendations 50-56). Connected to its safeguarding recommendations are specific recommendations relating to the physical environment where State care is being provided (recommendations 74 and 75).

#### **Initiative 1: Improving environments of inpatient units to ensure care settings are safer and more responsive**

Some acute mental health inpatient units are not identified for capital investment within the current programme of work, and their current condition does not support privacy and dignity for patients, does not comply with human rights obligations, and creates immediate safety risks for patients that require work arounds. This results in persistently high adverse events, including cases of self-harm, assault and suspected suicide in mental health facilities.<sup>2</sup> These facilities are aging and require one-off specific fixtures and fittings upgrades to provide safer, more therapeutic care settings.<sup>3</sup>

The Royal Commission highlighted the importance of the physical environment of care settings in providing effective and response care and the need to enhance and improve features that may place people in care at risk of abuse or neglect (recommendations 74 and 75).

This initiative would fund a one-off in-depth review and assessment of mental health inpatient units focusing on immediate improvements to modernise safety features, and establish a tagged contingency of capital investment to support implementation of immediate improvements and installation of modern safety features in units based on the review.

9(2)(f)(iv)

<sup>1</sup> Whanaketia: Through pain and trauma, from darkness to light (Whanaketia).

<sup>2</sup> For the 1 July 2023 to 30 June 2024 year there were a total of 209 mental health and addiction service adverse events, with 14 serious self-harm and 180 suspected suicide events (note: this includes community settings)<sup>2</sup>. Between 1 July 2022 and 30 June 2023, the Director of Mental Health received 62 death notifications relating to people under the Mental Health Act; of these, 14 related to people who were reported to have died by suspected suicide.

<sup>3</sup> Examples of shortcomings in current facilities include that bedroom doors are unable to be securely locked from the inside by the patient (with a staff override, if needed) so other people (patients or visitors) are able to enter uninvited. Additionally, many units do not have a nurse call system in each bedroom, so calling for assistance urgently cannot occur.

9(2)(f)(iv)

*Describe the existing arrangements for the asset or service, including (where applicable):*

- *How services are currently organised and provided;*
- *The associated throughput, turnover, and existing cost; and*
- *Current asset or service availability, utilisation, and condition.*

*Agencies should be able to demonstrate why the existing arrangements (if there are any) are insufficient to address the problem outlined above.*

**Initiative 1: Improving environments of inpatient units to ensure care settings are safer and more responsive**

Health New Zealand (Health NZ) currently has a Mental Health Infrastructure Programme, which includes 16 projects to build and refurbish mental health facilities. This is a long-term programme with a focus on new builds or significant refurbishments that will meet contemporary best-practice design principles. These 16 projects were selected based on overall building composition, age and condition, rather than safety concerns, and originally prioritised at district levels. Additionally, the programme does not include all mental health facilities.

Funding is needed to immediately provide safer care in the interim, with safety improvements required that exceed baseline operating budgets for low-level maintenance as well as to upgrade facilities not currently included in the more significant infrastructure programme. Additional funding being sought through this initiative will not duplicate current investment through the Mental Health Infrastructure Programme and will have a specific focus on care safety and responsiveness.

9(2)(f)(iv)

*Outline specifically what needs to change or be improved (relative to existing arrangements) to address the problem.*

**Initiative 1: Improving environments of inpatient units to ensure care settings are safer and more responsive**

This initiative will support Health NZ to undertake an in-depth review and assessment of mental health inpatient units focusing on immediate improvements to modernise safety features. There has not been a consistent, expert national review of mental health facilities specifically focused on alignment with modern safety expectations in the context of providing compulsory mental health care, nor prioritisation within or across mental health facilities to sequence issues. Priorities within and between facilities will differ depending on the wider environment and service factors. This needs careful consideration and planning, particularly given constrained resourcing, design considerations specific to proposed safety features (including integration with current automated systems such as alarms), and the need to minimise disruption to service delivery.

It is proposed to establish a tagged contingency of capital investment to support implementation of immediate improvements and installation of modern safety features in units based on the review and scoping exercise. This will complement rather than duplicate existing capital funding and funding related to services for people with intellectual disabilities and the High and Complex Framework, by providing funding for smaller scale and discrete safety changes in mental health facilities, rather than larger scale refurbishment or rebuilds.

This approach will enable more centralised procurement to capitalise on national savings and create national consistency of safeguards and privacy options. This would create environments that support better patient safety and promotion of dignity and trauma informed care. Provision of more welcoming and less 'scary' environments has a direct impact on how people experience and react to inpatient care; providing care in more therapeutic settings is an important factor in deescalating distress and will have a meaningful impact on reducing the use of seclusion.

As noted above, physical environments also have a direct impact on adverse events, with 14 people under the Mental Health Act in 2022/23 reported to have died by suspected suicide while in care. Whanaketia highlights that this is unacceptable. The safety improvements proposed will contribute to the prevention of adverse events including assaults (eg, by enabling patients to lock their doors) and self-harm or suicide (eg, by removing ligature points, installing anti-ligature doors with silent alarms to alert staff of weight bearing, and improving visibility of patients' spaces).

Projects through this initiative could include, for example:

- replacing the door handle sets with the ability for patients to lock their own door and maintain their privacy, and creating a staff override in case it is needed
- creating a nurse call option in each bedroom to enable patients to call for assistance, which is especially important if people are physically compromised or hurt from a fall and cannot leave their rooms to summon assistance
- ensuring bedroom doors have visibility panels (all new builds have this as part of their design) – which means that in order for staff to do safety checks (particularly) at night, the door does not need to be opened and the patient can sleep undisturbed.

9(2)(f)(iv)

[Redacted]

[Redacted]

[Redacted]

[Redacted]

*What is the rationale for central Government intervention and how does the initiative/investment proposal fit with the Agency's mandate, and is the Agency the best one to deliver this intervention? Is another organisation (e.g., NGOs, iwi/Māori organisations, private sector) better placed to deliver this initiative, and are there alternative funding arrangements that should be considered? What are the implications of this initiative for the operational/service delivery aspects of the agency?*

**Initiative 1: Improving environments of inpatient units to ensure care settings are safer and more responsive**

As above, the Royal Commission identified a range of issues relating to the physical environments where State care is being provided. Compulsory mental health and addiction care is delivered by Health NZ with monitoring and oversight by the Ministry of Health. The nature of compulsory care, where significant limits are placed on a person's human rights, and the specialist skills required to provide this care, means that it is appropriate that the State provide these services. However, it is expected that Health NZ would contract appropriate infrastructure and building expertise to implement improvements.

9(2)(f)(iv)

[Redacted]

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9(2)(f)(iv)

What key partners/stakeholders/customers (including other relevant Agencies, and iwi and Māori) have been engaged to understand the problem and develop the initiative? How have you worked with them and how has their input affected the understanding of the problem? You may wish to reference here the [key principles of He Ara Waiora](#). What was the rationale for the level of engagement and are there any risks arising from this?

**Initiative 1: Improving environments of inpatient units to ensure care settings are safer and more responsive**

Public consultation was undertaken prior to developing policy proposals for new mental health legislation. Submitters raised issues with current environments, and the challenges and solutions described above. These themes also came through strongly in Whanaketia.

9(2)(f)(iv)

**Alignment to Government Priorities** (if alignment to multiple Priorities is possible, select the most relevant)

<input type="checkbox"/>	Addressing the rising cost of living	<input checked="" type="checkbox"/>	Delivering effective and fiscally sustainable public services
<input type="checkbox"/>	Building for growth and enabling private enterprise	<input type="checkbox"/>	Not Aligned

**Does this initiative relate to one of the Government's focus areas for Budget 2025?**

<input type="checkbox"/>	Economic Growth (invitation only)	<input checked="" type="checkbox"/>	Not Applicable
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**Section 2C: Options analysis**

The answer to each question must not exceed 1-2 paragraphs

**What was the range of options considered?**

The initiatives in this bid were selected on the basis that they meet the following requirements and can be progressed with limited further work, consistent with the Prime Minister and other Ministers' commitment to driving change at pace:

- demonstrably contribute to the goal of improving the safety of people in care;
- align with and respond to the Royal Commission's vision, findings, and/or recommendations;
- not be something that could (or should) be done as 'business as usual'; and
- not be able to be funded through baseline reprioritisation.

**Initiative 1: Improving environments of inpatient units to ensure care settings are safer and more responsive**

Officials considered seeking additional resource for a broader review of operating practices and models of care across units, as well as additional ongoing operating resource to manage the implementation of the projects funded through this initiative. However, given the current fiscal constraints at this time, these components have been removed consistent with our overall approach to the Budget by absorbing additional tasks within existing FTE wherever possible. The initiative will have a targeted focus on improving the safety of physical environments, with time-limited operating resource to enable specialist expertise across both infrastructure and clinical mental health practice to undertake the review; this level of combined expertise would not be available within BAU resourcing and would enable consistent standards to be applied at a national level. As a result, it will not be possible to deliver the initiative within the timescale anticipated without the dedicated resource. It is assumed oversight of the delivery of the projects will be managed from within Health NZ's existing teams.

	<p>There is currently limited opportunity to reprioritise Vote Health funding for Budget initiatives, such as this initiative. Health NZ (which receives 92.4% of total Vote Health operating funding) already has reprioritisation underway through its Reset Plan, in order to reach financial breakeven by the end of 2026/27. The Ministry, whose funding represents around 0.9% of the Vote, has considered if some Budget 2025 initiatives could be progressed within its existing baselines. However, there are no reprioritisation opportunities to address any new funding requests. In light of the 6.5% reduction in baseline funding realised through Budget 2024, and Ministry existing cost pressures that are being met within baselines (including those related to the Cancer Control Agency), any further savings would require significant changes to the Ministry's role, its organisational structure, and the nature of outputs it provides to Ministers. The Ministry has provided further information on reprioritisation opportunities to the Treasury Vote Health team.</p> <p>9(2)(f)(iv)</p> <p>[Redacted]</p> <p>[Redacted]</p>
<b>What was the process used to select the preferred option?</b>	A cross-agency approach has been taken to identifying proposals costed as part of the bid. Costing options have been developed on the basis of preserving choice for Cabinet as part of the policy decisions to be made in early 2025 while also reflecting the broader fiscal pressures faced by government.
<b>Interaction with savings proposals</b>	There are no interdependencies or interactions with savings proposals.

### Section 3: Costs and Benefits Analysis

**See Appendices for Section 3 analysis for each initiative**

Section 3A: Benefits and non-fiscal costs			
The answer to each question must not exceed 1-2 paragraphs.			
<b>What outcome(s) would the initiative achieve?</b>			
<b>How will these outcomes be measured and evaluated?</b>			
<b>Evidence and assumptions</b>			
<b>Climate impact</b>	<input type="checkbox"/> Yes – emissions impacts (positive or negative)	<input type="checkbox"/> Yes – climate adaptation or resilience impacts (positive or negative)	<input checked="" type="checkbox"/> No impact
-			
Section 3B: Expenditure profile and cost breakdown			
The answer to each question must not exceed 1-2 paragraphs.			
<b>Formula and assumptions underlying costings</b>			

Provide a breakdown of existing and additional funding sought by individual expense category and agency. Add additional rows as appropriate for additional expense categories.

**Operating expenses (\$m)**

**Existing operating funding (\$m)**

Operating expense category	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
[Type of funding currently allocated or set aside in contingency. E.g. current baseline funding allocated.] – [Agency / Crown Entity etc.]	[•]	[•]	[•]	[•]	[•]	[•]

**Operating costs associated with initiative (\$m)**

Operating expense category	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
[Name of any operating expense category for additional funding sought. E.g. additional subsidy costs] – [Agency / Crown Entity etc.]	[•]	[•]	[•]	[•]	[•]	[•]
Inflation adjustment for [insert input] – [Agency / Crown Entity etc.]	[•]	[•]	[•]	[•]	[•]	[•]
Depreciation and/or capital charge (if relevant) – [Agency / Crown Entity etc.]	[•]	[•]	[•]	[•]	[•]	[•]

**Personnel expenditure (\$m) – please state impact at the initiative level**

Net FTE funding	[•]	[•]	[•]	[•]	[•]	[•]
Net contractor/consultant funding	[•]	[•]	[•]	[•]	[•]	[•]
Net FTE and contractor/consultant overhead funding	[•]	[•]	[•]	[•]	[•]	[•]
<b>Total operating expenses (\$m)</b>	[•]	[•]	[•]	[•]	[•]	[•]

\*Extend the profile above to a “steady state” if funding into outyears is irregular. Delete “& outyears” for time-limited funding.

**FTE implications – please state impact at the agency level**

	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears
Total # of net FTEs at [Agency / Crown Entity / etc.] (employees)	[•]	[•]	[•]	[•]	[•]
Total # of net FTEs at [Agency / Crown Entity / etc.] (contractors/consultants)	[•]	[•]	[•]	[•]	[•]

<b>Total # of net FTEs (employees and contractors/consultant) over the forecast period</b>	[•]	[•]	[•]	[•]	[•]
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**Additional occupation breakdown of FTE changes (count) over the forecast period**

Occupation	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears
Managers	[•]	[•]	[•]	[•]	[•]
Policy Analyst	[•]	[•]	[•]	[•]	[•]
Information Professionals	[•]	[•]	[•]	[•]	[•]
Social, Health and Education Workers	[•]	[•]	[•]	[•]	[•]
ICT Professionals and Technicians	[•]	[•]	[•]	[•]	[•]
Legal, HR and Finance Professionals	[•]	[•]	[•]	[•]	[•]
Other Professionals not included elsewhere	[•]	[•]	[•]	[•]	[•]
Inspectors and Regulatory Officers	[•]	[•]	[•]	[•]	[•]
Contact Centre Workers	[•]	[•]	[•]	[•]	[•]
Clerical and Administrative Workers	[•]	[•]	[•]	[•]	[•]
Other Occupations	[•]	[•]	[•]	[•]	[•]

**Would funding this initiative impact current employees?**

**Existing capital funding (\$m)**

Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
<i>[Type of funding currently allocated or set aside in contingency. E.g. current baseline funding allocated.] - [Agency / Crown Entity etc.]</i>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]

**Capital costs associated with initiative (\$m)**

Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
<i>[Name of capital expense category] - [Agency / Crown Entity etc.]</i>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<i>[Name of capital expense category] - [Agency / Crown Entity etc.]</i>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<i>[Name/type of contingency] -</i>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]

[Agency / Crown Entity etc.]												
<b>Total (\$m)</b>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]

\*Extend the profile above if funding is needed beyond 2033/34.

### Section 3C: Scaled and/or Reprioritisation Options to meet 75%, 50% and 25%

#### Operating expenses (\$m)

Operating expenses and reprioritisation (\$m)	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
[Total cost of full or scaled option]	[•]	[•]	[•]	[•]	[•]	[•]
[Reprioritisation Option – please state the corresponding initiative ID and Title]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Net Total (\$m) – 75%</b>	[•]	[•]	[•]	[•]	[•]	[•]
[Total cost of full or scaled option]	[•]	[•]	[•]	[•]	[•]	[•]
[Reprioritisation Option – please state the corresponding initiative ID and Title]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Net Total (\$m) – 50%</b>	[•]	[•]	[•]	[•]	[•]	[•]
[Total cost of full or scaled option]	[•]	[•]	[•]	[•]	[•]	[•]
[Reprioritisation Option – please state the corresponding initiative ID and Title]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Net Total (\$m) – 25%</b>	[•]	[•]	[•]	[•]	[•]	[•]

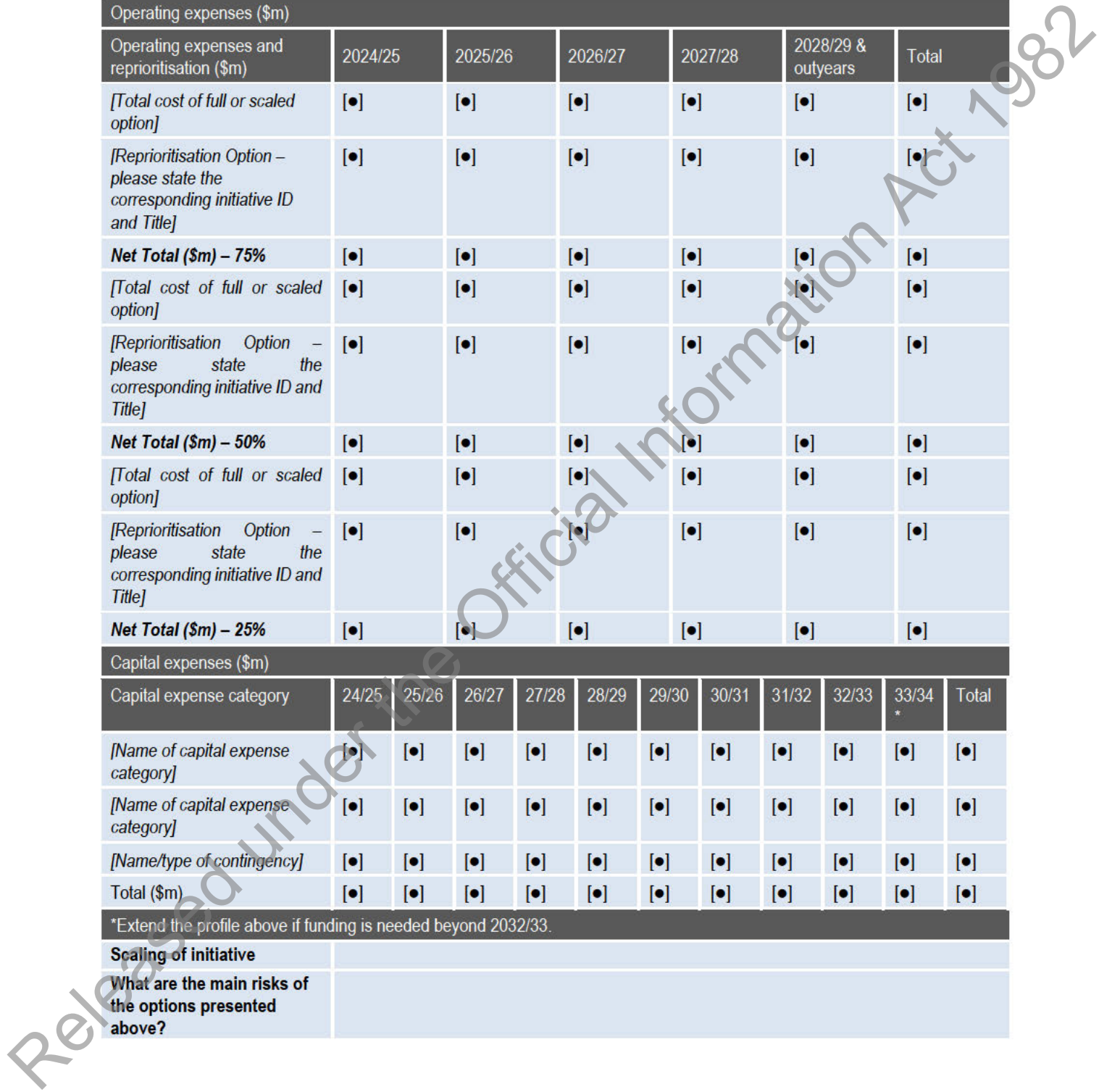
#### Capital expenses (\$m)

Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
[Name of capital expense category]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
[Name of capital expense category]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
[Name/type of contingency]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Total (\$m)</b>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]

\*Extend the profile above if funding is needed beyond 2032/33.

#### Scaling of initiative

What are the main risks of the options presented above?



## Section 4: Delivery

See Appendices for Section 4 analysis for each initiative

Section 4A: Procurement	
The answer to each question must not exceed 1-2 paragraphs.	
What is the initiative purchasing/funding?	
What market constraints or other delivery risks exist?	
Government Procurement Rules	
Section 4B: Risks, constraints, and dependencies	
The answer to each question must not exceed 1-2 paragraphs	
What are the main risks?	
What are the key constraints?	
What are the key dependencies?	
Section 4C: Governance and oversight	
The answer to each question must not exceed 1-2 paragraphs.	
What are the governance arrangements for this initiative?	
Timeframes and monitoring	
Section 4D: Demonstrating performance	
The answer to each question must not exceed 1-2 paragraphs.	

## Section 5: Equity

The answer to each question must not exceed 1-2 paragraphs.	
Timing of costs and benefits	<p><b>Initiative 1: Improving environments of inpatient units to ensure care settings are safer and more responsive</b></p> <p>Immediate benefits are expected to be realised in the short-term (&lt;5 years) as safety and responsiveness upgrades are made. There will also be medium and longer-term benefits as these upgrades change the experiences and outcomes of people receiving inpatient care.</p>
Treaty of Waitangi (Te Tiriti o Waitangi) Obligations	<p><b>Initiative 1: Improving environments of inpatient units to ensure care settings are safer and more responsive</b></p> <p>There is a current claim before the Waitangi Tribunal, WAI2575, regarding health service and outcomes, with a specific aspect of the claim relating to mental health service and outcomes. This specific aspect of the claim will be handled as Stage 2 Phase 2 of the claim</p> <p><b>Initiative 1: Improving environments of inpatient units to ensure care settings are safer and more responsive</b></p> <p>Māori are significantly disproportionately represented under mental health compulsory care and experience poorer outcomes, including in relation to seclusion and restraint. This initiative will be designed and implemented in compliance with the principles of te Tiriti –</p>

		supporting tino rangatiratanga and partnership through meaningful engagement in planning, design and delivery; focusing on achieving equitable outcomes for Māori within inpatient environments; and enabling active protection, participation and options.		
<b>Specific implications regarding human rights</b>	<b>Yes</b>	<p><b>Initiative 1: Improving environments of inpatient units to ensure care settings are safer and more responsive</b></p> <p>Whanaketia notes that the physical design of care settings needs to meet human rights obligations and standards and be designed to prioritise safeguarding. This may mean significant renovation of some settings to meet these standards and obligations. Care settings should not be physically or geographically isolated and must support connections to the wider community, be developmentally appropriate and accessible for visitation. This initiative will directly respond to these findings by improving the safety and responsiveness of mental health care physical environments.</p>		
<b>Does the initiative have a larger impact on any of the following groups of New Zealanders than on the population as a whole?</b>	<i>Māori</i>	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	<i>Pasifika</i>	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	<i>Other minority ethnic groups</i>	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	<i>Rural Populations</i>	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	<i>Seniors</i>	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	<i>Disabled Peoples</i>	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	<i>Women and girls</i>	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	<i>Low-income individuals / families</i>	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	<i>Children and Young People</i>	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	<i>Other groups (please specify)</i>	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
<b>Distributional Impacts</b>		<p><b>Initiative 1: Improving environments of inpatient units to ensure care settings are safer and more responsive</b></p> <p>This initiative will directly benefit people with lived experience of mental distress, particularly those experiencing significant mental health needs that require treatment in inpatient settings. This is a particularly vulnerable and often underserved cohort, who experience disproportionately poor health and other social outcomes.</p> <p>As noted above, Māori are significantly disproportionately represented under mental health compulsory care and experience poorer outcomes. This initiative is expected to have a disproportionately positive impact on Māori, including in the approach to planning, design and delivery in partnership with Māori.</p>		

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## Vote Health: Safer Mental health and addiction environments – operating and capital sub-initiatives

### Section 3: Costs and Benefits Analysis

Section 3A: Benefits and non-fiscal costs	
The answer to each question must not exceed 1-2 paragraphs.	
<b>What outcome(s) would the initiative achieve?</b>	<p>The evidence drawn from Trauma Informed Care is strong, that when people feel safer in their immediate environment, and have their basic needs met such as safety and dignity, their pathway to recovery occurs much more rapidly and smoothly. Trauma Informed Care evidence also tells us that people will engage in ‘fight or flight’ responses when faced with dark or scary environments, or when they feel unsafe; this creates situations where restrictive practices are often used to keep people safe from absconding and or engaging in fear-based aggression.</p> <p>This initiative will contribute to goals across reducing the risk of death by suicide, reducing the use of seclusion and restraint, and enabling faster and more fulsome recovery. Specifically, this initiative will result in:</p> <ul style="list-style-type: none"> <li>• improved patient safety, privacy and dignity, which will in turn contribute to improved mental health outcomes for, and improved recovery of, people with high and complex mental health needs receiving treatment in mental health inpatient facilities. Including those receiving compulsory care from the State under mental health legislation. This is a particularly vulnerable and often underserved cohort.</li> <li>• improved patient safety, privacy and dignity, which will in turn contribute to improved mental health outcomes for Māori, who are significantly disproportionately represented in the provision of compulsory mental health care and in the use of seclusion and restraint.</li> <li>• reduced use of seclusion through providing more therapeutic environments that are more effective for deescalating distress. It will also improve the experiences and recovery of people with mental health conditions, which in turn will improve their quality of life and ability to participate in society.</li> <li>• reduced adverse incidents and deaths resulting from unsafe fixtures or ligature points, including deaths by suicide while in State care. This will contribute to Government’s wider suicide prevention efforts, including through the new Suicide Prevention Action Plan for 2025–2029 currently under development.</li> <li>• improved workforce satisfaction, and likely increased productivity, associated with improved and safer working environments.</li> </ul>
<b>How will these outcomes be measured and evaluated?</b>	<p>Success of this initiative will be reflected by:</p> <ul style="list-style-type: none"> <li>• Increased numbers of mental health facilities compliant with best practice safety standards</li> <li>• Reduced adverse events due to physical environments within mental health facilities, including deaths by suspected suicide</li> <li>• Reduced use of seclusion and restraint within mental health facilities, particularly for Māori</li> <li>• Improved patient and workforce satisfaction and wellbeing.</li> </ul>
<b>Evidence and assumptions</b>	<p>Whanaketia notes that the physical design of care settings needs to meet human rights obligations and standards and be designed to prioritise safeguarding noting that overcrowding was common in mental health settings with outdated, poorly designed and inappropriate buildings. The overcrowding led to compromised daily routines which negatively impacted oversight and created environments for abuse and neglect to occur. Geographically isolated facilities can increase the risk of abuse and neglect, and within a facility isolated areas can become areas where people committing abuse can have unsupervised access to people in care and hide their abuse. Secure units are described as an unsuitable physical environment that contributed to the abuse and neglect of children, young people, and adults in care<sup>4</sup>.</p> <p>While Whanaketia reports on abuse in care between 1950 and 1999 and steps have been taken to address and improve safety for individuals within the mental health care system, the safety and</p>

<sup>4</sup> <https://www.abuseincare.org.nz/reports/whanaketia/summaries/survivors-experiences-of-abuse-and-neglect-in-mental-health-care-settings/chapter-8-factors>

	<p>appropriateness of mental health facility physical environments is still an issue with the Office of the Ombudsmen releasing a series of reports with statements that mental health units are breaching the UN Convention against Torture citing examples of overcrowding resulting in seclusion rooms used as bedrooms in some units<sup>5</sup>.</p> <p>The number of serious adverse events that occur within health care settings is reported on a quarterly basis, with specific reporting for mental health and addiction services adverse events. For the 1 July 2023 to 30 June 2024 year there were a total of 209 mental health and addiction service adverse events, with 14 serious self-harm and 180 suspected suicide events (note: this includes community settings)<sup>6</sup>. Over time the number of serious adverse events reported has been increasing, however this may be attributed to better reporting<sup>7</sup>. Between 1 July 2022 and 30 June 2023, the Director of Mental Health received 62 death notifications relating to people under the Mental Health Act; of these, 14 related to people who were reported to have died by suspected suicide.</p>		
<b>Climate impact</b>	<input type="checkbox"/> Yes – emissions impacts (positive or negative)	<input type="checkbox"/> Yes – climate adaptation or resilience impacts (positive or negative)	<input checked="" type="checkbox"/> No impact
There are no expected climate impacts associated with this initiative.			

### Section 3B: Expenditure profile and cost breakdown

The answer to each question must not exceed 1-2 paragraphs.

<b>Formula and assumptions underlying costings</b>	<p>The following assumptions have been used in costing the initiative:</p> <p><b>In-depth review and prioritisation of safety and responsiveness upgrades for mental health facilities</b></p> <ul style="list-style-type: none"> <li>Assumed requires resourcing equivalent to the cost of 1 mental health/ infrastructure expert FTE and 1 Principal Advisor FTE with specific expertise in mental health infrastructure and safety requirements reflective of modern clinical models of care for a period of two years (noting Health NZ may consider alternate combinations or arrangements to source this combined expertise, which would be unlikely to be held in-house).</li> <li>Assumed the cost per FTE would be equivalent to the mid-point of the relevant Ministry of Health band of:             <ul style="list-style-type: none"> <li>9(2)(f)(iv) per mental health/ infrastructure expert FTE (band 20G)</li> <li>9(2)(f)(iv) per Principal Advisor FTE (band 19G).</li> </ul> </li> <li>Assumed overheads of 9(2)(f)(iv) per FTE.</li> </ul> <p><b>Capital funding for safety improvements and refurbishments</b></p> <ul style="list-style-type: none"> <li>Assumed to be held in contingency for drawdown over the course of the forecast period.</li> <li>Costs will vary and which facilities would receive funding for what will be informed by the review. 9(2)(f)(iv)</li> </ul>
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<sup>5</sup> <https://www.ombudsman.parliament.nz/news/mental-health-units-breach-un-convention>

<sup>6</sup> [https://reports.hqsc.govt.nz/AdverseEventsQuarterly/ w\\_dfd76a13/#/quarterly-snapshot](https://reports.hqsc.govt.nz/AdverseEventsQuarterly/ w_dfd76a13/#/quarterly-snapshot)

<sup>7</sup> Ministry of Health. 2023. Office of the Director of Mental Health and Addiction Services: Regulatory Report 1 July 2021 to 30 June 2022. Wellington: Ministry of Health. [www.health.govt.nz/system/files/2023-09/odmhas-regulatory-report-sep23.pdf](http://www.health.govt.nz/system/files/2023-09/odmhas-regulatory-report-sep23.pdf)

Provide a breakdown of existing and additional funding sought by individual expense category and agency. Add additional rows as appropriate for additional expense categories.

**Operating expenses (\$m)**

**Existing operating funding (\$m)**

Operating expense category	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
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There is currently no existing operating funding for the work this initiative is seeking funding for. If the work was done from within existing Vote Health baseline resources, this would require stopping or delaying other key pieces of work.

**Operating costs associated with initiative (\$m)**

Operating expense category	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
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**Personnel expenditure (\$m) – please state impact at the initiative level**

<b>Net FTE funding</b>						
In-depth review and prioritisation of safety upgrades	-	0.254	0.254	-	-	0.508
Net overhead funding	-	0.113	0.113	-	-	0.226
<b>Total operating expenses (\$m)</b>	-	<b>0.367</b>	<b>0.367</b>	-	-	<b>0.734</b>
<b>Net FTE funding</b>						
In-depth review and prioritisation of safety upgrades	-	0.254	0.254	-	-	0.508

\*Extend the profile above to a "steady state" if funding into outyears is irregular. Delete "& outyears" for time-limited funding.

**FTE implications – please state impact at the agency level**

	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears
Total # of net FTEs at Health NZ	-	2	2	-	-
<b>Total # of net FTEs over the forecast period</b>	-	<b>2</b>	<b>2</b>	-	-

Note: Health NZ may consider alternate combinations or arrangements depending on the phasing and location of projects).  
Additional occupation breakdown of FTE changes (count) over the forecast period

**Additional occupation breakdown of FTE changes (count) over the forecast period**

Occupation	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears
MH&A/Infrastructure expert	-	1	1	-	-
Principal Advisor	-	1	1	-	-

**Would funding this initiative impact current employees?** This initiative would fund new employees with specific expertise for a fixed-term period (noting Health NZ may consider alternate combinations or arrangements).

Existing capital funding (\$m)												
Capital category	expense	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
The Health Capital Envelope has an estimated 2024/25 appropriation of \$5,992,738,000. Within this, there is a Mental Health Infrastructure Programme, which includes 16 projects to build and refurbish mental health facilities. This is a long-term programme with a focus on new builds that will meet contemporary best-practice design principles. This initiative would complement rather than duplicate existing capital funding. There is currently no existing funding identified for capital investment in the immediate safety improvements and shorter-term refurbishment of the facilities that this initiative is seeking funding for.												
Capital category	expense	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
Safety improvements		-	1.000	2.500	5.000	16.500	-	-	-	-	-	25.000
Refurbishment of existing units		-	-	2.500	5.000	17.500	-	-	-	-	-	25.000
<b>Total (\$m)</b>		-	<b>1.000</b>	<b>5.000</b>	<b>10.000</b>	<b>34.000</b>	-	-	-	-	-	<b>50.000</b>

### Section 3C: Scaled and/or Reprioritisation Options to meet 75%, 50% and 25%

Operating expenses (\$m)											
Operating expenses and reprioritisation (\$m)	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total					
<b>Minimum viable option</b>											
In-depth review and prioritisation of safety upgrades	-	0.092	0.092	-	-	0.184					
Net overhead funding	-	0.055	0.055	-	-	0.110					
<b>Net Total (\$m) – Minimum viable option</b>	-	<b>0.147</b>	<b>0.147</b>	-	-	<b>0.294</b>					
<b>Minimum viable option</b>											
In-depth review and prioritisation of safety upgrades	-	0.092	0.092	-	-	0.184					
Net overhead funding	-	0.055	0.055	-	-	0.110					
<b>Net Total (\$m) – Minimum viable option</b>	-	<b>0.147</b>	<b>0.147</b>	-	-	<b>0.294</b>					
<b>Minimum viable option</b>											
In-depth review and prioritisation of safety upgrades	-	0.092	0.092	-	-	0.184					
<b>Capital expenses (\$m)</b>											
Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
Safety improvements	-	-	-	-	-	-	-	-	-	-	-
Refurbishment of existing units	-	1.000	2.000	7.000	10.000	-	-	-	-	-	20.000
<b>Total (\$m)</b>	-	<b>1.000</b>	<b>2.000</b>	<b>7.000</b>	<b>10.000</b>	-	-	-	-	-	<b>20.000</b>

\*Extend the profile above if funding is needed beyond 2032/33.

**Scaling of initiative** For the operational funding, the minimum viable option for the initiative is to undertake the in-depth review with reduced resourcing of 1 FTE at a Principal Advisor level. Appropriately

	<p>resourcing the in-depth review and ongoing implementation and management are key to informing where immediate improvements to modernise safety features are required.</p> <p>The minimum viable option for the initiative is to scale the capital funding component down from \$50.000 million to \$20.000 million over four years. Under a \$20.000 million envelope, there would need to be more stringent prioritisation of the number/nature of issues that could be addressed and the number of facilities. Further scaling of the capital funding component is not considered feasible as it would be insufficient to make a meaningful difference to people's experience and safety.</p>
<b>What are the main risks of the options presented above?</b>	<p>Any scaling of this initiative will reduce the extent to which safety improvements can be made to mental health and addiction inpatient facilities. This will in turn reduce the benefits that can be achieved, and could contribute to adverse events reported by way of self-harm, suspected suicides and other deaths in care.</p>

## Section 4: Delivery

<b>Section 4A: Procurement</b>	
The answer to each question must not exceed 1-2 paragraphs.	
<b>What is the initiative purchasing/funding?</b>	<p>This initiative is purchasing:</p> <ul style="list-style-type: none"> <li>Time-limited operating resource (FTEs with expertise in mental health infrastructure and safety requirements reflective of clinical modern models of care) to undertake an in-depth review and scoping of mental health inpatient units focusing on immediate improvements to modernise safety features. This would provide a prioritised assessment of safety upgrades required to bring units in line with modern best practice.</li> <li>A tagged contingency of capital investment to support implementation of immediate improvements and installation of modern safety features in units based on the review and scoping exercise.</li> </ul>
<b>What market constraints or other delivery risks exist?</b>	<p>Officials do not anticipate significant market constraints for this initiative, given the proposed resourcing of time-limited expertise to undertake the review and prioritisation, and the focus on discrete infrastructure safety and responsiveness upgrades within individual facilities. There may be constraints in the availability of bespoke safety features, but this would be taken into account in the prioritisation and procurement processes.</p> <p>It is not anticipated that full business cases would be required for the projects that would be supported with the capital funding, as they would be small scale and discrete safety and responsiveness upgrades rather than substantial refurbishments or new builds.</p>
<b>Government Procurement Rules</b>	<p>Procurement of the infrastructure safety upgrades will be undertaken by Health NZ in accordance with Government Procurement Rules.</p>
<b>Section 4B: Risks, constraints, and dependencies</b>	
The answer to each question must not exceed 1-2 paragraphs	
<b>What are the main risks?</b>	<p>Potential risks include:</p> <ul style="list-style-type: none"> <li>Demand exceeds the funding available: This will be mitigated through the in-depth review and prioritisation of facilities with the highest safety risks/needs. Funding will be allocated to those areas first.</li> <li>Misalignment with and/or delays due to wider health infrastructure programme constraints: This initiative would provide targeted and ringfenced funding for specific safety and responsiveness upgrades to mental health facilities, with a clear prioritisation based on the in-depth review; this will mitigate any impacts of wider infrastructure programme constraints on the initiative. Prioritisation and planning will take into account wider health infrastructure projects to ensure alignment and leverage efficiencies where there are more substantive build projects underway.</li> </ul>
<b>What are the key constraints?</b>	<p>Officials do not anticipate significant market constraints for this initiative, given the proposed resourcing of time-limited expertise to undertake the review and prioritisation, and the focus on discrete infrastructure safety and responsiveness upgrades within individual facilities. There may be constraints in the availability of bespoke safety features, but this would be taken into account in the prioritisation and procurement processes.</p>
<b>What are the key dependencies?</b>	<p>Full success of the initiative to improve physical environments will in part be dependent on practice changes among the mental health workforce. Improving the safety and responsiveness of care will</p>

rely on improved workforce competencies and models of care. This will be supported by the Vote Health initiatives focused on workforce development and bolstering independent oversight mechanisms.

#### Section 4C: Governance and oversight

The answer to each question must not exceed 1-2 paragraphs.

<b>What are the governance arrangements for this initiative?</b>	Implementation of this initiative will be governed at a national level by the Ministry of Health and Health NZ across mental health clinical, operational and infrastructure arms. There will also be regional governance and oversight within Health NZ and at a service/facility level to ensure implementation goes as planned. It is expected governance and oversight arrangements would include representation of people with lived experience and Māori. The design of safety and responsiveness upgrades would also be undertaken with Māori and lived experience involvement to ensure the solutions are fit-for-purpose.
<b>Timeframes and monitoring</b>	The Ministry of Health will monitor the implementation of this initiative as part of its health system and health entity monitoring role. There would be regular reporting from Health NZ to the Ministry and to Ministers on the implementation and impacts of this initiative.  Other monitors of mental health facilities and aspects of compulsory and/or inpatient mental health care relevant to this initiative include the Ombudsman, HealthCert, the Health and Disability Commissioner and the Human Rights Commission. The Mental Health and Wellbeing Commission has also expressed a strong interest in monitoring the reduction of compulsory and coercive mental health care as part of its independent monitoring and advocacy role. This initiative would be relevant within that monitoring scope.

#### Section 4D: Demonstrating performance

The answer to each question must not exceed 1-2 paragraphs.

There is existing reporting on mental health infrastructure projects and on the provision of mental health inpatient and compulsory care. Metrics that would be used to monitor the progress and impacts of this initiative include:

- Progress against activity and delivery milestones
- Increased numbers of mental health facilities compliant with best practice safety standards
- Reduced adverse events due to physical environments within mental health facilities
- Reduced use of seclusion and restraint within mental health facilities
- Improved patient and workforce satisfaction and wellbeing.

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# Appendix 6.0

## Annex 1: Budget 2025 Cost Pressures and New Spending Template

### Section 1: Overview

Section 1A: Basic initiative information					
<b>Initiative title</b> (max 120 characters)	Making the care system safe – key investment area two, part two: recognising and responding to abuse in care.				
<b>Lead Minister</b>	Lead Coordination Minister for the Government's Response to the Royal Commission's Report into Historical Abuse in State Care and in the Care of Faith-based Institutions	<b>Agency</b>	Crown Response Office, Public Service Commission		
<b>Initiative description</b> (max 800 characters)	<p>This initiative is one of seven initiatives that respond to recommendations made by the Abuse in Care Royal Commission of Inquiry (Royal Commission) in its final report and focuses on recommendations to embed safeguarding at all levels of the care system as a key preventative mechanism.</p> <p>Agencies have identified four initiatives (\$29.200m over four years) for investment to recognise and respond to abuse in care:</p> <ul style="list-style-type: none"> <li>Vote Oranga Tamariki – 9(2)(f)(iv) for training and development, and improved escalation, approvals and accountability processes to reduce abuse and harm to children and young people cared for by individual caregivers and 9(2)(f)(iv) for training and development, monitoring and assurance, 9(2)(f)(iv) to reduce abuse and harm to children and young people in community and remand homes run either by Oranga Tamariki or by external service providers; and</li> <li>Vote Social Development (DSS) – \$6m to audit every disability support service provider to ensure the quality of services is maintained and \$2.8m to improve the critical incident and complaints system for disability support services (which currently uses manual data entry processes).</li> </ul>				
<b>Priority Area (PA) Objective</b>	<input checked="" type="checkbox"/> New Spending Commitments			<input type="checkbox"/> Capital Investments	
	<input type="checkbox"/> Cost Pressures			<input type="checkbox"/> Capital Cost Escalation	
	<input type="checkbox"/> Performance Plan Scrutiny				
<b>Is this a cross-Vote initiative?</b>	<b>Yes</b>	Oranga Tamariki, Social Development (DSS)			
<b>Does this require legislative change?</b>	<b>No</b>				
<b>Agency contact</b>	Name: Molly Elliott Phone: 9(2)(a) Email: Molly.Elliott019@msd.govt.nz		<b>Treasury contact (Vote Analyst)</b>	Name: Talei Pasikale Phone: 9(2)(a) Email: Talei.Pasikale@treasury.govt.nz	
Section 1B: Summary of funding profile					
Total operating costs associated with initiative (\$m)					
2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total
9(2)(f)(iv)					
Operating costs associated with initiative – Vote Oranga Tamariki (\$m)					
2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total
9(2)(f)(iv)					

Operating costs associated with initiative – Vote Social Development (DSS) (\$m)										
2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total					
0.000	3.300	2.200	1.650	1.650	<b>8.800</b>					
*For irregular outyears, add additional rows above to display the full profile of the initiative. Delete "& outyears" for time-limited funding. See the Budget 2025 Uploading Initiatives to CFISnet for more information on entering outyears into CFISnet.										
Capital costs associated with initiative (\$m)										
24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	31/32	33/34*	Total
[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]
*Extend the profile above if funding is needed beyond 2033/34.										

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## Section 2: Alignment and options analysis

### Section 2B: Problem definition – New Spending

The answer to each question must not exceed 1-2 paragraphs

What is the problem that this initiative is trying to solve and why does it need to be solved now?

*Describe the problem the initiative is trying to solve by outlining its root cause(s) and consequence(s), and explain why the problem needs to be solved now. The problem should be framed in terms of current and/or future outcome(s) for New Zealanders.*

The Government is committed to driving change for survivors and for all those engaged in the current care system, in line with the Prime Minister's apology to survivors of abuse in care made on 12 November 2024. Cabinet has agreed to broadly accept the Royal Commission's overall findings in its final report, Whanaketia[1], and noted that the overall shifts Whanaketia pointed towards: addressing the wrongs of the past; empowering whānau and communities; and making the care system safe for children, young people and adults [SOU-24-MIN-0118 refers]. This package of initiatives focuses on the second and third of these shifts.

#### **Royal Commission findings and recommendations in relation to recognising and responding to abuse in care**

The Royal Commission made a suite of recommendations to embed safeguarding as a key preventative mechanism (recommendations 50-56). These include specific recommendations to build a diverse, capable and safe workforce (see priority 3), and vetting of carers (recommendations 58, 59). There are also recommendations for reporting and monitoring of care to help recognise and respond to complaints and allegations of abuse (see priority 4).

#### **Initiative 1: Reducing abuse and harm to children and young people in community and remand homes – both Oranga Tamariki and provider run homes**

Oranga Tamariki operates community and remand homes and contract additional provider homes that care for children and young people, often with the highest and most complex needs. There is evidence that abuse still occurs in these environments, most commonly physical abuse by peers and in some cases staff.

To address this Oranga Tamariki needs:

- 9(2)(f)(iv)
- Targeted training and development for the workforce.
- A new monitoring and assurance framework that is then applied to all environments.
- A time-limited, monitoring and assurance function.
- 9(2)(f)(iv)
- A real time reporting mechanism that enables improved oversight of children.

External expertise would be used to develop the internal policies and procedures and the assurance framework to support both residences and home environments.

#### **Initiative 2: Reducing abuse and harm to children and young people cared for by individual caregivers**

Whilst the rate of abuse outside of residence and group home care is reducing, there are known risk factors and points in a child's care journey where they are at greater risk of harm. This is often as children get older (aged 8 and over) and begin to demonstrate behaviours as a response to early trauma which become harder for caregivers to manage. Children with disabilities are often more vulnerable to harm and this can increase as they get older. This initiative will focus on training and development, and improved escalation, approvals and accountability processes to improve prevention of abuse of children and young people of all ages, however, we are aware that there is a crisis point as children get older that needs a particular focus.

These initiatives will be designed to future proof the care system and they are aligned with Te Aorerekura Strategy, the Child and Youth Strategy and the Government's priorities. Oranga Tamariki's baseline for the 2024/25 financial year is \$1.527 billion. There are three main areas of expenditure: contracted services, personnel and administrative costs. We cannot absorb these services above within our existing baseline.

### **Initiative 3: Audit every disability support service provider to ensure the quality of services is maintained**

The Royal Commission recommended that all entities providing care have safeguarding policies and procedures in place that are regularly audited for compliance, including periodic external audits [recommendation 55(l)].

Regular auditing of service delivery by disability service providers is an essential element of ensuring safe and high-quality service is delivered to disabled people. It is a mechanism that can enable recognition and response to abuse in care. Over time the number of providers has grown and with this growth, the appropriateness and effectiveness of the current system of auditing a sample of providers is no longer appropriate.

The current audit arrangements are inadequate as they do not audit all providers, instead auditing a sample of providers only. As a result, there is currently no complete data on the safety and quality of disability support service providers in New Zealand. What does exist is fragmented, historical and incomplete information, and cannot provide assurance of the safety and quality of service provision.

A one-off audit of safety and quality service delivery by disability service providers to be conducted over an 18 month period is required. This will provide:

- a baseline understanding of safety and quality service provision across of all providers, to identify future targeting parameters for audits
- benchmarking of individual providers against other similar providers
- a strong evidence base on what disabled people are experiencing in care; and
- an opportunity to recognise and respond immediately to any current processes that may lead to abuse in care.

### **Initiative 4: Improving the critical incident and complaints system for disability support services**

The Royal Commission made a number of recommendations about complaints processes (recommendations 65-69).

The current reporting of critical incidents and complaints relies on unaudited manual data entry into excel spreadsheets, which is time consuming, often inaccurate and does not encourage full reporting of critical incidents by providers. The current system of manual data entry is no longer fit for purpose as the number of reported incidents has grown and more detailed reporting could be provided. These changes provide an opportunity for a data driven approach which we are unable to capitalise on with current manual systems. The current manual system results in process inefficiencies, risks data loss, creates delays in responding to complaints and an inability to take a data driven approach to identifying service improvement opportunities.

The result is that there is no strong evidence base on what disabled people are experiencing in care at the moment creating gaps in our ability to recognise and respond to abuse in care.

The solution would be to purchase software as a service, enabling a data driven approach that will reduce inefficiency and deliver an ability to identify safety and quality service improvement opportunities.

*Describe the existing arrangements for the asset or service, including (where applicable):*

- *How services are currently organised and provided;*
- *The associated throughput, turnover, and existing cost; and*
- *Current asset or service availability, utilisation, and condition.*

*Agencies should be able to demonstrate why the existing arrangements (if there are any) are insufficient to address the problem outlined above.*

### **Initiative 1: Reducing abuse and harm to children and young people in community and remand homes – both Oranga Tamariki and provider run homes**

Currently Oranga Tamariki has a focus on quality practice improvements across the operational (including youth justice and residences) service lines in its Chief Social Worker and Professional Practice teams. This initiative will support the work of Mana Mokopuna:

Mana Mokopuna provides an external monitoring function for community and remand homes. While they visit these homes and report back, these visits are infrequent. There is a need for regular internal monitoring alongside this to prevent abuse from occurring. We do not currently have a sufficient internal monitoring and assurance function to enable this. Our existing arrangements are limited in scope and cannot fully address the problem we are facing with abuse in care still occurring.

### **Initiative 2: Reducing abuse and harm to children and young people cared for by individual caregivers**

Currently Oranga Tamariki has a Professional Practice team focused on social work practice and a Caregiver Recruitment and Support team focused on recruitment, vetting and support of caregivers. While the Independent Children's Monitor provides an external monitoring function, we do not have a sufficient internal monitoring and assurance function. Our existing arrangements are limited in scope and cannot fully address the abuse in care that still occurs.

### **Initiative 3: Audit every disability support service provider to ensure the quality of services is maintained**

There are 3 types of disability service providers, with different audit cycles:

- Certified residential care providers (those with 5 beds or more) are required to be audited against the Ngā Parewa Standards, at regular intervals. These audits are carried out by HealthCert at the Ministry of Health and funding is held by them.
- Residential providers with smaller numbers of beds are audited against their contracts with an aim of auditing these providers once every five years. In the disability sector many providers have less than 5 beds, because this represents a more home-like living situation. It is likely the majority of providers operate with less than 5 beds.
- Some non-residential care providers, including those providing home and community support as well as providers of support equipment, are audited much less frequently, and ad-hoc contractual levers are relied upon to maintain safety and quality of disabled people, often operating only after an issue has occurred.

Therefore, the current system of sample audits does not provide a full picture of the safety and quality of services and can provide little assurance on the safety and quality of services.

Funding of \$0.93million is held by MSD/DSS to deliver the second and third types of audits listed above.

### **Initiative 4: Improving the critical incident and complaints system for disability support services**

The existing critical incident and complaints processes are overly complex for providers and include lack of clarity over how to engage with the system. The system relies on providers completing and submitting forms on a website, which are then recorded into various single-user excel spreadsheets used to manage personal identifiable information. This results in process inefficiencies and risks of data loss, delays in responding to complainants and an inability to take a data driven approach to identify opportunities for service improvements. Over time the numbers of critical incidents reported has increased (which could be a good thing as it demonstrates some compliance and commitment to identifying these issues), but an excel spreadsheet is not sufficient to enable robust analysis of data. Within any given year MSD/ DSS can receive 1,500 critical incident reports, and well as approximately 5-10 complaints per month, but this is not believed to be representative of true volumes given the lack of clarity and accessibility issues of our complaints processes.

*Outline specifically what needs to change or be improved (relative to existing arrangements) to address the problem.*

### **Initiative 1: Reducing abuse and harm to children and young people in community and remand homes – both Oranga Tamariki and provider run homes**

- 9(2)(f)(iv) [REDACTED]
- Targeted training and development for the workforce is needed
- A new monitoring and assurance framework needs to be developed to apply to all environments – This will be a comprehensive framework to achieve the National Care Standards and will work alongside external monitoring functions. This framework will be integrated across Oranga Tamariki functions including incident reporting, health and safety, and recruitment and vetting systems. External expertise would be used to develop the internal processes and assurance framework to support residences and home environments. This is not part of the BAU policy work which Oranga Tamariki will conduct under baselines.
- A time limited independent monitoring and assurance function is needed - Our existing assurance functions do not offer the line of sight needed to prevent abuse from occurring. If

an independent monitoring and assurance function is established, we can improve our current system to incorporate it into BAU.

- 9(2)(f)(iv) [REDACTED]
- A real time reporting mechanism that enables improved oversight of children needs to be established.

#### **Initiative 2: Reducing abuse and harm to children and young people cared for by individual caregivers**

- A training and development programme is needed for all staff and caregivers working with children with a particular focus on age appropriate trauma and disability related responses including extending the availability of support and advice for caregivers – Specifically the training would include: 1. De-escalation techniques to avoid the use of restraint. 2. Techniques to respond to mental health issues, disabilities and complex behaviour. 3. Integrated care planning to focus on longer-term care. 4. The importance of quality improvement.
- An escalation pathway needs to be developed to ensure early indicators are identified and actions are taken before abuse occurs (for example GP, teacher, ECE)
- The end to end caregiver approval, support and investigation pathway needs to be redesigned to ensure it is adequate and fit for purpose
- An investigation and accountability framework needs to be developed and applied across every placement - We need a clear framework to identify where abuse could occur and prevent it before it does. A separate investigation pathway is needed where the findings of investigations are integrated into a new quality improvement process across the caregiver approval process and all placements.

#### **Initiative 3: Audit every disability support service provider to ensure the quality of services is maintained**

This initiative will provide auditing of all providers, across the safety and quality domains, within 18 months. This will enable benchmarking of current service provision enabling measuring of audit effectiveness. It will also allow immediate recognition and remediation of unsafe practices that may be occurring in the sector. A complete audit of all providers will provide evidence to risk stratify the current providers and provide evidence to direct future audits to the most appropriate groups of providers, where the greatest impacts on safety and quality can be delivered.

Increasing the frequency of audits would also provide a visible and meaningful increase in monitoring providers' compliance with expected standards of care and contractual obligations and an opportunity to identify and grow locally developed quality improvement initiatives. Where there is a significant amount of time between audits (eg the current five years) they become viewed as a punitive compliance tool, rather than a mechanism to work collaboratively to deliver improved safety and quality. This negates some of their effectiveness.

#### **Initiative 4: Improving the critical incident and complaints system for disability support services**

This initiative will improve opportunities to recognise and respond to abuse in care. When bundled with initiative 3 it will facilitate shared engagement between funders and providers and create a learning-based quality improvement environment.

Improving the critical incident and complaints systems will help restore trust with the disabled community. Improved handling of information for all participants within the system will further streamline processes for providers and DSS as well as create consistent data sets.

A data driven approach will allow the development of insights into service user experience, root cause analysis and using the insights to enhance service user experiences across the system. A consistent and agile reporting approach will enable improved data analysis (using data insights from an accurate and secure source). A more efficient system will make it easier for disability service providers to report incidents (improving data coverage) and create and ability to: report, review and learn from critical incidents. This will allow early identification of trends and outliers and enable quality improvement activities to be designed to address issues early, rather than reacting and addressing issues in isolation only when they have occurred.

Improvements are required in relation to consistent data capture via consistent channels, utilisation of that data in workflows to drive efficiency, reduce the risk of abuse and the utilisation of the insights from the information and data to identify trends and opportunities for service improvements.

*What is the rationale for central Government intervention and how does the initiative/investment proposal fit with the Agency's mandate, and is the Agency the best one to deliver this intervention?*

*Is another organisation (e.g., NGOs, iwi/Māori organisations, private sector) better placed to deliver this initiative, and are there alternative funding arrangements that should be considered?*

*What are the implications of this initiative for the operational/service delivery aspects of the agency?*

**Initiative 1: Reducing abuse and harm to children and young people cared for by individual caregivers; Initiative 2: Reducing abuse and harm to children and young people in community and remand homes**

These initiatives support the Government's priority to address the findings and recommendations of the Royal Commission of Inquiry into Abuse in Care, with the ultimate objective of creating a safe care system where all care arrangements are free from abuse.

The purpose of Oranga Tamariki is to serve those children, young people and families who come to our attention. Our focus is on keeping them safe and preventing them from coming into care or custody by ensuring the children's system provides support to families. These initiatives align with our purpose.

**Initiative 3: Audit every disability support service provider to ensure the quality of services is maintained**

DSS purchases services on behalf of disabled people who are often vulnerable and unable to advocate for themselves. DSS has a responsibility to ensure the services purchased are safe and high quality.

**Initiative 4: Improving the critical incident and complaints system for disability support services**

DSS is accountable for the quality of the disability supports we purchase. Complaints and notification systems are key components of our quality approach to reduce the risk of abuse in care and enable identification of service enhancements via changes to our contracted services and commissioning approaches.

*What key partners/stakeholders/customers (including other relevant Agencies, and iwi and Māori) have been engaged to understand the problem and develop the initiative? How have you worked with them and how has their input affected the understanding of the problem? You may wish to reference here the [key principles of He Ara Waiora](#). What was the rationale for the level of engagement and are there any risks arising from this?*

**Initiative 1: Reducing abuse and harm to children and young people cared for by individual caregivers; Initiative 2: Reducing abuse and harm to children and young people in community and remand homes**

Oranga Tamariki gathers insights from caregivers and children and young people in care through annual surveys. These help to identify what may be required to improve outcomes for children and young people in care.

**Initiative 3: Audit every disability support service provider to ensure the quality of services is maintained**

We have not yet consulted with stakeholders on this initiative however the Whanaketia report is the result of extensive consultation on the quality of services.

**Initiative 4: Improving the critical incident and complaints system for disability support services**

A quality system that reflects complaints and critical incident reporting is key to the concepts of Tiakitanga, Manaakitanga and Tikanga.

We have utilised Kotahitanga across agency consultation on approaches to complaints management and incident reporting has occurred across the health and social sectors. Tangata whaikaha and disability community input has been gathered through engagement via the established Insights Alliance. Further tangata whaikaha input into final solution choices will be sought as part of the delivery project.

**Alignment to Government**

<input type="checkbox"/>	Addressing the rising cost of living	<input checked="" type="checkbox"/>	Delivering effective and fiscally sustainable public services
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<b>Priorities</b> (if alignment to multiple Priorities is possible, select the most relevant)	<input type="checkbox"/>	Building for growth and enabling private enterprise	<input type="checkbox"/>	Not Aligned
<b>Does this initiative relate to one of the Government's focus areas for Budget 2025?</b>	<input type="checkbox"/>	Economic Growth (invitation only)	<input checked="" type="checkbox"/>	Not Applicable

### Section 2C: Options analysis

The answer to each question must not exceed 1-2 paragraphs

<b>What was the range of options considered?</b>	<p>The initiatives in this bid were selected on the basis that they meet the following requirements and can be progressed with limited further work, consistent with the Prime Minister and other Ministers' commitment to driving change at pace:</p> <ul style="list-style-type: none"> <li>demonstrably contribute to the goal of improving the safety of people in care;</li> <li>align with and respond to the Royal Commission's vision, findings, and/or recommendations;</li> <li>not be something that could (or should) be done as 'business as usual'; and</li> <li>not be able to be funded through baseline reprioritisation.</li> </ul>
<b>What was the process used to select the preferred option?</b>	A cross-agency approach has been taken to identifying proposals costed as part of the bid. Costing options have been developed on the basis of preserving choice for Cabinet as part of the policy decisions to be made in early 2025 while also reflecting the broader fiscal pressures faced by government.
<b>Interaction with savings proposals</b>	There are no interdependencies or interactions with savings proposals.

## Section 3: Costs and Benefits Analysis

**See Appendices for details of Section 3 & 4**

### Section 3A: Benefits and non-fiscal costs

The answer to each question must not exceed 1-2 paragraphs.

<b>What outcome(s) would the initiative achieve?</b>						
<b>How will these outcomes be measured and evaluated?</b>						
<b>Evidence and assumptions</b>						
<b>Climate impact</b>	<input type="checkbox"/>	Yes – emissions impacts (positive or negative)	<input type="checkbox"/>	Yes – climate adaptation or resilience impacts (positive or negative)	<input checked="" type="checkbox"/>	No impact

### Section 3B: Expenditure profile and cost breakdown

The answer to each question must not exceed 1-2 paragraphs.

<b>Formula and assumptions</b>	
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<b>underlying costings</b>						
Provide a breakdown of existing and additional funding sought by individual expense category and agency. Add additional rows as appropriate for additional expense categories.						
<b>Operating expenses (\$m)</b>						
<b>Existing operating funding (\$m)</b>						
Operating expense category	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
<i>[Type of funding currently allocated or set aside in contingency. E.g. current baseline funding allocated.] – [Agency / Crown Entity etc.]</i>	[●]	[●]	[●]	[●]	[●]	[●]
<b>Operating costs associated with initiative (\$m)</b>						
Operating expense category	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
<i>[Name of any operating expense category for additional funding sought. E.g. additional subsidy costs] – [Agency / Crown Entity etc.]</i>	[●]	[●]	[●]	[●]	[●]	[●]
Inflation adjustment for <i>[insert input] – [Agency / Crown Entity etc.]</i>	[●]	[●]	[●]	[●]	[●]	[●]
Depreciation and/or capital charge (if relevant) – <i>[Agency / Crown Entity etc.]</i>	[●]	[●]	[●]	[●]	[●]	[●]
<b>Personnel expenditure (\$m) – please state impact at the initiative level</b>						
Net FTE funding	[●]	[●]	[●]	[●]	[●]	[●]
Net contractor/consultant funding	[●]	[●]	[●]	[●]	[●]	[●]
Net FTE and contractor/consultant overhead funding	[●]	[●]	[●]	[●]	[●]	[●]
<b>Total operating expenses (\$m)</b>	[●]	[●]	[●]	[●]	[●]	[●]
*Extend the profile above to a “steady state” if funding into outyears is irregular. Delete “& outyears” for time-limited funding.						
<b>FTE implications – please state impact at the agency level</b>						
	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	

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Total # of net FTEs at [Agency / Crown Entity / etc.] (employees)	[•]	[•]	[•]	[•]	[•]
Total # of net FTEs at [Agency / Crown Entity / etc.] (contractors/consultants)	[•]	[•]	[•]	[•]	[•]
<b>Total # of net FTEs (employees and contractors/consultants) over the forecast period</b>	[•]	[•]	[•]	[•]	[•]

**Additional occupation breakdown of FTE changes (count) over the forecast period**

Occupation	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears
Managers	[•]	[•]	[•]	[•]	[•]
Policy Analyst	[•]	[•]	[•]	[•]	[•]
Information Professionals	[•]	[•]	[•]	[•]	[•]
Social, Health and Education Workers	[•]	[•]	[•]	[•]	[•]
ICT Professionals and Technicians	[•]	[•]	[•]	[•]	[•]
Legal, HR and Finance Professionals	[•]	[•]	[•]	[•]	[•]
Other Professionals not included elsewhere	[•]	[•]	[•]	[•]	[•]
Inspectors and Regulatory Officers	[•]	[•]	[•]	[•]	[•]
Contact Centre Workers	[•]	[•]	[•]	[•]	[•]
Clerical and Administrative Workers	[•]	[•]	[•]	[•]	[•]
Other Occupations	[•]	[•]	[•]	[•]	[•]

**Would funding this initiative impact current employees?**

**Existing capital funding (\$m)**

Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
[Type of funding currently allocated or set aside in contingency. E.g. current baseline funding allocated.] - [Agency / Crown Entity etc.]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]

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Capital costs associated with initiative (\$m)											
Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
[Name of capital expense category] - [Agency / Crown Entity etc.]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
[Name of capital expense category] - [Agency / Crown Entity etc.]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
[Name/type of contingency] - [Agency / Crown Entity etc.]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Total (\$m)</b>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]

\*Extend the profile above if funding is needed beyond 2033/34.

### Section 3C: Scaled and/or Reprioritisation Options to meet 75%, 50% and 25%

#### Operating expenses (\$m)

Operating expenses and reprioritisation (\$m)	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
[Total cost of full or scaled option]	[•]	[•]	[•]	[•]	[•]	[•]
[Reprioritisation Option – please state the corresponding initiative ID and Title]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Net Total (\$m) – 75%</b>	[•]	[•]	[•]	[•]	[•]	[•]
[Total cost of full or scaled option]	[•]	[•]	[•]	[•]	[•]	[•]
[Reprioritisation Option – please state the corresponding initiative ID and Title]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Net Total (\$m) – 50%</b>	[•]	[•]	[•]	[•]	[•]	[•]
[Total cost of full or scaled option]	[•]	[•]	[•]	[•]	[•]	[•]
[Reprioritisation Option – please state the corresponding initiative ID and Title]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Net Total (\$m) – 25%</b>	[•]	[•]	[•]	[•]	[•]	[•]

#### Capital expenses (\$m)

Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
[Name of capital expense category]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
[Name of capital expense category]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
[Name/type of contingency]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Total (\$m)</b>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]

\*Extend the profile above if funding is needed beyond 2032/33.

Scaling of initiative	
What are the main risks of the options presented above?	

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## Section 4: Delivery

**See Appendices for details of Section 3 & 4**

There are **specific sections to complete based on the PA Objective of the Initiative** (feel free to delete non-relevant sections of the template):

- **Cost Pressures, Capital Cost Escalations and Performance Plan Scrutiny: Section 4A and 4D**
- **New Spending Commitments and Capital Investments: All sections**

Section 4A: Procurement –	
The answer to each question must not exceed 1-2 paragraphs.	
What is the initiative purchasing/funding?	
What market constraints or other delivery risks exist?	
Government Procurement Rules	
Section 4B: Risks, constraints, and dependencies	
The answer to each question must not exceed 1-2 paragraphs.	
What are the main risks?	
What are the key constraints?	
What are the key dependencies?	
Section 4C: Governance and oversight	
The answer to each question must not exceed 1-2 paragraphs.	
What are the governance arrangements for this initiative?	
Timeframes and monitoring	
Section 4D: Demonstrating performance	
The answer to each question must not exceed 1-2 paragraphs.	

## Section 5: Equity

*All initiatives need to complete this section.*

Section 5: Equity			
The answer to each question must not exceed 1-2 paragraphs.			
Timing of costs and benefits	<p><b>Initiative 1: Reducing abuse and harm to children and young people cared for by individual caregivers AND Initiative 2: Reducing abuse and harm to children and young people in community and remand homes</b></p> <p>Phasing of the costs associated with this initiative are detailed in section 3B. All initiative components are expected to be fully established by the end of 2025/26, 9(2)(f)(iv)</p>		
Treaty of Waitangi (Te Tiriti o Waitangi) Obligations	<table border="1"> <tr> <td>Y/N</td> <td>Click or tap here to enter text.</td> </tr> </table>	Y/N	Click or tap here to enter text.
Y/N	Click or tap here to enter text.		

<b>Specific implications regarding human rights</b>	<b>Y/N</b>			
<b>Does the initiative have a larger impact on any of the following groups of New Zealanders than on the population as a whole?</b>	<i>Māori</i>	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	<i>Pasifika</i>	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	<i>Other minority ethnic groups</i>	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	<i>Rural Populations</i>	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	<i>Seniors</i>	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	<i>Disabled Peoples</i>	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	<i>Women and girls</i>	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	<i>Low-income individuals / families</i>	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	<i>Children and Young People</i>	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	<i>Other groups (please specify)</i>	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
<b>Distributional Impacts</b>				

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## Appendix One

### Section 1: Further Initiative Description Information

#### **Initiative 1: Reducing abuse and harm to children and young people in community and remand homes – both Oranga Tamariki and provider run homes**

A lack of an evidence-informed, consistent and 9(2)(f)(iv) in our community and remand homes contribute to an environment where harm is more likely to occur. To reduce harm and abuse we will:

- 9(2)(f)(iv)
- Develop targeted training and development for the workforce.
- Establish a new policy and monitoring and assurance framework that is then applied to all environments
- Establish a time-limited, monitoring and assurance function.
- 9(2)(f)(iv)
- Establish a real time reporting mechanism that enables improved oversight of children.

#### **Initiative 2: Reducing abuse and harm to children and young people cared for by individual caregivers**

There are known risk factors and points in a child's care journey where they are at greater risk of harm. To reduce this harm, we will:

- Develop a training and development programme for all staff and caregivers working with children with a particular focus on age appropriate trauma and disability related responses, including extending the availability of support and advice for caregivers
- Develop an escalation pathway to ensure early indicators or escalating needs are identified and actions are taken before abuse occurs (for example psychologist, GP, teacher, ECE)
- Redesign the end to end caregiver approval, support and investigation pathway
- Develop an investigation and accountability framework across every placement.

**Vote Oranga Tamariki**

- Reducing abuse and harm to children and young people in community and remand homes – both Oranga Tamariki and provider run homes
- Reducing abuse and harm to children and young people cared for by individual caregivers

**Section 3: Costs and Benefits Analysis**

All initiatives need to complete section 3A and 3B.

All initiatives except those submitted by:

- agencies provided with an envelope, or
- economic growth initiatives that are asked to provide a fiscally neutral option

are required to complete section 3C.

Section 3A: Benefits and non-fiscal costs	
The answer to each question must not exceed 1-2 paragraphs.	
What outcome(s) would the initiative achieve?	<p><b><u>Reducing abuse and harm to children and young people in community and remand homes – both Oranga Tamariki and provider run homes</u></b></p> <ul style="list-style-type: none"> <li>• Children and youth in the community and remand homes operated by Oranga Tamariki are safe and protected from any form of abuse or harm.</li> <li>• Staff (Oranga Tamariki and third party providers) have the capability and capacity required to provide care which is aligned with the therapeutic needs of the children and young people in these environments</li> </ul> <p><b><u>Reducing abuse and harm to children and young people cared for by individual caregivers</u></b></p> <ul style="list-style-type: none"> <li>• All care arrangements are free from abuse or are not putting children at risk of further abuse.</li> <li>• Caregivers are receiving the appropriate supports needed to ensure they are able to meet the needs of the children and young people they are caring for, supporting them to thrive and live lives free from abuse or harm.</li> <li>• Care arrangements are stable and children and young people are not moved because Caregivers have the holistic supports they need, feel confident and prepared to respond to their changing needs.</li> </ul>
How will these outcomes be measured and evaluated?	<p>Outcomes will be measured via the implementation of Hine Wawata, our new performance system within the <a href="#">Oranga Tamariki Strategic Intentions 2024/25 - 2029/30</a></p> <p>Other measurements will include our annual safety of children in care reporting mechanism which should show a reduction in instances of abuse in care. Additionally, we can measure outcomes via insights gathered from our annual surveys for caregivers and children and young people in care.</p>
Evidence and assumptions	<p>The Royal Commission identified a range of issues relating to the safety of children and young people in care and made recommendations around safeguarding people in care. This includes but is not limited to recommendations 50-56.</p> <p><b><u>Reducing abuse and harm to children and young people in community and remand homes – both Oranga Tamariki and provider run homes</u></b></p> <p>Through our annual Safety of Children in Care reporting we know that abuse is still occurring in community and remand homes, most commonly physical abuse by peers and in some case staff. 9(2)(f)(iv)</p> <p><b><u>Reducing abuse and harm to children and young people cared for by individual caregivers</u></b></p> <p>Through our annual Safety of Children in Care reporting we know that whilst the rate of abuse outside of residence and group home care is reducing it is still happening and there are known risk factors and points in a child's care journey where they are at greater risk of harm. This</p>

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	initiative aims to ensure that all care arrangements are free from abuse or are not putting children at risk of further abuse.					
Climate impact	<input type="checkbox"/>	Yes – emissions impacts (positive or negative)	<input type="checkbox"/>	Yes – climate adaptation or resilience impacts (positive or negative)	<input checked="" type="checkbox"/>	No impact
	- n/a					

### Section 3B: Expenditure profile and cost breakdown

The answer to each question must not exceed 1-2 paragraphs.

The Oranga Tamariki costings are comprised of two components for this initiative, as outlined in this table:

	2024/25	2025/26	2026/27	2026/27	2027/28	Total
Reducing abuse and harm to children and young people in community and remand homes – both Oranga Tamariki and provider run homes.	-	5.350	3.050	3.300	1.550	13.25
Reducing abuse and harm to children and young people cared for by individual caregivers.	-	3.600	1.350	1.350	0.850	7.150
<b>Total Oranga Tamariki Funding sought:</b>	-	<b>8.950</b>	<b>4.400</b>	<b>4.650</b>	<b>2.400</b>	<b>20.400</b>

The costings relate to the following activities:

	2024/25	2025/26	2026/27	2027/28	2028/29 & Outyears	
<b>Reducing abuse and harm to children and young people in community and remand homes</b>						
9(2)(f)(iv)						
Targeted Training of the residences and community homes workforce.	-	0.750	0.250	0.500	0.250	1.750
New Policy and assurance framework.	-	0.750	-	-	-	0.750
Time limited monitoring and assurance function	-	1.500	1.500	1.500	-	4.500
9(2)(f)(iv)						
Establishing a real time reporting mechanism that enables improved oversight of children.	-	1.000	0.200	0.200	0.200	1.600
Total	-	9(2)(f)(iv)				
<b>Reducing abuse and harm to children and young people cared for by individual caregivers</b>						
Training and development programme for all staff and caregivers working with children with a particular focus on age appropriate trauma and disability related responses including extending the availability of support and advice for caregivers	-	1.000	0.250	0.750	0.250	2.250
Develop an escalation pathway to ensure early indicators are identified and actions are taken before abuse occurs (for example psychologists, GP, teacher, ECE).	-	1.100	0.600	0.600	0.600	2.900

Formula and assumptions underlying costings

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Redesigning the end to end caregiver approval, support and investigation pathway.	-	0.750	0.500	-	-	1.250
Develop an investigation and accountability framework across every placement.	-	0.750	-	-	-	0.750
<b>Total</b>	-	<b>3.600</b>	<b>1.350</b>	<b>1.350</b>	<b>0.850</b>	<b>7.150</b>
<b>Total Oranga Tamariki Funding sought:</b>						

Further breakdown which includes the assumptions and formulas can be provided separately if required.

Provide a breakdown of existing and additional funding sought by individual expense category and agency. Add additional rows as appropriate for additional expense categories.

**Operating expenses (\$m)**

**Existing operating funding (\$m)**

Operating expense category	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
n/a	-	-	-	-	-	-

**Operating costs associated with initiative (\$m)**

Operating expense category	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
FTEs	-	3.350	2.600	3.350	1.100	10.400
Contractors & Consultants	-	3.50	0.500	-	-	4.250
Outsourced Vendor	-	0.500	0.950	0.950	0.950	3.350
Software	-	1.000	-	-	-	-
Third party provider	-	0.350	0.350	0.350	0.350	1.400

**Personnel expenditure (\$m) – please state impact at the initiative level**

Net FTE funding	-	2.680	2.080	2.680	0.880	8.320
Net contractor/consultant funding	-	3.750	0.500	-	-	4.250
Net FTE and contractor/consultant overhead funding	-	0.670	0.520	0.670	0.10	2.030
<b>Total operating expenses (\$m)</b>	-	<b>7.100</b>	<b>3.100</b>	<b>3.350</b>	<b>1.0050</b>	<b>14.600</b>

\*Extend the profile above to a "steady state" if funding into outyears is irregular. Delete "& outyears" for time-limited funding.

**FTE implications – please state impact at the agency level**

	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	
Total # of net FTEs at [Agency / Crown Entity / etc.] (employees)	-	22.33		17.33	22.33	7.33
Total # of net FTEs at [Agency / Crown Entity / etc.]	-	15		2	-	-

(contractors/consultants)					
<b>Total # of net FTEs (employees and contractors/consultant) over the forecast period</b>	-	37.33	19.33	22.33	7.33
<b>Additional occupation breakdown of FTE changes (count) over the forecast period</b>					
<b>Occupation</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29 &amp; outyears</b>
Managers	-	1	1	1	1
Policy Analyst	-	-	-	-	-
Information Professionals	-	-	-	-	-
Social, Health and Education Workers	-	-	-	-	-
ICT Professionals and Technicians	-	-	-	-	-
Legal, HR and Finance Professionals	-	8.33	3.33	8.33	3.33
Other Professionals not included elsewhere	-	13	13	13	3
Inspectors and Regulatory Officers	-	-	-	-	-
Contact Centre Workers	-	-	-	-	-
Clerical and Administrative Workers	-	-	-	-	-
Other Occupations	-	-	-	-	-
<b>Would funding this initiative impact current employees?</b>	<i>Please indicate if funding this initiative extends the employment of or retains current employees, or if it is to fund new employees. If there is a split, please describe how it is split and if possible, provide figures here.</i>				

<b>Existing capital funding (\$m)</b>											
<b>Capital expense category</b>	<b>24/25</b>	<b>25/26</b>	<b>26/27</b>	<b>27/28</b>	<b>28/29</b>	<b>29/30</b>	<b>30/31</b>	<b>31/32</b>	<b>32/33</b>	<b>33/34*</b>	<b>Total</b>
<i>[Type of funding currently allocated or set aside in contingency. E.g. current baseline funding allocated.] - [Agency / Crown Entity etc.]</i>	-	-	-	-	-	-	-	-	-	-	-

Capital costs associated with initiative (\$m)											
Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
[Name of capital expense category] - [Agency / Crown Entity etc.]	-	-	-	-	-	-	-	-	-	-	-
[Name of capital expense category] - [Agency / Crown Entity etc.]	-	-	-	-	-	-	-	-	-	-	-
[Name/type of contingency] - [Agency / Crown Entity etc.]	-	-	-	-	-	-	-	-	-	-	-
<b>Total (\$m)</b>	-	-	-	-	-	-	-	-	-	-	-

\*Extend the profile above if funding is needed beyond 2033/34.

### Section 3C: Scaled and/or Reprioritisation Options to meet 75%, 50% and 25%

Operating expenses (\$m)						
Operating expenses and reprioritisation (\$m)	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
[Total cost of full or scaled option]	[•]	[•]	[•]	[•]	[•]	[•]
[Reprioritisation Option – please state the corresponding initiative ID and Title]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Net Total (\$m) – 75%</b>	[•]	[•]	[•]	[•]	[•]	[•]
[Total cost of full or scaled option]	[•]	[•]	[•]	[•]	[•]	[•]
[Reprioritisation Option – please state the corresponding initiative ID and Title]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Net Total (\$m) – 50%</b>	[•]	[•]	[•]	[•]	[•]	[•]
[Total cost of full or scaled option]	[•]	[•]	[•]	[•]	[•]	[•]
[Reprioritisation Option – please state the corresponding initiative ID and Title]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Net Total (\$m) – 25%</b>	[•]	[•]	[•]	[•]	[•]	[•]

Capital expenses (\$m)											
Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
[Name of capital expense category]	-	-	-	-	-	-	-	-	-	-	-
[Name of capital expense category]	-	-	-	-	-	-	-	-	-	-	-
[Name/type of contingency]	-	-	-	-	-	-	-	-	-	-	-
Total (\$m)	-	-	-	-	-	-	-	-	-	-	-

\*Extend the profile above if funding is needed beyond 2032/33.

<b>Scaling of initiative</b>	If scaling options were required, Oranga Tamariki would prioritise the training of staff and caregivers and reduce the development of frameworks and assurance processes. Further detail of scaled components is attached as an appendix.
<b>What are the main risks of the options presented above?</b>	Oranga Tamariki would not be able to address the current gap in internal monitoring of placements, leading to less assurance over the prevention of abuse in care

## Section 4: Delivery

There are **specific sections to complete based on the PA Objective of the Initiative** (feel free to delete non-relevant sections of the template):

- **Cost Pressures, Capital Cost Escalations and Performance Plan Scrutiny: Section 4A and 4D**
- **New Spending Commitments and Capital Investments: All sections**

### Section 4A: Procurement

The answer to each question must not exceed 1-2 paragraphs.

<b>What is the initiative purchasing/funding?</b>	<p><b>Reducing abuse and harm to children and young people in community and remand homes – both Oranga Tamariki and provider run homes</b></p> <ul style="list-style-type: none"> <li>• 9(2)(f)(iv)</li> <li>• Targeted training and development for the workforce</li> <li>• External expertise to establish a new policy and monitoring and assurance framework that is then applied to all environments</li> <li>• The establishment of a time limited independent from service monitoring and assurance function</li> <li>• 9(2)(f)(iv)</li> <li>• External expertise to develop a real time reporting mechanism that enables improved oversight of children.</li> </ul> <p><b>Reducing abuse and harm to children and young people cared for by individual caregivers</b></p> <ul style="list-style-type: none"> <li>• Training and development programme for all staff and caregivers working with children with a particular focus on age appropriate trauma and disability related responses</li> <li>• External expertise to develop an escalation pathway to ensure early indicators are identified and actions are taken before abuse occurs (for example GP, teacher, ECE)</li> <li>• External expertise to redesign the end to end caregiver approval, support and investigation pathway</li> <li>• External expertise to develop an investigation and accountability framework across every placement.</li> </ul>
<b>What market constraints or other delivery risks exist?</b>	Availability of specialist resource. The bid includes funding for specialist training resources and additional staff.
<b>Government Procurement Rules</b>	The proposed procurement approach is consistent with Oranga Tamariki procurement policies, the Government Procurement Rules and the New Zealand Government's procurement principles.

### Section 4B: Risks, constraints, and dependencies

The answer to each question must not exceed 1-2 paragraphs

What are the main risks?	Market availability - these initiative components additional staff. Oranga Tamariki has experienced recruitment and procurement teams to enable the recruitment and procurement of this resource.
What are the key constraints?	n/a
What are the key dependencies?	n/a

#### Section 4C: Governance and oversight

The answer to each question must not exceed 1-2 paragraphs.

What are the governance arrangements for this initiative?	Internal governance will be supported by the Oranga Tamariki Enterprise Portfolio Management office and fit into existing Oranga Tamariki governance process. The newly established Child protection investigation unit (CPIU) will have oversight of the delivery of these initiative components. The CPIU will have an external steering group overseeing its activity. <i>Explain how the proposed governance structure provides for input from partners/stakeholders/customers, including iwi and Māori?</i>
Timeframes and monitoring	Once the initiative has been established, the work will be ongoing (note any potential set up time), this will be monitored internally by Oranga Tamariki. It is expected that <b>9(2)(f)(iv)</b> <b>[REDACTED]</b> CRO may update this to an overarching monitoring process.

#### Section 4D: Demonstrating performance

The answer to each question must not exceed 1-2 paragraphs.

Performance will be demonstrated in line with implementation of Hine Wawata, our new performance system within the [Oranga Tamariki Strategic Intentions 2024/25 - 2029/30](#)

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## Appendix Three

### Vote Social Development (DSS)

- **Audit every disability support service provider to ensure the quality of services is maintained**
- **Improving the critical incident and complaints system for disability support services**

## Section 3: Costs and Benefits Analysis

*All initiatives need to complete section 3A and 3B.*

*All initiatives except those submitted by:*

- *agencies provided with an envelope, or*
- *economic growth initiatives that are asked to provide a fiscally neutral option are required to complete section 3C.*

### Section 3A: Benefits and non-fiscal costs

The answer to each question must not exceed 1-2 paragraphs.

**What outcome(s) would the initiative achieve?**

#### **Initiative 3: Audit every disability support service provider to ensure the quality of services is maintained**

The specific population this initiative is intended to serve are disabled people receiving services provided by a Disability Support Service provider.

The main outcomes of this initiative would be:

- better safeguarding of disabled people in care
- prevention and detection of abuse
- gaining a better understanding of the current state to establish a baseline to improve
- additional assurance disabled people are receiving safe and high quality service and that this standard is maintained.

The audit would focus on the standards and protocols providers are expected to uphold. An additional benefit may be the opportunity to share best practice and learning across the sector. DSS would aim to use the findings of the audits to guide future quality improvement initiatives.

**BENEFITS:** the benefits of auditing every disability support service provider will accrue over the short to medium term. We would expect to see short term behaviour change to comply with audit requirements begin to accrue once the programme is announced, peaking while audits are undertaken, and then tailing off in the late medium-term. However, that data obtained from audits will have ongoing benefits

**COSTS:** the costs will accrue over the duration of audits (18 months)

#### **Initiative 4: Improving the critical incident and complaints system for disability support services**

This initiative will directly contribute to lowering instances of abuse in care across the disabled community.

**BENEFITS:** the benefits of improved complaints and critical incident management will accrue in the short medium and long term. Implementing this software and making it easier for providers to report will in the short term promote better visibility of critical incidents. Aggregating data in the medium term will enable us to better identify and target our safety and quality improvement initiatives and in the longer term the quality outcomes will improve and there should be less critical incidents as programmes to address common incident risk factors are implemented.

**COSTS:** The costs are front loaded with initial set up costs and then lower ongoing Software as a Service contractual costs.

<p><b>How will these outcomes be measured and evaluated?</b></p>	<p><b>Initiative 3: Audit every disability support service provider to ensure the quality of services is maintained</b></p> <p>The outcomes measurements and evaluation are still to be agreed. One potential approach is to use key indicators across domains such as critical incident reporting, safeguarding policies and practices, and staff training. For example, over time we might anticipate a decrease in critical incident reporting as an outcome of the increased audit efforts.</p> <p><b>Initiative 4: Improving the critical incident and complaints system for disability support services</b></p> <p>Success factors for this initiative have not been formally agreed. Reducing the levels of abuse in care and making changes to service specifications based in insights from the quality system are two areas where measurements could be developed.</p>						
<p><b>Evidence and assumptions</b></p>	<p><b>Initiative 3: Audit every disability support service provider to ensure the quality of services is maintained</b></p> <p>These audits will provide baseline data on quality and safety across the disability sector. They will identify where opportunities exist to improve safety and quality of services delivered to disabled people. Oversight is necessary where care is provided.</p> <p>Audits will support a reduction in the likelihood of abuse in care and provide an opportunity for an independent person to hear concerns from providers, disabled people and their whānau.</p> <p><b>Initiative 4: Improving the critical incident and complaints system for disability support services</b></p> <p>The existing manual complaints and incident notification processes provide a baseline of information in relation to current quality.</p>						
<p><b>Climate impact</b></p>	<table border="1"> <tr> <td data-bbox="459 1108 512 1234"><input type="checkbox"/></td> <td data-bbox="512 1108 778 1234">Yes – emissions impacts (positive or negative)</td> <td data-bbox="778 1108 831 1234"><input type="checkbox"/></td> <td data-bbox="831 1108 1098 1234">Yes – climate adaptation or resilience impacts (positive or negative)</td> <td data-bbox="1098 1108 1150 1234"><input checked="" type="checkbox"/></td> <td data-bbox="1150 1108 1418 1234">No impact</td> </tr> </table>	<input type="checkbox"/>	Yes – emissions impacts (positive or negative)	<input type="checkbox"/>	Yes – climate adaptation or resilience impacts (positive or negative)	<input checked="" type="checkbox"/>	No impact
<input type="checkbox"/>	Yes – emissions impacts (positive or negative)	<input type="checkbox"/>	Yes – climate adaptation or resilience impacts (positive or negative)	<input checked="" type="checkbox"/>	No impact		

**Section 3B: Expenditure profile and cost breakdown**

The answer to each question must not exceed 1-2 paragraphs.

<p><b>Formula and assumptions underlying costings</b></p>	<p>Existing audit programme continues (contractually required) on quality of services. This new initiative is for targeted scope of audits on all providers within an 18-month period focused on safety and quality components.</p> <p>Assumption: DSS aims to visit all high risk services, in particular residential services every five years. This assumption is based on the current budget of \$960,000 year. Note that sample is taken of providers as we cannot provide full coverage of DSS contracted services. Costing assumptions extrapolated from this cost for how much funding is needed to cover providers within 2 years. Costings are based on the cost of current audits at a cost of \$2890 per audit day. \$2890 equates to one audit day i.e. daily rate (GST exclusive).</p> <p>DSS would need to tender for audit services following the Government rules of sourcing. DSS resource would be covered within baselines.</p> <p><i>Provide any formula that has been used to support the calculation of the costings. Alternatively, a spreadsheet of the costing that demonstrates the formula used to calculate the costing can be attached.</i></p>
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Provide a breakdown of existing and additional funding sought by individual expense category and agency. Add additional rows as appropriate for additional expense categories.

Operating expenses (\$m)						
Existing operating funding (\$m)						
Operating expense category	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
<i>[Type of funding currently allocated or set aside in contingency. E.g. current baseline funding allocated.] – [Agency / Crown Entity etc.]</i>	[•]	[•]	[•]	[•]	[•]	[•]
Operating costs associated with initiative (\$m)						
Operating expense category	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
<i>[Name of any operating expense category for additional funding sought. E.g. additional subsidy costs] – [Agency / Crown Entity etc.]</i>	[•]	[•]	[•]	[•]	[•]	[•]
Inflation adjustment for <i>[insert input] – [Agency / Crown Entity etc.]</i>	[•]	[•]	[•]	[•]	[•]	[•]
Depreciation and/or capital charge (if relevant) – <i>[Agency / Crown Entity etc.]</i>	[•]	[•]	[•]	[•]	[•]	[•]
Personnel expenditure (\$m) – please state impact at the initiative level						
Net FTE funding	[•]	[•]	[•]	[•]	[•]	[•]
Net contractor/consultant funding	[•]	[•]	[•]	[•]	[•]	[•]
Net FTE and contractor/consultant overhead funding	[•]	[•]	[•]	[•]	[•]	[•]
<b>Total operating expenses (\$m)</b>	[•]	[•]	[•]	[•]	[•]	[•]
*Extend the profile above to a “steady state” if funding into outyears is irregular. Delete “& outyears” for time-limited funding.						
FTE implications – please state impact at the agency level						
	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	

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Total # of net FTEs at [Agency / Crown Entity / etc.] (employees)	[•]	[•]	[•]	[•]	[•]
Total # of net FTEs at [Agency / Crown Entity / etc.] (contractors/consultants)	[•]	[•]	[•]	[•]	[•]
<b>Total # of net FTEs (employees and contractors/consultants) over the forecast period</b>	[•]	[•]	[•]	[•]	[•]

**Additional occupation breakdown of FTE changes (count) over the forecast period**

Occupation	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears
Managers	[•]	[•]	[•]	[•]	[•]
Policy Analyst	[•]	[•]	[•]	[•]	[•]
Information Professionals	[•]	[•]	[•]	[•]	[•]
Social, Health and Education Workers	[•]	[•]	[•]	[•]	[•]
ICT Professionals and Technicians	[•]	[•]	[•]	[•]	[•]
Legal, HR and Finance Professionals	[•]	[•]	[•]	[•]	[•]
Other Professionals not included elsewhere	[•]	[•]	[•]	[•]	[•]
Inspectors and Regulatory Officers	[•]	[•]	[•]	[•]	[•]
Contact Centre Workers	[•]	[•]	[•]	[•]	[•]
Clerical and Administrative Workers	[•]	[•]	[•]	[•]	[•]
Other Occupations	[•]	[•]	[•]	[•]	[•]

**Would funding this initiative impact current employees?**

**Initiative 3: Audit every disability support service provider to ensure the quality of services is maintained**  
Additional FTE are not required to support the new audits initiative, as this can be accommodated within existing baseline, through reprioritisation of existing FTE.

**Initiative 4: Improving the critical incident and complaints system for disability support services**  
Additional FTE are not required to support the new complaints and incident reporting systems. As existing FTE from within baseline can be reprioritised to this work. Efficiencies gained from the new system will be deployed to managed anticipated increase in volumes.

**Existing capital funding (\$m)**

Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
[Type of funding currently allocated or set aside in contingency. E.g. current baseline]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]

funding allocated.]  
- [Agency / Crown Entity etc.]

**Capital costs associated with initiative (\$m)**

Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
[Name of capital expense category] - [Agency / Crown Entity etc.]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[Name of capital expense category] - [Agency / Crown Entity etc.]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[Name/type of contingency] - [Agency / Crown Entity etc.]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
<b>Total (\$m)</b>	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

\*Extend the profile above if funding is needed beyond 2033/34.

**Section 3C: Scaled and/or Reprioritisation Options to meet 75%, 50% and 25%**

Operating expenses (\$m)

Operating expenses and reprioritisation (\$m)	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
[Total cost of full or scaled option] Prioritisation matrix	[●]	1.500	1.500	1.500	1.500	6.00
[Reprioritisation Option – please state the corresponding initiative ID and Title]	[●]	-0.375	-0.375	-0.375	-0.375	-1.5
<b>Net Total (\$m) – 75%</b>	[●]	1.125	1.125	1.125	1.125	4.500
[Total cost of full or scaled option]	[●]	1.500	1.500	1.500	1.500	6.000
[Reprioritisation Option – please state the corresponding initiative ID and Title]	[●]	-0.750	-0.750	-0.750	-0.750	3.000
<b>Net Total (\$m) – 50%</b>	[●]	0.750	0.750	0.750	0.750	3.000
[Total cost of full or scaled option]	[●]	1.500	1.500	1.500	1.500	6.00
[Reprioritisation Option – please state the corresponding initiative ID and Title]	[●]	-1.125	-1.125	-1.125	-1.125	-4.500
<b>Net Total (\$m) – 25%</b> Focus on providers on with high funding, safety for high risk/high needs	[●]	0.375	0.375	0.375	0.375	1.500

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Capital expenses (\$m)											
Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
[Name of capital expense category]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
[Name of capital expense category]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
[Name/type of contingency]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Total (\$m)	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]

\*Extend the profile above if funding is needed beyond 2032/33.

<b>Scaling of initiative</b>	<p><b>Initiative 3: Audit every disability support service provider to ensure the quality of services is maintained</b></p> <p>Options for scaling could include lessening the cost but increasing time taken or altering the scale of the initiative to a more targeted group of providers based on a prioritization matrix.</p>
<b>What are the main risks of the options presented above?</b>	<p><b>Initiative 3: Audit every disability support service provider to ensure the quality of services is maintained</b></p> <p>If we could only audit some providers, we wouldn't get the same level of assurance that people are safe across the system. The purpose of this initiative is to audit every provider to get an overall baseline on safety and quality. With a subset, we would have less information about the services, and would be less likely to meet outcomes. Further detailed risks include:</p> <ul style="list-style-type: none"> <li>Coverage failures with less audits. DSS will have inadequate information about the performance of some contracted providers</li> <li>Without audits, gaps in service delivery may go unnoticed leading to unmet needs, increasing the risk of abuse, serious incidents and compromised quality of care</li> <li>Regular audits can identify areas for improvement, without them opportunities to lift service improvement may be missed</li> <li>A lack of full coverage would provide incomplete information meaning that we would have challenges with accurately risk stratifying providers to direct future audits.</li> </ul> <p>Lack of audits may result in unsafe environments, increasing the risk of accidents, abuse and overall safety of disabled people in services and supports.</p>

## Section 4: Delivery

There are **specific sections to complete based on the PA Objective of the Initiative** (feel free to delete non-relevant sections of the template):

- Cost Pressures, Capital Cost Escalations and Performance Plan Scrutiny: **Section 4A and 4D**
- New Spending Commitments and Capital Investments: **All sections**

### Section 4A: Procurement

The answer to each question must not exceed 1-2 paragraphs.

<b>What is the initiative purchasing/funding?</b>	<p><b>Initiative 3: Audit every disability support service provider to ensure the quality of services is maintained</b></p> <p>Purchase of suitably qualified auditing services (as a contracted service) in sufficient quantity to enable auditing of all DSS providers within 18-months.</p> <p><b>Initiative 4: Improving the critical incident and complaints system for disability support services</b></p> <p>The key resource required to deliver is Software as a Service that will be procured in line with AoG procurement guidelines and rules.</p>
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<p><b>What market constraints or other delivery risks exist?</b></p>	<p><b>Initiative 3: Audit every disability support service provider to ensure the quality of services is maintained</b></p> <p>We should be able to contract with existing audit agencies from the health and disability sector. Additional training and development needs to source auditors would be managed by the audit agencies, within the price paid to them. It is expected that there is an existing suitable workforce that will be currently available in the market from recent Health redundancies, and the market will be able to respond quickly to any increasing demand for auditors.</p> <p><b>Initiative 4: Improving the critical incident and complaints system for disability support services</b></p> <p>There are no known market constraints impacting this initiative. The purchase would be Software as a Service and there are a large number of suitable software vendors and providers. The likelihood of additional funding being required is minor.</p>
<p><b>Government Procurement Rules</b></p>	<p>The proposed procurement would be designed to comply with the rules.</p>

**Section 4B: Risks, constraints, and dependencies**

The answer to each question must not exceed 1-2 paragraphs

<p><b>What are the main risks?</b></p>	<p><b>Initiative 3: Audit every disability support service provider to ensure the quality of services is maintained</b></p> <p>Risk 1: Insufficient suitably qualified auditors.</p> <p>Mitigation – audit less providers early in the 18 month period, enabling the market to adjust over time to ensure auditor availability in suitable numbers. It is anticipated that suitable auditors will be available, requiring minimal additional training, due to redundancy of health sector employees.</p> <p>Risk 2: Perception from providers that audit is unnecessary and that funding could be better used elsewhere.</p> <p>Mitigation: clear and early communication as to purpose and scope of audits, linked to responding to RCOI recommendations. Emphasis that the scope of audits are safety and quality and providers will be engaged and supported to improve performance in these areas.</p> <p><b>Initiative 4: Improving the critical incident and complaints system for disability support services</b></p> <p>The main risks relate to the abuse in care of disabled people and our inability to take a data driven approach to enhancing service delivery based on learnings from the system, preventing us from having visibility over opportunities to identify abuse and improve services. .</p>
--	--

<p><b>What are the key constraints?</b></p>	<p><b>Initiative 3: Audit every disability support service provider to ensure the quality of services is maintained</b></p> <p>The main constraint is existing quality team refocussing towards audit for at least an 18 month period. This will be factored into the current quality work programme planning.</p> <p><b>Initiative 4: Improving the critical incident and complaints system for disability support services</b></p> <p>The main constraint is team resourcing to support business as usual at the same time as the resourcing the project to succeed. This has been factored into the current budget planning, and will be achieved by reprioritising FTE.</p>
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<p><b>What are the key dependencies?</b></p>	<p><b>Initiative 3: Audit every disability support service provider to ensure the quality of services is maintained</b></p> <p>The key dependency would be the need to ensure that the provider contracts have sufficient clauses to enable the introduction of the appropriate level of audit and that providers are socialised to the audit process and the accompanying safety and quality improvement processes.</p> <p><b>Initiative 4: Improving the critical incident and complaints system for disability support services</b></p>
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The main dependencies are the ability of providers and the community to uptake the new processes that will be addressed as part of the change management approach and the ability of MSD to support the delivery of the project at the same time as Te Pae Tawhiti.

#### Section 4C: Governance and oversight

The answer to each question must not exceed 1-2 paragraphs.

<b>What are the governance arrangements for this initiative?</b>	Specific Governance processes for these 2 initiatives have not been developed. In the absence of other developed processes. Governance processes will follow the existing MSD/DSS Governance structures.
<b>Timeframes and monitoring</b>	Specific Governance processes have not yet been developed. A specific project plan will be developed for each initiative, once line of site to funding has been further progressed.

#### Section 4D: Demonstrating performance

The answer to each question must not exceed 1-2 paragraphs.

Both initiatives would be part of the Quality workstream within DSS. Project plans for each initiative would be developed and as part of this formative and summative evaluation would occur.

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# Appendix 7.0

## Annex 1: Budget 2025 Cost Pressures and New Spending Template

### Section 1: Overview

Section 1A: Basic initiative information					
<b>Initiative title (max 120 characters)</b>	Making the care system safe – key investment area three: building a diverse, capable and safe care workforce.				
<b>Lead Minister</b>	Lead Coordination Minister for the Government's Response to the Royal Commission's Report into Historical Abuse in State Care and in the Care of Faith-based Institutions	<b>Agency</b>	Crown Response Office, Public Service Commission		
<b>Initiative description (max 800 characters)</b>	<p>This initiative responds to recommendations made by the Royal Commission. Three initiatives were identified 9(2)(f)(iv) to build a diverse, capable and safe workforce:</p> <ul style="list-style-type: none"> <li>• Vote Health, Education, Oranga Tamariki, Social Development (DSS) – \$71.5m tagged contingency to lift the quality of safety of the care system workforce focussing on core training and ongoing development and screening;</li> <li>• 9(2)(f)(iv)</li> <li>• 9(2)(f)(iv)</li> <li>• 9(2)(f)(iv)</li> </ul>				
<b>Priority Area (PA) Objective</b>	<input checked="" type="checkbox"/> New Spending Commitments	<input type="checkbox"/> Capital Investments			
	<input type="checkbox"/> Cost Pressures	<input type="checkbox"/> Capital Cost Escalation			
	<input type="checkbox"/> Performance Plan Scrutiny				
<b>Is this a cross-Vote initiative?</b>	<b>Yes</b>	Health, Education, Oranga Tamariki, Social Development (DSS), Justice			
<b>Does this require legislative change?</b>	<b>No</b>				
<b>Agency contact</b>	Name: Molly Elliott Phone: 9(2)(a) Email: Molly.Elliott019@msd.govt.nz		<b>Treasury contact (Vote Analyst)</b>	Name: Talei Pasikale Phone: 9(2)(a) Email: Talei.Pasikale@treasury.govt.nz	
Section 1B: Summary of funding profile					
Operating costs associated with initiative – overview (\$m)					
2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total
9(2)(f)(iv)					

**Operating costs associated with initiative – tagged contingency 1 (\$m)**

2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total
0.000	7.000	21.500	21.500	21.500	<b>71.500</b>

9(2)(f)(iv)

\*For irregular outyears, add additional rows above to display the full profile of the initiative. Delete "& outyears" for time-limited funding. See the Budget 2025 Uploading Initiatives to CFISnet for more information on entering outyears into CFISnet.

9(2)(f)(iv)

\*Extend the profile above if funding is needed beyond 2033/34.

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## Section 2: Alignment and options analysis

### Section 2B: Problem definition – New Spending

The answer to each question must not exceed 1-2 paragraphs

**What is the problem that this initiative is trying to solve and why does it need to be solved now?**

*Describe the problem the initiative is trying to solve by outlining its root cause(s) and consequence(s), and explain why the problem needs to be solved now. The problem should be framed in terms of current and/or future outcome(s) for New Zealanders.*

The Government is committed to driving change for survivors and for all those engaged in the current care system, in line with the Prime Minister's apology to survivors of abuse in care made on 12 November 2024. Cabinet has agreed to broadly accept the Royal Commission's overall findings in its final report, Whanaketia<sup>1</sup>, and noted the overall shifts Whanaketia pointed towards: addressing the wrongs of the past; empowering whānau and communities; and making the care system safe for children, young people and adults [SOU-24-MIN-0118 refers]. This package of initiatives focuses on the second and third of these shifts.

#### **Royal Commission findings and recommendations in relation to building a diverse, safe and capable care workforce**

The Royal Commission made the following findings relating to the care workforce:

- the quality of care was impacted by poor employment practices and working conditions, and the care workforce being under-valued;<sup>2</sup>
- a lack of diversity in the work created and contributed to discriminatory environments; and
- the workforce did not have sufficient skills, experience, training and support to provide safe and appropriate care to children, young people and adults.<sup>3</sup>

The Royal Commission made a range of recommendations related to better understanding workforce needs (recommendation 61), recruiting for a diverse, capable and safe workforce (recommendations 59, 60, 62), and ensuring there was robust and effective induction, training and ongoing professional development of the care workforce (recommendation 63).

The Royal Commission made specific recommendations on education and training for those in the justice system, to enhance their ability to engage with neurodivergent people and take a trauma informed approach (recommendation 33). It specifically recommended that there was adequate staffing, remuneration and resourcing to ensure that safeguarding policies and procedures could be effectively implemented (recommendation 53).

#### **Initiative 1: Lifting the quality of safety of the care system workforce**

The Royal Commission found that poor or inadequate training and development specific to care roles is a factor that allowed abuse to occur and continue, and many Māori, Pacific Peoples, Deaf, disabled people, and people experiencing mental distress did not have their distinct needs met in care.<sup>4</sup> Many staff and carers continue to not have the training and development needed for their roles and the demands they face in care settings.

Investing in lifting the quality and safety of the care sector workforce is a critical factor in identifying and reducing harm and abuse to any child or young person in state care. The Royal Commission made this strongly evident through their recommendations, and evidence reinforces that a skilled, trusted and effective workforce can make a difference and is protective against social wellbeing issues later in life.

This initiative proposes two workstreams to address critical gaps across Education, Health, Oranga Tamariki, and Social Development care workforces:

- Core training and ongoing development: Joint design and phased rollout of core training across care agencies. This responds to Royal Commission recommendations related to training on a number of issues throughout its reports,

<sup>1</sup> Whanaketia: Through pain and trauma, from darkness to light (Whanaketia).

<sup>2</sup> See – Whanaketia – The Future – pages 186-189.

<sup>3</sup> See Whanaketia – The Future – pages 190-196.

<sup>4</sup> See – Whanaketia – Factors – Chapter 4.

including findings of poor or inadequate training and development specific to care roles, and on how to recognise the signs of abuse and neglect in care.

- Workforce screening and safety: Joint review of the current safety and registration landscape to determine potential options for lifting care workforce safety. This responds to Royal Commission findings and recommendations related to addressing current fragmentation and gaps between care agencies' registration systems and improving efficiencies of vetting.

The range and nature of the Royal Commission recommendations means that there is still a significant amount of design work and analysis for care agencies to be able to determine the best course of action. As a result, joint agencies are proposing that this initiative is funded via tagged contingency to enable this work to happen and for agencies to draw down funding over several financial years once advice is provided to Ministers and decisions are made.

9(2)(f)(iv)

Released under

Describe the existing arrangements for the asset or service, including (where applicable):

- How services are currently organised and provided;
- The associated throughput, turnover, and existing costs; and
- Current asset or service availability, utilisation, and condition.

Agencies should be able to demonstrate why the existing arrangements (if there are any) are insufficient to address the problem outlined above.

#### **Initiative 1: Lifting the quality of safety of the care system workforce**

Provision and access to training currently varies between sectors, with no consistent approach to training across the care system. The proposed initiative will enable agencies to jointly design approaches to training and workforce safety that is consistent across the care system but tailored to the needs of each sector where needed. It is not possible for agencies to fund this through baselines.

##### Education

Within the education sector, training related to care safety or child safeguarding is not mandatory or consistent. Some education staff may access online modules made available by the Ministry of Education, while others receive training from external organisations or employers. Others may not receive any training relating to care safety.

The current safety and registration landscape is siloed, which has created gaps identified by the Royal Commission. Some staff working in the care system are vetted through registration regimes, while for others, the onus is on their employers. This means that vetting requirements and quality vary. Some groups, such as volunteers, may be excluded from vetting requirements altogether.

##### Health

Within the health sector, the emphasis is likely to be on the development of staff who work in different contexts (i.e. the investment will not necessarily be universal across the health workforce). An example is in mental health where identifying and responding to abuse is important, there also needs to be changes to the way staff are trained as the operating model changes. For example, new operating models may change the way mental health care is provided, the role and voice of patients and whānau when it comes to how care is provided, and minimising the use of practices including seclusion and restraint.

##### Disability Support Services

Consistent safeguarding training for those who deliver Disability Support Services does not currently exist. The focus has been on identifying and managing incidents, rather than in the prevention space.

*Outline specifically what needs to change or be improved (relative to existing arrangements) to address the problem.*

**Initiative 1: Lifting the quality of safety of the care system workforce**

Core training and ongoing development

Policy and design work is required to determine the appropriate coverage, type and most effectiveness of training, both in terms of the workforce(s) involved and the content. Training may cover core topics raised by the Royal Commission and other reviews such as:

- cultural competency
- practical skills in safeguarding children, young people and adults in care, including disabled people
- reporting obligations
- signs of abuse and neglect
- providing sensitive and responsive care

Released under

- discrimination
- trauma-informed practice
- record keeping, and
- Information sharing.

#### Workforce screening and safety

Policy work is required to map the current safety and registration landscape, determine the potential options more lifting workforce safety and scope what aspects, and identify what any associated obligations may be, e.g. vetting, training, and standards. This could include:

- Pre-employment screening (including police vetting) for all care workers (including those providing care in people's homes on an individual basis in the disability sector), exploring the potential to better flag potential breaches of conduct or unprofessional behaviour (particularly across the respective sectors)
- Looking to lift areas of the profession up to a paraprofessional standard across the sectors when working with children and young people
- Enhancing data collections to include areas that are difficult to see currently e.g. admin support, aides, support staff etc
- Potential centralisation process for allegations or complaints about care workers, and
- Considering whether a centralised registration system (or something similar) for all care workers (who do not fall under an existing system, including those providing care in people's homes on an individual basis in the disability sector) should be developed, or what other alternative options may be for supporting safety in the delivery of care services.

9(2)(f)(iv)

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9(2)(f)(iv)

*What is the rationale for central Government intervention, and how does the initiative/investment proposal fit with the Agency's mandate, and is the Agency the best one to deliver this intervention?*

**Initiative 1: Lifting the quality of safety of the care system workforce**

This initiative is being put forward as a joint initiative between Education, Health, Oranga Tamariki and Social Development to drive a more coordinated and cost-effective approach to care sector workforce development. While agencies would work jointly on these workstreams, in some instances, actions and approaches may look different in different sectors.

9(2)(f)(iv)

9(2)(f)(iv)

What key partners/stakeholders/customers (including other relevant Agencies, and iwi and Māori) have been engaged to understand the problem and develop the initiative? How have you worked with them and how has their input affected the understanding of the problem? You may wish to reference here the [key principles of He Ara Waiora](#). What was the rationale for the level of engagement and are there any risks arising from this?

**Initiative 1: Lifting the quality of safety of the care system workforce**

This initiative will be developed jointly across agencies, drawing from prior engagement with experts and stakeholders undertaken as part of the Royal Commission Inquiry and insights from individual agencies undertaken as part of internal reviews and efforts towards continuous improvement.

9(2)(f)(iv)

**Alignment to Government Priorities**  
(if alignment to multiple

- |                          |   |                                     |   |
|--------------------------|---|-------------------------------------|---|
| <input type="checkbox"/> | Addressing the rising cost of living                | <input checked="" type="checkbox"/> | Delivering effective and fiscally sustainable public services |
| <input type="checkbox"/> | Building for growth and enabling private enterprise | <input type="checkbox"/>            | Not Aligned   |

Priorities is possible, select the most relevant)

How would this initiative deliver on the Government's priorities? Are there linkages or dependencies with other priorities?

9(2)(f)(iv)

Does this initiative relate to one of the Government's focus areas for Budget 2025?

Economic Growth (invitation only)       Not Applicable

**Section 2C: Options analysis**

The answer to each question must not exceed 1-2 paragraphs

The initiatives in this bid were selected on the basis that they meet the requirements below and:

- policy, design and implementation work on an initiative can be undertaken within the Budget 2025 financial year with contingency funding to be drawn-down over the course of the year (Initiatives 1 and 2); or
- initiatives have already been identified, scoped and can be progressed with limited further work. The benefit of this approach is that it will provide for immediate actions in response (Initiatives 3 and 4).

The requirements are that initiatives must:

- demonstrably contribute to the goal of improving the safety of people in care;
- align with and respond to the Royal Commission's vision, findings, and/or recommendations;
- not be something that could (or should) be done as 'business as usual'; and
- not be able to be funded through baseline reprioritisation.

What was the range of options considered?

9(2)(f)(iv)

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<b>What was the process used to select the preferred option?</b>	A cross-agency approach has been taken to identifying proposals costed as part of the bid. Costing options have been developed on the basis of preserving choice for Cabinet as part of the policy decisions to be made in early 2025 while also reflecting the broader fiscal pressures faced by government.
<b>Interaction with savings proposals</b>	There are significant interdependencies for initiative 1. This is a joint proposal between the Ministry of Education, the Ministry of Health and Health NZ, Oranga Tamariki, and the Ministry of Social Development that has policy design and implementation interdependencies between agencies.

## Section 3: Costs and Benefits Analysis

**See Appendices for Section 3 analysis for each initiative**

Section 3A: Benefits and non-fiscal costs						
The answer to each question must not exceed 1-2 paragraphs.						
<b>What outcome(s) would the initiative achieve?</b>						
<b>How will these outcomes be measured and evaluated?</b>						
<b>Evidence and assumptions</b>	-					
<b>Climate impact</b>	<input type="checkbox"/>	Yes – emissions impacts (positive or negative)	<input type="checkbox"/>	Yes – climate adaptation or resilience impacts (positive or negative)	<input checked="" type="checkbox"/>	No impact
Section 3B: Expenditure profile and cost breakdown						
The answer to each question must not exceed 1-2 paragraphs.						
<b>Formula and assumptions underlying costings</b>						
Provide a breakdown of existing and additional funding sought by individual expense category and agency. Add additional rows as appropriate for additional expense categories.						
<b>Operating expenses (\$m)</b>						
<b>Existing operating funding (\$m)</b>						
Operating expense category	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
<i>[Type of funding currently allocated or set aside in contingency. E.g. current baseline funding allocated.] – [Agency / Crown Entity etc.]</i>	[•]	[•]	[•]	[•]	[•]	[•]

Operating costs associated with initiative (\$m)						
Operating expense category	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
[Name of any operating expense category for additional funding sought. E.g. additional subsidy costs] – [Agency / Crown Entity etc.]	[•]	[•]	[•]	[•]	[•]	[•]
Inflation adjustment for [insert input] – [Agency / Crown Entity etc.]	[•]	[•]	[•]	[•]	[•]	[•]
Depreciation and/or capital charge (if relevant) – [Agency / Crown Entity etc.]	[•]	[•]	[•]	[•]	[•]	[•]
Personnel expenditure (\$m) – please state impact at the initiative level						
Net FTE funding	[•]	[•]	[•]	[•]	[•]	[•]
Net contractor/consultant funding	[•]	[•]	[•]	[•]	[•]	[•]
Net FTE and contractor/consultant overhead funding	[•]	[•]	[•]	[•]	[•]	[•]
<b>Total operating expenses (\$m)</b>	[•]	[•]	[•]	[•]	[•]	[•]
*Extend the profile above to a “steady state” if funding into outyears is irregular. Delete “& outyears” for time-limited funding.						
FTE implications – please state impact at the agency level						
	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	
Total # of net FTEs at [Agency / Crown Entity / etc.] (employees)	[•]	[•]	[•]	[•]	[•]	[•]
Total # of net FTEs at [Agency / Crown Entity / etc.] (contractors/consultants)	[•]	[•]	[•]	[•]	[•]	[•]
<b>Total # of net FTEs (employees and contractors/consultant) over the forecast period</b>	[•]	[•]	[•]	[•]	[•]	[•]
Additional occupation breakdown of FTE changes (count) over the forecast period						
Occupation	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	
Managers	[•]	[•]	[•]	[•]	[•]	[•]
Policy Analyst	[•]	[•]	[•]	[•]	[•]	[•]
Information Professionals	[•]	[•]	[•]	[•]	[•]	[•]
Social, Health and Education Workers	[•]	[•]	[•]	[•]	[•]	[•]

ICT Professionals and Technicians	[●]	[●]	[●]	[●]	[●]
Legal, HR and Finance Professionals	[●]	[●]	[●]	[●]	[●]
Other Professionals not included elsewhere	[●]	[●]	[●]	[●]	[●]
Inspectors and Regulatory Officers	[●]	[●]	[●]	[●]	[●]
Contact Centre Workers	[●]	[●]	[●]	[●]	[●]
Clerical and Administrative Workers	[●]	[●]	[●]	[●]	[●]
Other Occupations	[●]	[●]	[●]	[●]	[●]

**Would funding this initiative impact current employees?**

Please indicate if funding this initiative extends the employment of or retains current employees, or if it is to fund new employees.  
If there is a split, please describe how it is split and if possible, provide figures here.

**Existing capital funding (\$m)**

Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
[Type of funding currently allocated or set aside in contingency. E.g. current baseline funding allocated.] - [Agency / Crown Entity etc.]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

**Capital costs associated with initiative (\$m)**

Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
[Name of capital expense category] - [Agency / Crown Entity etc.]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[Name of capital expense category] - [Agency / Crown Entity etc.]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[Name/type of contingency] - [Agency / Crown Entity etc.]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
<b>Total (\$m)</b>	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

\*Extend the profile above if funding is needed beyond 2033/34.

**Section 3C: Scaled and/or Reprioritisation Options to meet 75%, 50% and 25%**

**Operating expenses (\$m)**

Operating expenses and reprioritisation (\$m)	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
[Total cost of full or scaled option]	[●]	[●]	[●]	[●]	[●]	[●]
[Reprioritisation Option – please state the corresponding initiative ID and Title]	[●]	[●]	[●]	[●]	[●]	[●]

<b>Net Total (\$m) – 75%</b>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	
[Total cost of full or scaled option]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	
[Reprioritisation Option – please state the corresponding initiative ID and Title]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	
<b>Net Total (\$m) – 50%</b>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	
[Total cost of full or scaled option]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	
[Reprioritisation Option – please state the corresponding initiative ID and Title]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	
<b>Net Total (\$m) – 25%</b>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	
<b>Capital expenses (\$m)</b>											
Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
[Name of capital expense category]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
[Name of capital expense category]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
[Name/type of contingency]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Total (\$m)	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
*Extend the profile above if funding is needed beyond 2032/33.											
<b>Scaling of initiative</b>											
<b>What are the main risks of the options presented above?</b>											

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## Section 4: Delivery

See Appendices for Section 4 analysis for each initiative

Section 4A: Procurement	
The answer to each question must not exceed 1-2 paragraphs.	
What is the initiative purchasing/funding?	
What market constraints or other delivery risks exist?	
Government Procurement Rules	
Section 4B: Risks, constraints, and dependencies	
The answer to each question must not exceed 1-2 paragraphs.	
What are the main risks?	
What are the key constraints?	
What are the key dependencies?	
Section 4C: Governance and oversight	
The answer to each question must not exceed 1-2 paragraphs.	
What are the governance arrangements for this initiative?	
Timeframes and monitoring	
Section 4D: Demonstrating performance	
The answer to each question must not exceed 1-2 paragraphs.	

## Section 5: Equity

The answer to each question must not exceed 1-2 paragraphs.	
	<p><b>Initiative 1: Lifting the quality of safety of the care system workforce</b></p> <p>Safeguarding is a key element of the work programme on improving quality within the disability sector. However, the current focus is on identifying and responding to events and this needs to move to a prevention focus, with universal training provided. Further analysis on timing and benefits of this initiative to come as part of the policy design work needed to draw down the contingency.</p>
Timing of costs and benefits	9(2)(f)(iv)

9(2)(f)(iv)

**Initiative 1: Lifting the quality of safety of the care system workforce**

Yes. Treaty analysis to come as part of the policy design work needed to draw down the contingency.

9(2)(f)(iv)

Treaty of Waitangi  
(Te Tiriti o  
Waitangi)  
Obligations

Yes

**Initiative 1: Lifting the quality of safety of the care system workforce**

Treaty analysis to come as part of the policy design work needed to draw down the contingency.

9(2)(f)(iv)

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9(2)(f)(iv)

**Specific implications regarding human rights**

**Yes**

**Initiative 1: Lifting the quality of safety of the care system workforce**  
 Human rights analysis to come as part of the policy design work needed to draw down the contingency.

9(2)(f)(iv)

<b>Does the initiative have a larger impact on any of the following groups of New Zealanders than on the population as a whole?</b>	<i>Māori</i>	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	<i>Pasifika</i>	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	<i>Other minority ethnic groups</i>	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	<i>Rural Populations</i>	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	<i>Seniors</i>	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	<i>Disabled Peoples</i>	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	<i>Women and girls</i>	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	<i>Low-income individuals / families</i>	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	<i>Children and Young People</i>	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	<i>Other groups (please specify)</i>	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>

# Appendix 8.0

## Annex 1: Budget 2025 Cost Pressures and New Spending Template

### Section 1: Overview

Section 1A: Basic initiative information										
<b>Initiative title</b> (max 120 characters)	Making the care system safe – key investment area four: monitoring the provision of care by providers and individuals									
<b>Lead Minister</b>	Lead Coordination Minister for the Government's Response to the Royal Commission's Report into Historical Abuse in State Care and in the Care of Faith-based Institutions	<b>Agency</b>	Crown Response Office, Public Service Commission							
<b>Initiative description</b> (max 800 characters)	<p>This initiative is one of seven initiatives that respond to recommendations made by the Abuse in Care Royal Commission of Inquiry (Royal Commission) in its final report. The Royal Commission found that "the State failed to ensure that there was robust, independent oversight and monitoring of all care settings", and made recommendations to improve independent oversight.</p> <p>Agencies have identified initiatives (\$9.360m over four years) to improve monitoring of care providers:</p> <ul style="list-style-type: none"> <li>Vote Health – \$9.360m to bolster safeguards and oversight of compulsory mental health and addiction care by increasing the numbers, expertise, and availability of independent statutory District Inspectors and Review Tribunals and improving models of care.</li> </ul>									
<b>Priority Area (PA) Objective</b>	<input checked="" type="checkbox"/> <i>New Spending Commitments</i>	<input type="checkbox"/> <i>Capital Investments</i>								
	<input type="checkbox"/> <i>Cost Pressures</i>	<input type="checkbox"/> <i>Capital Cost Escalation</i>								
	<input type="checkbox"/> <i>Performance Plan Scrutiny</i>									
<b>Is this a cross-Vote initiative?</b>	No	Health								
<b>Does this require legislative change?</b>	No									
<b>Agency contact</b>	Name: Molly Elliott Phone: 9(2)(f)(iv) Email: Molly.Elliott019@msd.govt.nz		<b>Treasury contact (Vote Analyst)</b>	Name: Talei Pasikale Phone: 9(2)(f)(iv) Email: Talei.Pasikale@treasury.govt.nz						
Section 1B: Summary of funding profile										
Operating costs associated with initiative (\$m)										
2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total					
	1.584	1.808	2.984	2.984	9.360					
*For irregular outyears, add additional rows above to display the full profile of the initiative. Delete "& outyears" for time-limited funding. See the Budget 2025 Uploading Initiatives to CFISnet for more information on entering outyears into CFISnet.										
Capital costs associated with initiative (\$m)										
24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	31/32	33/34*	Total
*Extend the profile above if funding is needed beyond 2033/34.										

## Section 2: Alignment and options analysis

### Section 2B: Problem definition – New Spending

The answer to each question must not exceed 1-2 paragraphs

**What is the problem that this initiative is trying to solve and why does it need to be solved now?**

The Government is committed to driving change for survivors and for all those engaged in the current care system, in line with the Prime Minister's apology to survivors of abuse in care made on 12 November 2024. Cabinet has agreed to broadly accept the Royal Commission's overall findings in its final report, Whanaketia[1], and noted the overall shifts Whanaketia pointed towards: addressing the wrongs of the past; empowering whānau and communities; and making the care system safe for children, young people and adults [SOU-24-MIN-0118 refers]. This package of initiatives focuses on the second and third of these shifts.

Existing independent oversight mechanisms for compulsory mental health care, namely District Inspectors and Review Tribunals, are insufficient to respond to current demand (noting there has been no additional funding in over 10 years); limited in the volume and scope activities they can undertake because of lack of resourcing; and do not reflect enhanced expectations for safeguarding.

In Whanaketia, the Royal Commission recommends that the government ensures oversight bodies are adequately resourced and supports models that do not perpetuate the environments and practices that led to historic abuse and neglect. It said that robust and independent oversight and monitoring is critical to ensure that care providers fulfil their duties to people in their care. This includes detecting when service providers are not complying with applicable laws, regulations or policies, or not providing safe and quality care. It also noted that "Without effective external scrutiny and in combination with other factors, the Inquiry saw how abuse and neglect became normalised and routine for many people in care". (Vol 7, page 181). The Royal Commission also found that the State did not take the steps it should have when it saw signs its care system was failing people in care, and that those steps should have included independent, strategic, well-funded independent oversight and monitoring..." (Vol 7, page 314).

District Inspectors and Review Tribunals are critical safeguards under the Mental Health (Compulsory Assessment and Treatment) Act 1992, Substance Addiction (Compulsory Assessment and Treatment) Act 2017, the Intellectual Disability (Compulsory Care and Rehabilitation) Act 2003. They receive and investigate complaints of breaches of rights, inspecting inpatient units, and reviewing the condition of a patient on request or on their own motion. However, their roles and functions are constrained by current legislation, historic models, and resourcing levels (with no additional funding in more than 10 years).

This initiative will bolster safeguards and oversight of compulsory mental health care by expanding independent statutory roles (both increasing the volume of activities that can be undertaken, and broadening the scope of District Inspector activities to provide real time feedback and enable real time change); and enhancing capability through improved models of care (including providing access to specialist expertise to improve decision-making)

District Inspectors are lawyers appointed by the Minister of Health and funded by the Ministry of Health. These people are the primary avenue for individuals in compulsory care to make complaints about their care. The Mental Health Review Tribunal is appointed by the Minister on approval from the APH Committee. Both of these roles are statutorily independent, and need to be seen as such.

There has not been an increase to funding rates for these roles in over 10 years, including no inflation adjustments, despite increased activity increasing expectations for safeguarding and increasing costs.

While District Inspectors and Review Tribunals are already in place, their functions need to be enhanced and expanded to meet the safeguarding and availability expectations set by the recommendations of the Inquiry.

- Existing funding arrangements limit the nature of activities District Inspectors or Review Tribunals can undertake, for example there is currently no formal avenue or access to outside experts to provide specific expertise and representation into decision-making about people's rights.
- Existing funding arrangements also limit the volume of activities able to be undertaken, with current demand increasing and already exceeding capacity.

- As above, funding levels for these roles have not been adjusted in over 10 years. Low remuneration levels limits the pool of expertise and experience of the appointees required for improved practice. We expect this will be a growing problem.

If not addressed, this will result in gaps in key safeguards for the approximately 11,000 people under the Mental Health Act each year. Independent monitors such as the Ombudsman, as well as Coroners, will continue to make adverse findings in relation to the provision of mental health care, and there are current/recent examples of litigation against the Crown related to the provision of compulsory care.

This initiative would both improve models of care, and increase capacity and capability, of independent statutory roles and bodies under Mental Health, Addiction and Intellectual Disability compulsory care legislation. It would ensure the capacity and capability of key statutory roles meet demand and will support increased activity levels across the country. This includes making specialist expertise (eg, for Māori and children/young people) available to support statutory functions in relation to these populations. The funding would support the shift needed in practice to strengthen safeguarding and more person-centred models of care.

This investment will also help future-proof the care system, as these roles will be carried over in the new Mental Health Bill, likely increasing demand. For example, District Inspectors will have an expanded role covering people receiving voluntary mental health care in inpatient units and not just those receiving compulsory care. Review Tribunals will have membership requirements that better reflect the community.

Compulsory mental health and addiction care is delivered by Health New Zealand (Health NZ) with monitoring and oversight by the Ministry of Health. The nature of compulsory care, where significant limits are placed on a person's human rights, and the specialist skills required to provide this care, means that it is appropriate that the State provide these services and ensures there are appropriate, independent protective and oversight mechanisms in place.

Existing District Inspector roles and Review Tribunals offer the most efficient avenue for providing enhanced independent oversight of compulsory mental health, addiction and intellectual disability care as proposed. They offer more real-time insights and responses to issues as they arise, rather on relying on more costly and retrospective investigations and inquiries.

The public consultation on the repeal and replacement of the Mental Health Act identified that role and function of District Inspectors needed to be enhanced. People wanted improved access and clarity of the work of District Inspectors. It also identified a need for improved support for Māori and other ethnic/cultural groups. These themes also come through strongly in Whanaketia.

The new Mental Health Bill has provisions for both aspects but to support this will require enhanced provision for the District Inspectors and the Tribunal as set out above. These changes do not need to wait for new legislation; the enhancements and expanded activities proposed have the benefit of both strongly responding to the direction set in Whanaketia while also future-proofing the system for the direction anticipated for a new Mental Health Act.

<b>Alignment to Government Priorities</b> (if alignment to multiple Priorities is possible, select the most relevant)	<input type="checkbox"/>	Addressing the rising cost of living	<input checked="" type="checkbox"/>	Delivering effective and fiscally sustainable public services
	<input type="checkbox"/>	Building for growth and enabling private enterprise	<input type="checkbox"/>	Not Aligned
<i>How would this initiative deliver on the Government's priorities? Are there linkages or dependencies with other priorities?</i>				
<b>Does this initiative relate to one of the Government's focus areas for Budget 2025?</b>	<input type="checkbox"/>	Economic Growth (invitation only)	<input checked="" type="checkbox"/>	Not Applicable

## Section 2C: Options analysis

The answer to each question must not exceed 1-2 paragraphs

<b>What was the range of options considered?</b>	<p>The initiatives in this bid were selected on the basis that they meet the following requirements and can be progressed with limited further work, consistent with the Prime Minister and other Ministers' commitment to driving change at pace:</p> <ul style="list-style-type: none"><li>• demonstrably contribute to the goal of improving the safety of people in care</li><li>• align with and respond to the Royal Commission's vision, findings, and/or recommendations;</li><li>• not be something that could (or should) be done as 'business as usual'; and</li><li>• not be able to be funded through baseline reprioritisation.</li></ul> <p>Alternative options for bolstering independent oversight of the system such as establishing new independent oversight mechanisms or individual roles were considered but were ruled out. Strengthening existing independent statutory bodies and roles ss the most efficient way to bolster safeguards and avoid duplication of statutory functions, given they are roles that already exist and are well regarded and effective, but have limited capacity and could be built on in terms of capability. Establishing a committee of experts to ensure concerns and needs of Māori are better met is the most efficient and fit for purpose option to meet that need because it provides a pool of Māori experts who can provide on call advice when needed on an ad-hoc basis.</p> <p>There is currently limited opportunity to reprioritise Vote Health funding for Budget initiatives, such as this initiative. Health NZ (which receives 92.4% of total Vote Health operating funding) already has reprioritisation underway through its Reset Plan to reach financial breakeven by the end of 2026/27. The Ministry, whose funding represents around 0.9% of the Vote, has considered if some Budget 2025 initiatives could be progressed within its existing baselines. However, there are no reprioritisation opportunities to address any new funding requests. In light of the 6.5% reduction in baseline funding realised through Budget 2024, and Ministry existing cost pressures that are being met within baselines (including those related to the Cancer Control Agency), any further savings would require significant changes to the Ministry's role, its organisational structure, and the nature of outputs it provides to Ministers. The Ministry has provided further information on reprioritisation opportunities to the Treasury Vote Health team.</p>
<b>What was the process used to select the preferred option?</b>	<p>A cross-agency approach has been taken to identifying proposals costed as part of the bid. Costing options have been developed on the basis of preserving choice for Cabinet as part of the policy decisions to be made in early 2025 while also reflecting the broader fiscal pressures faced by government.</p>
<b>Interaction with savings proposals</b>	<p>There are no interdependencies or interactions with savings proposals.</p>

## Section 3: Costs and Benefits Analysis

### Section 3A: Benefits and non-fiscal costs

The answer to each question must not exceed 1-2 paragraphs.

<p><b>What outcome(s) would the initiative achieve?</b></p>	<p>This initiative contributes to several of the Royal Commission's <b>recommendations</b> including:</p> <ul style="list-style-type: none"> <li>• recommendation 39: care safety principle 9 (responding to complaints).</li> <li>• recommendation 62: recruitment of a diverse workforce.</li> <li>• recommendation 71: support and invest in models of care that do not perpetuate the environments and practices that led to historic abuse and neglect.</li> <li>• recommendation 76: that Government should provide sufficient investment to enable children, young people and adults in care to have access to an independent advocate of their choosing to support them to understand and exercise their rights</li> <li>• recommendation 86(b): ensuring oversight bodies are adequately resourced.</li> </ul> <p>It will do this through the following <b>interventions</b>:</p> <ul style="list-style-type: none"> <li>• increasing the capacity and activities of District Inspectors and the Mental Health Review Tribunal to better reflect demand and higher expectations for the safeguards available to people in care. This will be through a mix of increasing activity volumes of current roles and expanding the number of roles to match current increasing demand.</li> <li>• adjusting funding to better reflect the seniority and expertise required of these roles.</li> <li>• providing for additional expertise (for example, Māori, Lived Experience, Child and Youth, Disabled People) to be available to District Inspectors and Review Tribunals when undertaking actions and making decisions about people in care from these cohorts.</li> <li>• developing enhanced guidelines and information for people working with mental health, addiction and intellectual disability legislation, as well as information for people and their whānau engaging under legislation.</li> </ul> <p>This will result in <b>impacts</b> including:</p> <ul style="list-style-type: none"> <li>• stronger protections for people receiving compulsory assessment and treatment and their whānau</li> <li>• reduced adverse findings and investigations (for example, by the Ombudsman and Coroners) in relation to compulsory care</li> <li>• improved oversight of activities including more timely detection and resolution of instances of noncompliance and safety and quality issues</li> <li>• improved access, timeliness and transparency of, and resolutions from, complaints and investigation processes for people under compulsory care and their whānau</li> <li>• more responsive and informed decision making by statutory officers and Tribunals in relation to people receiving compulsory care with unique needs, particularly Māori, children and youth, and disabled people</li> <li>• reduced risk of litigation against the Crown in relation to provision of compulsory care.</li> </ul> <p>This will result in improved mental health <b>outcomes</b> for people with high and complex mental health, addiction and intellectual disability needs who require State intervention and care. People who receive more responsive care, and whose rights are made clear and protected, will have an improved and more effective recovery journey, without additional harm or trauma being caused by State care. Strengthened oversight and decision-making will help prevent abuse occurring in future.</p>
<p><b>How will these outcomes be measured and evaluated?</b></p>	<p>Success of this initiative will be reflected in the following metrics:</p> <ul style="list-style-type: none"> <li>• increased volume of activities reported by District Inspectors and Review Tribunals</li> <li>• increased use of a wider range of expertise by District Inspectors and Review Tribunals to inform activities and decision making</li> <li>• improved compliance with expectations under legislation and secondary legislation</li> <li>• improved timeliness of complaints processes and resolutions, with decreasing complaints as practice changes</li> <li>• increased whānau engagement in people's care.</li> </ul>
<p><b>Evidence and assumptions</b></p>	<p>Refer 'outcomes' section above for the intervention logic between the interventions proposed through this initiative, the impacts expected, and the outcomes sought. The findings of Whanaketia reinforce the criticality of robust and independent oversight and monitoring to ensure that care providers fulfil their duties to people in their care, including detecting when they are not complying with applicable laws, regulations or policies, or not providing safe and quality care.</p>

As mentioned above, the Ministry of Health funds the activities of District Inspectors and the Mental Health Review Tribunal. Funding rates for these roles have not changed in over 10 years, including no inflation adjustments, despite activity increasing, increasing expectations for safeguarding and increasing costs.

Approximately 11,000 people a year are subject to compulsory assessment or treatment under the Mental Health (Compulsory Assessment and Treatment) Act 1992. Currently there are 38 District Inspectors across the country responsible for ensuring the rights of each of these individuals are protected and upheld. While the Ministry of Health receives monthly reports from District Inspectors which include information about complaint investigations, the Ministry does not currently hold an aggregate figure for number of complaints investigated by District Inspectors. There are plans to improve record systems to enable creation of this aggregate figure in the future.

Public consultation for the Mental Health Bill indicated that the role of District Inspectors should be expanded and should include collaboration with cultural stakeholders; however, it was also noted by people with lived experience that the current system with District Inspectors is not working adequately and expressed difficulty in even accessing a District Inspector and/or whānau have no awareness the role exists.

Similar to District Inspectors, the Mental Health Review Tribunal is an important safeguard for the rights of individuals subject to compulsory assessment or treatment under the Act. The Tribunal reviews, by application or its own motion, whether a patient should be released from compulsory status; investigates complaints about breaches of patient rights; and appoints psychiatrists to provide second opinions on whether treatment is in the interest of a non-consenting patient, assessment on whether electro-convulsive treatment (ECT) is in the interest of a non-consenting patient; and assessment on whether brain surgery is appropriate for a freely consenting patient.

In the 2023/24 FY the Tribunal received 81 applications for review of patient status under the Act. Of these only 17 applications were from Māori indicating that more cultural support may be needed to ensure Māori, who are disproportionately represented under the Act, have adequate access to the protections of the Tribunal. The Tribunal also received two complaints for further investigation and appointed 12 psychiatrists to provide opinions on whether treatment was in the interest of a non-consenting patient. In the 2022/23 FY psychiatrists appointed by the Tribunal provided second opinions on use of ECT for 113 people who lacked the capacity to consent, figures are not available for the number of people Tribunal appointed psychiatrists provided second opinions for on other forms of treatment.

Climate impact	<input type="checkbox"/> Yes – emissions impacts (positive or negative)	<input type="checkbox"/> Yes – climate adaptation or resilience impacts (positive or negative)	<input checked="" type="checkbox"/> No impact
	There are no expected climate impacts associated with this initiative.		

### Section 3B: Expenditure profile and cost breakdown

The answer to each question must not exceed 1-2 paragraphs.

Formula and assumptions underlying costings	<p><b>Increasing capacity of independent statutory roles and bodies</b></p> <ul style="list-style-type: none"> <li>Assumes an increase on current activity of approximately 15% 9(2)(f)(iv) in the first 2 years. This is based on the difference between current budget and level of demand, including expected increases based on historic activity levels.</li> <li>It is assumed that from 2027/28, there would be a further stepped increase to the capacity of independent statutory roles and bodies (by approximately 39%) reflecting the intention to expand the scope of these protections to voluntary patients under State care (currently limited to compulsory patients). This would mirror, but is not dependent on, the expected progression and timeframes of the Mental Health Bill changes. This increase is based on the following assumption:             <ul style="list-style-type: none"> <li>half of voluntary patients in inpatient units will need access to District Inspector support, translating to an increase of approximately 22%</li> <li>a quarter of voluntary patients in long-term residential care of 6 months or greater would require District Inspector support, translating to an increase of approximately 17%.</li> </ul> </li> </ul>
	<p><b>Increasing capability of independent statutory roles and bodies</b></p> <p><i>Cultural capability</i></p>

- Assumed cultural capability would be increased by establishing a Committee to provide Māori expertise to assist District Inspectors in upholding the rights of tāngata whaiora Māori.
- Assumed the Committee would have up to 8 members, with fees based on the DPMC frees framework, resulting in an estimated Committee fee of 9(2)(f)(iv).
- Assumed the Committee would start halfway through Year 1 to allow time for recruitment to the Committee.
- Assumed the Committee would largely meet virtually to minimise costs, with one in-person meeting per year at an estimated cost of 9(2)(f)(iv) per meeting, including in Year 1.
- Assumed secretariat support for the Committee would be provided by the Ministry of Health (see below).

#### Broader capability

- To enhance the capability of the Mental Health Review Tribunal it is assumed they could co-opt a member with particular expertise (eg, a child and adolescent expert). It is assumed that on average per meeting the co-opted member would be paid for up to three hours and 20km of mileage, for up to 50 meetings per year (informed by current volumes and expected increases). As it is expected this new practice will take time to embed, it is anticipated to build from 50% in Year 1 to 75% in Year 2, and 100% from Year 3 onwards.
- To support broader capability growth it is also assumed that a flat rate of 9(2)(f)(iv) would be required, with 50% and 75% in Years 1 and 2 as capacity grows.

#### Implementing and supporting increased independent statutory roles and bodies

- It is assumed that an additional Senior Advisor FTE in the Ministry of Health would be needed to manage and respond to the increased engagement and reporting from increasing the capacity of the independent statutory roles and bodies. As the increased capacity will take time to embed, it is assumed 0.5 FTE would be needed in Years 1 and 2, increasing to 1 FTE from Year 3.
- Assumed 0.8 specialist Clinical FTE and 1 Senior Advisor FTE in the Ministry of Health would be needed to develop new guidelines to support the independent statutory roles and bodies. With these roles needed on a fixed-term basis for Years 1 and 2.
- Assumed an 8 member Committee with up to 4 in person meetings per year would be needed to inform the development of the new guidelines during Years 1 and Years 2. With an estimated cost for the Committee based on the DPMC frees framework, resulting in an estimated Committee fee of 9(2)(f)(iv), and an estimated in person meeting cost of 9(2)(f)(iv) per meeting.
- Assumed the Senior Advisor FTE would provide secretariat support for the Committee.
- Assumed the cost per Senior Advisor FTE would be at the mid-point of the Ministry of Health band 18G of 9(2)(f) per Senior Advisor FTE.
- Assumed the cost for the Clinical FTE would be at the mid-point of the Ministry of Health band 21D of 9(2)(f)(iv) per Clinical FTE.
- Assumed overheads of 9(2)(f)(iv) per FTE.

Provide a breakdown of existing and additional funding sought by individual expense category and agency. Add additional rows as appropriate for additional expense categories.

#### Operating expenses (\$m)

##### Existing operating funding (\$m)

Operating expense category	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
Independent statutory roles and bodies – current Ministry of Health budget	3.437	3.437	3.437	3.437	3.437	17.185

##### Operating costs associated with initiative (\$m)

Operating expense category	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
Increasing capacity of independent statutory roles and bodies	-	0.543	0.543	2.095	2.095	5.276

Increasing capability of independent statutory roles and bodies	-	0.360	0.584	0.714	0.714	2.372
Implementing and supporting increased independent statutory roles and bodies	-	0.212	0.212	-	-	0.424
<b>Personnel expenditure (\$m) – please state impact at the initiative level</b>						
Implementing and supporting increased independent statutory roles and bodies	-	0.337	0.337	0.119	0.119	0.912
Net FTE overhead funding	-	0.132	0.132	0.056	0.056	0.376
<b>Total operating expenses (\$m)</b>	-	<b>1.584</b>	<b>1.808</b>	<b>2.984</b>	<b>2.984</b>	<b>9.360</b>

\*Extend the profile above to a “steady state” if funding into outyears is irregular. Delete “& outyears” for time-limited funding.

**FTE implications – please state impact at the agency level**

	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears
Total # of net FTEs at Ministry of Health – ongoing	-	0.5	0.5	1	1
Total # of net FTEs at Ministry of Health – fixed-term	-	1.8	1.8	-	-
<b>Total # of net FTEs over the forecast period</b>	-	<b>2.3</b>	<b>2.3</b>	<b>1</b>	<b>1</b>

**Additional occupation breakdown of FTE changes (count) over the forecast period**

Occupation	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears
Social, Health and Education Workers	-	0.8	0.8	-	-
Other Professionals not included elsewhere	-	1.5	1.5	1	1

**Would funding this initiative impact current employees?**

This initiative includes funding for new and fixed term employees. This means existing FTEs would not need to be reprioritised from other key priorities to support the increased capacity of independent statutory roles and bodies.

**Existing capital funding (\$m)**

Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
N/A	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]

Capital costs associated with initiative (\$m)											
Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
N/A	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
<b>Total (\$m)</b>	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

\*Extend the profile above if funding is needed beyond 2033/34.

### Section 3C: Scaled and/or Reprioritisation Options to meet 75%, 50% and 25%

Operating expenses (\$m)						
Operating expenses and reprioritisation (\$m)	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
<b>Minimum viable scaled option</b>						
Increasing capacity of independent statutory roles and bodies	-	0.543	0.543	2.095	2.095	5.276
Increasing capability of independent statutory roles and bodies	-	0.067	0.235	0.396	0.464	1.162
Implementing and supporting increased independent statutory roles and bodies	-	-	-	-	-	-
<b>Net Total (\$m) – Minimum viable scaled option</b>	-	<b>0.610</b>	<b>0.778</b>	<b>2.491</b>	<b>2.559</b>	<b>6.438</b>

Capital expenses (\$m)											
Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
N/A	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
<b>Total (\$m)</b>	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

\*Extend the profile above if funding is needed beyond 2032/33.

<b>Scaling of initiative</b>	In the minimum viable scaled option there would be no funding for implementing and supporting the increased independent statutory roles and bodies. Scaling of the increased capacity of independent statutory roles and bodies component is not considered feasible as this would result in insufficient funding to meet demand.
<b>What are the main risks of the options presented above?</b>	Any scaling of this initiative will reduce the ability for independent statutory roles and bodies to meet their regulatory requirements. This will in turn reduce the benefits that can be achieved in terms of improved mental health and addiction outcomes for people with high and complex mental health, addiction and intellectual disability needs who require State intervention and care.

## Section 4: Delivery

Section 4A: Procurement	
The answer to each question must not exceed 1-2 paragraphs.	
What is the initiative purchasing/funding?	<p>This initiative will purchase FTE resource to:</p> <ul style="list-style-type: none"> <li>• Increase the capacity and activities of District Inspectors and the Mental Health Review Tribunal to better meet demand and higher expectations for the safeguards for people in care, and adjust funding to better reflect the seniority and expertise required. Additional capacity will be achieved through a mix of funding increased activities of current District Inspectors and establishing new District Inspector roles (with new capacity estimated to be equivalent to around 7 new roles). As well as expanded reach of these roles to better meet demand and strengthen the safety of the care system.</li> <li>• Provide for additional expertise (for example, Māori, Lived Experience, Child and Youth, Disabled People) to be available to District Inspectors and Review Tribunals when undertaking actions and making decisions about people in care from these cohorts.</li> <li>• Develop enhanced guidelines and information for people working under mental health, addiction and intellectual disability legislation, as well as information for people and their whānau engaging under legislation.</li> </ul>
What market constraints or other delivery risks exist?	<p>This initiative will help to address current market constraints with sourcing suitably senior and expert candidates for District Inspector and Review Tribunal roles due to low funding arrangements. The initiative will require additional specialist expertise (for example, around Māori mental health, children and youth, and disabled people) where there may be market constraints in availability, however the level of resource sought is considered feasible.</p>
Government Procurement Rules	<p>The Ministry of Health will manage the funding and appointment processes for these roles in line with current requirements. As noted above, District Inspectors are lawyers who are appointed by the Minister of Health. As independent statutory officers they need to be seen as independent of any provider. The Mental Health Review Tribunal is appointed by the Minister on approval from the APH Committee; it is statutorily independent.</p>
Section 4B: Risks, constraints, and dependencies	
The answer to each question must not exceed 1-2 paragraphs	
What are the main risks?	<p>Key risks include the availability of appropriate experience and expertise to undertake the enhanced roles of District Inspectors and Review Tribunal members, and the external expertise able to provide advice to them on specific matters and population groups. This will be mitigated by appropriately funding these roles in line with the seniority and volume of activity required.</p> <p>There is also a risk related to the Ministry of Health's capacity to implement and monitor enhanced arrangements and increased activity volumes, and to source the necessary expertise to develop specialist guidance and resources for the sector, individuals and whānau. This is also mitigated by the inclusion of resource in the bid to undertake these activities with a dedicated focus.</p>
What are the key constraints?	<p>Refer discussion of market constraints and risks above.</p>
What are the key dependencies?	<p>This initiative has been costed using the best available information and assumptions about increased activity volumes, based on current activity levels and the expected impacts of an expanded scope for these roles (eg, to also provide protections to voluntary patients receiving State care in mental health inpatient facilities, as well as compulsory care recipients). Changes in compulsory care legislation could have implications of either increasing or decreasing the demand. We will monitor the implementation and uptake of this initiative and make adjustments as required.</p>
Section 4C: Governance and oversight	
The answer to each question must not exceed 1-2 paragraphs.	
What are the governance arrangements for this initiative?	<p>The Ministry of Health, and specifically the Director of Mental Health in their statutory role, will govern this initiative. The Ministry manages the appointments process (via the responsible Minister and Cabinet committee) and employs/contracts District Inspectors and Review Tribunal members, who report to the Director of Mental Health.</p> <p>The Office of the Director of Mental Health works closely with the Ministry's Lived Experience team and wider senior leadership team to maintain oversight of regulatory activities. This will apply to advice and monitoring relating to this initiative.</p>

	A component of this initiative is focused on ensuring the involvement of Māori expertise, as well as expertise relating to children/youth and disabled people, in statutory processes and compulsory care.
<b>Timeframes and monitoring</b>	<p>This initiative would support an immediate increase in District Inspector and Review Tribunal activities and access to enhanced expertise to support decision-making, starting from 2025/26. There would also be focus on ensuring robust guidance and resources are available to support the enhanced activities in the first two years of the initiative.</p> <p>The Director of Mental Health receives regular reporting from District Inspectors and Review Tribunal members, which will capture impacts from this initiative. This will feed into the Ministry's system performance monitoring role and regular performance reporting to relevant Ministers. The responsible Minister also has direct involvement in the appointment of District Inspectors and Review Tribunal members.</p>

## Section 4D: Demonstrating performance

The answer to each question must not exceed 1-2 paragraphs.

Refer outcomes and monitoring sections above for the range of service-level, quality and outcomes measures that would be used to monitor and demonstrate performance of this initiative. This would be incorporated into existing monitoring arrangements for District Inspectors and Review Tribunals.

There are also two related Vote Health Estimates measures, which will capture timeliness of activities associated with this initiative:

- The percentage of District Mental Health Inspectors' monthly reports, on their duties undertaken, sent to the Director of Mental Health, within one month after completion
- The start of the Mental Health Tribunal reviews are held within 28 days of receipt of the applications

## Section 5: Equity

The answer to each question must not exceed 1-2 paragraphs.

<b>Timing of costs and benefits</b>	<p>There would be short-term benefits from this initiative from the immediate increase in capacity and expertise for statutory oversight and protecting mechanisms. People in State care and their whānau would experience more responsive and timely compulsory mental health care and access to protective mechanisms, for example complaints processes.</p> <p>There would be longer-term impacts in the form of improved mental health outcomes and recovery for people with high and complex mental health, addiction and intellectual disability needs, as well as improved trust and confidence in the compulsory care system.</p>			
<b>Treaty of Waitangi (Te Tiriti o Waitangi) Obligations</b>	Yes	<p>There is a current claim before the Waitangi Tribunal, WAI2575, regarding health service and outcomes, with a specific aspect of the claim relating to mental health service and outcomes. This specific aspect of the claim will be handled as Stage 2 Phase 2 of the claim</p> <p>A component of this initiative is focused on ensuring the involvement of Māori expertise in statutory processes and provision of compulsory care for Māori.</p>		
<b>Specific implications regarding human rights</b>	Y	<p>This initiative would directly support people to exercise their rights under a range of core National and International human rights instruments including:</p> <ul style="list-style-type: none"> <li>• New Zealand Bill of Rights Act (1990)</li> <li>• Human Rights Act (1993)</li> <li>• Convention against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment</li> <li>• Convention on the Rights of persons with Disabilities</li> </ul>		
<b>Does the initiative have a larger impact on any of the following groups of New Zealanders than on the population as a whole?</b>	Māori	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	Pasifika	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	Other minority ethnic groups	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	Rural Populations	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	Seniors	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	Disabled Peoples	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>

	<i>Women and girls</i>	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	<i>Low-income individuals / families</i>	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	<i>Children and Young People</i>	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	<i>Other groups (please specify)</i>	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
<b>Distributional Impacts</b>	<p>The initiative specifically improves outcomes for people experiencing compulsory care under the Mental Health Act, IDCCR Act, and the SACAT Act. This cohort face a range of inequities in relation to health and other outcomes. Improving safeguards for them will have indirect impacts on their overall health by increasing their trust in the health system, enable them to feel confidence when accessing health care.</p> <p>A component of this initiative is focused on ensuring the involvement of Māori expertise, as well as expertise relating to children/youth and disabled people, in statutory processes and compulsory care. The initiative is expected to have particular benefits for these groups.</p>			

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# Appendix 10.0

## Annex 1: Budget 2025 Cost Pressures and New Spending Template

### Section 1: Overview

Section 1A: Basic initiative information					
<b>Initiative title (max 120 characters)</b>	Making the care system safe – key investment area six: recordkeeping to improve quality, quantity, capacity, access to records, and whanau connections				
<b>Lead Minister</b>	Lead Coordination Minister for the Government's Response to the Royal Commission's Report into Historical Abuse in State Care and in the Care of Faith-based Institutions	<b>Agency</b>	Crown Response Office, Public Service Commission		
<b>Initiative description (max 800 characters)</b>	<p>This initiative is one of seven initiatives that respond to recommendations made by the Abuse in Care Royal Commission of Inquiry (Royal Commission) in its final report. The Royal Commission highlighted how records provide survivors with information about their identity and made recommendations relating to improving recordkeeping practices and access to records.</p> <p>Agencies have identified four initiatives (9(2)(f)(iv) over four years) relating to recordkeeping:</p> <ul style="list-style-type: none"> <li>• Vote Internal Affairs – \$9(2)(f)(iv) to uplift care recordkeeping to support new systems and improve management of legacy records and 9(2)(f)(iv) to improve access to records by survivors and agencies;</li> <li>• Vote Education – 9(2)(f)(iv) support the education sector to improve record keeping; and</li> <li>• Vote Social Development (DSS) – \$0.500m to support disability support service providers.</li> </ul>				
<b>Priority Area (PA) Objective</b>	<input checked="" type="checkbox"/> <i>New Spending Commitments</i>	<input type="checkbox"/> <i>Capital Investments</i>			
	<input type="checkbox"/> <i>Cost Pressures</i>	<input type="checkbox"/> <i>Capital Cost Escalation</i>			
	<input type="checkbox"/> <i>Performance Plan Scrutiny</i>				
<b>Is this a cross-Vote initiative?</b>	<b>Yes</b>	Education, Internal Affairs, Social Development (Disability Support Services)			
<b>Does this require legislative change?</b>	<b>No</b>				
<b>Agency contact</b>	Name: Molly Elliott Phone: 9(2)(a) Email: Molly.Elliott019@msd.govt.nz		<b>Treasury contact (Vote Analyst)</b>	Name: Talei Pasikale Phone: 9(2)(a) Email: Talei.Pasikale@treasury.govt.nz	
Section 1B: Summary of funding profile					
Total operating costs associated with initiative (\$m)					
2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total
9(2)(f)(iv)					
Operating costs associated with initiative – Vote Internal Affairs (\$m)					
2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total
9(2)(f)(iv)					
Operating costs associated with initiative – Education (\$m)					

2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total					
9(2)(f)(iv)										
<b>Operating costs associated with initiative – Vote Social Development (DSS) (\$m)</b>										
2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total					
0.000	0.500	0.000	0.000	0.000	<b>0.500</b>					
*For irregular outyears, add additional rows above to display the full profile of the initiative. Delete "& outyears" for time-limited funding. See the Budget 2025 Uploading Initiatives to CFISnet for more information on entering outyears into CFISnet.										
<b>Capital costs associated with initiative (\$m)</b>										
24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	31/32	33/34*	Total
[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]
*Extend the profile above if funding is needed beyond 2033/34.										

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## Section 2: Alignment and options analysis

### Section 2B: Problem definition – New Spending

The answer to each question must not exceed 1-2 paragraphs

**What is the problem that this initiative is trying to solve and why does it need to be solved now?**

*Describe the problem the initiative is trying to solve by outlining its root cause(s) and consequence(s), and explain why the problem needs to be solved now. The problem should be framed in terms of current and/or future outcome(s) for New Zealanders.*

The Government is committed to driving change for survivors and for all those engaged in the current care system, in line with the Prime Minister's apology to survivors of abuse in care made on 12 November 2024. Cabinet has agreed to broadly accept the Royal Commission's overall findings in its final report, Whanaketia<sup>1</sup>, and noted the overall shifts Whanaketia pointed towards: addressing the wrongs of the past; empowering whānau and communities; and making the care system safe for children, young people and adults [SOU-24-MIN-0118 refers]. This package of initiatives focuses on the second and third of these shifts.

#### **Initiatives 1 and 2: Improving care recordkeeping and improving access to records by survivors and agencies**

Past and ongoing deficiencies in recordkeeping undermine the rights, protection and identity of people in care. Poor recordkeeping also precludes the delivery of high-quality integrated care. The absence or deficiency of records undermines accountability for the proper provision of care. The Royal Commission recommended improved recordkeeping principles and best practice by care providers. Better documentation of people's time in care settings is required, along with improved records access for care survivors. The rules for the retention, disposal and archiving of records should be reviewed to ensure records support people in care and system accountability.

These initiatives propose to develop and implement new recordkeeping practice and standards, to rollout and monitor these in the state care sector, alongside new records retention and disposal rules, and to provide specialist training and resources for engaging with those who have been in care seeking access to their records.

#### **Initiative 3: Supporting the education sector to improve its record keeping**

The research stage of each claim of abuse in care managed by the Ministry of Education can take between 3 months to a year due to the time required to access different information management systems and locate records that have been improperly managed. The Ministry has observed that record keeping continues to be varied across the education sector and requirements are not always well understood.

In response to the Royal Commission's findings, the Chief Archivist is reviewing the disposal and retention of state care records, and agencies are assessing current record keeping arrangements against the mandatory Care Records Definition issued by Archives New Zealand. This work is likely to result in a significant increase in the volume and type of records the education sector will be required to retain, and the length of time they will be required to keep them. For example, schools may be required to keep all school reports or other records related to learners for an extended period of time, which is currently not required of them.<sup>2</sup> Schools and kura are public offices under the Public Records Act and the devolved nature of the sector means that while each school board is ultimately responsible for managing their records, the Ministry plays a key role in terms of funding and supporting schools to undertake this work and fulfil their regulatory responsibilities. The initiative will help the education sector prepare for significant changes to record keeping requirements by providing infrastructure support for the storage of paper and digital records, and information and expertise to improve the quality of record keeping.

<sup>1</sup> Whanaketia: Through pain and trauma, from darkness to light (Whanaketia)

<sup>2</sup> <https://assets.education.govt.nz/public/Records/School-Records-Retention-and-Disposal-Schedule-All.pdf>

#### **Initiative 4: Supporting disability support service providers**

Some disability support service providers are small businesses who use paper based records and have little understanding of their recordkeeping obligations. The Royal Commission made specific recommendations which call for development of recordkeeping principles and best practice guidelines, better documentation of people's life in care, and improvements to retention of records (recommendations 81-83 in Whanaketia). It also made recommendations which call for improving access to records for survivors of abuse in care and a review of the way agencies treat care records, and how long they are kept (recommendations 85-89 of the Redress Report).

This initiative would invest in support and guidance for providers, where required, to ensure that a baseline level of understanding of provider obligations for record keeping was achieved and obligations were adhered to. This problem needs to be resolved now to ensure that future records are maintained, secured and stored appropriately before information is lost or not captured.

*Describe the existing arrangements for the asset or service, including (where applicable):*

- How services are currently organised and provided;
- The associated throughput, turnover, and existing cost; and
- Current asset or service availability, utilisation, and condition.

*Agencies should be able to demonstrate why the existing arrangements (if there are any) are insufficient to address the problem outlined above.*

#### **Initiatives 1 and 2: Improving care recordkeeping and improving access to records by survivors and agencies**

Archives New Zealand delivers regulation and assurance services to ensure the quality of public sector recordkeeping through standards, guidance and advice. Information management maturity is monitored and reported through audits and surveys of the regulated sector. Instances of potential non-compliance are assessed. Records disposal authorisations are developed and issued.

The regulatory mandate covers nearly 3,000 public sector entities (including 2,500 schools). As a result of limited funding, regulatory coverage gaps and persistent variable information management capability, many key recordkeeping deficiencies are not being appropriately addressed. The improvement sought in care-related recordkeeping cannot be achieved within existing resources.

#### **Initiative 3: Supporting the education sector to improve its record keeping**

The Ministry of Education provides specialist record keeping services and oversight, including managing legal requirements and responding to sector/public queries through a 2.8FTE team that has primary responsibility for corporate record keeping, as well as purchasing of licences for digital services which include data storage. The Ministry also takes custody of paper records when a school is closed but is increasingly receiving requests from schools still in operation which are unable to manage their paper-based records safely. Existing support is insufficient to respond to the Royal Commission's recommendations and associated changes to record keeping. The sector is likely to require increased infrastructure support for both paper and digital records and access to advice and expertise. The Ministry has conducted a reprioritisation exercise and the resulting savings have already been allocated to support Budget initiatives. The Ministry is unable to find further savings to support the sector.

#### **Initiative 4: Supporting disability support service providers**

As noted above, the many small disability support service providers' record keeping is highly variable and many are unaware of their obligations and the processes that should be in place to ensure these obligations are met. There is currently minimal central record keeping support to such providers.

*Outline specifically what needs to change or be improved (relative to existing arrangements) to address the problem.*

#### **Initiatives 1 and 2: Improving care recordkeeping and improving access to records by survivors and agencies**

Ongoing staffing for Archives New Zealand is proposed to support an uplift in information management practice in care agencies. Regulatory resources are sought to perform compliance assessments and implement additional recordkeeping audits of care agencies to ensure a solid foundation for recordkeeping to help drive a safer care system. Additional operational policy resource is also being requested to ensure that a new set of appropriate standards and policies can be

released to support the care sector in making the changes required to enact sustainable and effective improvements in their management of care records. Archives New Zealand gave up significant savings in Budget 24. Further savings have been initiated in FY25 to meet ongoing cost pressures which means reprioritisation of existing funding cannot be considered to for these costs.

Further, to provide a sustainable, effective and safe service for people who are care experienced will require new approaches and specific skills and knowledge to be maintained at Archives New Zealand. This will include considering a new set of Disposal rules which could provide the care experienced with a greater say in how their records are managed, retained, returned or disposed of.

### **Initiative 3: Supporting the education sector to improve its record keeping**

A two-fold approach is proposed. The first is to support the education sector in lifting the quality of records that are being kept and the second is to support the safe, legal retention of records so that all current and future students have accurate, and accessible records.

9(2)(f)(iv)

### **Initiative 4: Supporting disability support service providers**

Disability support service providers require education and support to undertake good practices. To achieve this requires the development of best practice guidelines for the sector, with sector input, as well as dissemination in an accessible manner. Ensuring providers who receive disability support funding are aware of their record keeping obligations and supported to improve the standards of these documents is an essential component for accountability and external scrutiny.

*What is the rationale for central Government intervention and how does the initiative/investment proposal fit with the Agency's mandate, and is the Agency the best one to deliver this intervention? Is another organisation (e.g., NGOs, iwi/Māori organisations, private sector) better placed to deliver this initiative, and are there alternative funding arrangements that should be considered? What are the implications of this initiative for the operational/service delivery aspects of the agency?*

### **Initiatives 1 and 2: Improving care recordkeeping and improving access to records by survivors and agencies**

Archives New Zealand has responsibility for regulation and assurance over public sector recordkeeping through the statutorily independent regulatory role of the Chief Archivist, and for managing public archives which include care records. The current Public Records Act 2005 (PRA) mandate (plus enhancements being sought through the Responding to Abuse in Care Legislation Amendment Bill) provides the tools to assist agencies to improve care recordkeeping.

Archives will support agency or sectoral recordkeeping improvement programmes, such as proposed below by the Ministry of Education. While Archives New Zealand will work with government and non-government partners wherever this is helpful, these entities do not have the formal mandate to drive change. Similarly other cross government functions, such as the Ombudsman or the Government Chief Digital Officer, may often be useful partners but do not have the specific mandate to focus on recordkeeping and information management.

This initiative therefore fits squarely under the PRA and within the responsibilities of Archives New Zealand. However, current and anticipated reduced resources (under planned savings initiatives) will be insufficient to support the systematic and wide-ranging change required to create a safer and more accountable care environment.

### **Initiative 3: Supporting the education sector to improve its record keeping**

Central government intervention is appropriate in this case, supported by the purchasing of private services as required. As steward of the education system, the Ministry of Education has a responsibility to support the sector to comply with legislative record keeping requirements and to encourage good practice. Education records are held both by the Ministry and the sector, and custody of records may change in some cases (for example when a school closes) which means that central oversight is important. The Royal Commission clearly identified poor record keeping as a failure of the state, which it is the state's responsibility to address.

**Initiative 4: Supporting disability support service providers**

Many disability service providers are small bespoke services, operating on tight financial margins. They do not have the infrastructure to develop the guidance to support these processes themselves. Central Government development would reduce variation in practice and ensure that a consistent level of service was achieved.

*What key partners/stakeholders/customers (including other relevant Agencies, and iwi and Māori) have been engaged to understand the problem and develop the initiative? How have you worked with them and how has their input affected the understanding of the problem? You may wish to reference here the [key principles of He Ara Waiora](#). What was the rationale for the level of engagement and are there any risks arising from this?*

**Initiatives 1 and 2: Improving care recordkeeping and improving access to records by survivors and agencies**

The Royal Commission's broad and deep engagement found clear deficiencies in the creation, management, access to and disposal of care records across Government and its contracted service providers. The ongoing work of the Crown response across survivor groups, advocates, government agencies, and NGO providers has confirmed the findings and helped develop appropriate responses to recommendations. Archives New Zealand has engaged directly with these groups on the recordkeeping improvements required, for example, through consultation on the changes to disposal rules. Risks include consultation fatigue and the challenge of delivering meaningful change within complex systems to meet high expectations.

**Initiative 3: Supporting the education sector to improve its record keeping**

As noted above, the Royal Commission's findings and recommendations which were based on broad and deep engagement. The Ministry was also informed by the queries and challenges raised by the sector.

**Initiative 4: Supporting disability support service providers**

The evidence to undertake this initiative comes from Whanaketia. When developing the initiative MSD will engage appropriately with disability support service providers, disabled people, their whānau and carers, and tāngata whaikaha Māori to ensure their aspirations are met through this process. A collaborative supportive approach to development and implementation of good practice guidance will minimise any reluctance by providers to engage.

Alignment to Government Priorities (if alignment to multiple Priorities is possible, select the most relevant)	<input type="checkbox"/>	Addressing the rising cost of living	<input checked="" type="checkbox"/>	Delivering effective and fiscally sustainable public services
	<input type="checkbox"/>	Building for growth and enabling private enterprise	<input type="checkbox"/>	Not Aligned
<i>How would this initiative deliver on the Government's priorities? Are there linkages or dependencies with other priorities?</i>				
Does this initiative relate to one of the Government's focus areas for Budget 2025?	<input type="checkbox"/>	Economic Growth (invitation only)	<input checked="" type="checkbox"/>	Not Applicable

**Section 2C: Options analysis**

The answer to each question must not exceed 1-2 paragraphs

What was the range of

<b>options considered?</b>	The initiatives in this bid were selected on the basis that they meet the following requirements and can be progressed with limited further work, consistent with the Prime Minister and other Ministers' commitment to driving change at pace: <ul style="list-style-type: none"> <li>demonstrably contribute to the goal of improving the safety of people in care</li> <li>align with and respond to the Royal Commission's vision, findings, and/or recommendations;</li> <li>not be something that could (or should) be done as 'business as usual'; and</li> <li>not be able to be funded through baseline reprioritisation.</li> </ul>
<b>What was the process used to select the preferred option?</b>	A cross-agency approach has been taken to identifying proposals costed as part of the bid. Costing options have been developed on the basis of preserving choice for Cabinet as part of the policy decisions to be made in early 2025 while also reflecting the broader fiscal pressures faced by government.
<b>Interaction with savings proposals</b>	There are no interdependencies or interactions with savings proposals.

### Section 3: Costs and Benefits Analysis

**See Appendices for Section 3 analysis for each initiative**

Section 3A: Benefits and non-fiscal costs						
The answer to each question must not exceed 1-2 paragraphs.						
<b>What outcome(s) would the initiative achieve?</b>						
<b>How will these outcomes be measured and evaluated?</b>						
<b>Evidence and assumptions</b>						
<b>Climate impact</b>	<input type="checkbox"/>	Yes – emissions impacts (positive or negative)	<input type="checkbox"/>	Yes – climate adaptation or resilience impacts (positive or negative)	<input checked="" type="checkbox"/>	No impact

Section 3B: Expenditure profile and cost breakdown						
The answer to each question must not exceed 1-2 paragraphs.						
<b>Formula and assumptions underlying costings</b>						
Provide a breakdown of existing and additional funding sought by individual expense category and agency. Add additional rows as appropriate for additional expense categories.						
<b>Operating expenses (\$m)</b>						
<b>Existing operating funding (\$m)</b>						
Operating expense category	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
<i>[Type of funding currently allocated or set aside in contingency. E.g. current baseline funding allocated.]</i>	[•]	[•]	[•]	[•]	[•]	[•]

- [Agency / Crown Entity etc.]						
Operating costs associated with initiative (\$m)						
Operating expense category	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
[Name of any operating expense category for additional funding sought. E.g. additional subsidy costs] – [Agency / Crown Entity etc.]	[•]	[•]	[•]	[•]	[•]	[•]
Inflation adjustment for [insert input] – [Agency / Crown Entity etc.]	[•]	[•]	[•]	[•]	[•]	[•]
Depreciation and/or capital charge (if relevant) – [Agency / Crown Entity etc.]	[•]	[•]	[•]	[•]	[•]	[•]
Personnel expenditure (\$m) – please state impact at the initiative level						
Net FTE funding	[•]	[•]	[•]	[•]	[•]	[•]
Net contractor/consultant funding	[•]	[•]	[•]	[•]	[•]	[•]
Net FTE and contractor/consultant overhead funding	[•]	[•]	[•]	[•]	[•]	[•]
<b>Total operating expenses (\$m)</b>	[•]	[•]	[•]	[•]	[•]	[•]
*Extend the profile above to a “steady state” if funding into outyears is irregular. Delete “& outyears” for time-limited funding.						
FTE implications – please state impact at the agency level						
	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	
Total # of net FTEs at [Agency / Crown Entity / etc.] (employees)	[•]	[•]	[•]	[•]	[•]	[•]
Total # of net FTEs at [Agency / Crown Entity / etc.] (contractors/consultants)	[•]	[•]	[•]	[•]	[•]	[•]
<b>Total # of net FTEs (employees and contractors/consultant) over the forecast period</b>	[•]	[•]	[•]	[•]	[•]	[•]
Additional occupation breakdown of FTE changes (count) over the forecast period						
Occupation	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	
Managers	[•]	[•]	[•]	[•]	[•]	[•]
Policy Analyst	[•]	[•]	[•]	[•]	[•]	[•]
Information Professionals	[•]	[•]	[•]	[•]	[•]	[•]

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Social, Health and Education Workers	[●]	[●]	[●]	[●]	[●]
ICT Professionals and Technicians	[●]	[●]	[●]	[●]	[●]
Legal, HR and Finance Professionals	[●]	[●]	[●]	[●]	[●]
Other Professionals not included elsewhere	[●]	[●]	[●]	[●]	[●]
Inspectors and Regulatory Officers	[●]	[●]	[●]	[●]	[●]
Contact Centre Workers	[●]	[●]	[●]	[●]	[●]
Clerical and Administrative Workers	[●]	[●]	[●]	[●]	[●]
Other Occupations	[●]	[●]	[●]	[●]	[●]

**Would funding this initiative impact current employees?**

**Existing capital funding (\$m)**

Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
<i>[Type of funding currently allocated or set aside in contingency. E.g. current baseline funding allocated.] - [Agency / Crown Entity etc.]</i>	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

**Capital costs associated with initiative (\$m)**

Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
<i>[Name of capital expense category] - [Agency / Crown Entity etc.]</i>	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
<i>[Name of capital expense category] - [Agency / Crown Entity etc.]</i>	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
<i>[Name/type of contingency] - [Agency / Crown Entity etc.]</i>	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
<b>Total (\$m)</b>	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

\*Extend the profile above if funding is needed beyond 2033/34.

**Section 3C: Scaled and/or Reprioritisation Options to meet 75%, 50% and 25%**

**Operating expenses (\$m)**

Operating expenses and reprioritisation (\$m)	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
<i>[Total cost of full or scaled option]</i>	[●]	[●]	[●]	[●]	[●]	[●]
<i>[Reprioritisation Option – please state the</i>	[●]	[●]	[●]	[●]	[●]	[●]

<i>corresponding initiative ID and Title]</i>											
<b>Net Total (\$m) – 75%</b>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<i>[Total cost of full or scaled option]</i>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<i>[Reprioritisation Option – please state the corresponding initiative ID and Title]</i>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Net Total (\$m) – 50%</b>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<i>[Total cost of full or scaled option]</i>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<i>[Reprioritisation Option – please state the corresponding initiative ID and Title]</i>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Net Total (\$m) – 25%</b>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Capital expenses (\$m)</b>											
<b>Capital expense category</b>	<b>24/25</b>	<b>25/26</b>	<b>26/27</b>	<b>27/28</b>	<b>28/29</b>	<b>29/30</b>	<b>30/31</b>	<b>31/32</b>	<b>32/33</b>	<b>33/34*</b>	<b>Total</b>
<i>[Name of capital expense category]</i>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<i>[Name of capital expense category]</i>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<i>[Name/type of contingency]</i>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Total (\$m)</b>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
*Extend the profile above if funding is needed beyond 2032/33.											
<b>Scaling of initiative</b>											
<b>What are the main risks of the options presented above?</b>											

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## Section 4: Delivery

See Appendices for Section 4 analysis for each initiative

Section 4A: Procurement	
The answer to each question must not exceed 1-2 paragraphs.	
What is the initiative purchasing/funding?	
What market constraints or other delivery risks exist?	
Government Procurement Rules	
Section 4B: Risks, constraints, and dependencies	
The answer to each question must not exceed 1-2 paragraphs	
What are the main risks?	
What are the key constraints?	
What are the key dependencies?	
Section 4C: Governance and oversight	
The answer to each question must not exceed 1-2 paragraphs.	
What are the governance arrangements for this initiative?	
Timeframes and monitoring	
Section 4D: Demonstrating performance	
The answer to each question must not exceed 1-2 paragraphs.	

## Section 5: Equity

The answer to each question must not exceed 1-2 paragraphs.	
Timing of costs and benefits	
Treaty of Waitangi (Te Tiriti o Waitangi) Obligations	<p>Yes</p> <p>Pre-existing Treaty settlement commitments are not directly relevant, however, there will be a focus on the needs of Māori currently or previously in the care system as highlighted by the inquiry recommendations.</p> <p>Throughout engagement with the Royal Commission, and subsequently with Crown Response officials, survivors have described their care records as taonga which can provide a link, sometimes the only link, to their whakapapa.</p> <p>Through improving its record keeping practices, the Government will be taking the opportunity to ensure that more Māori, who are disproportionately represented in care statistics, will be able to maintain their connection to their identity and whakapapa.</p>

		Accordingly, this initiative will enable the Government to better meet its obligations under Article 2 of the Treaty of Waitangi by recognising and protecting care records as taonga.		
<b>Specific implications regarding human rights</b>	<b>Yes</b>	<p>The information contained in care records can be an essential link to identity for survivors and all people who have been through the care system. As such, the impact of incomplete or inaccurate records can be massive for the individuals they concern as has been consistently highlighted by the Royal Commission.</p> <p>Through these initiatives to improve its record keeping practices, the Government will be ensuring that the people of New Zealand have an improved understanding of and access to their own identities. Accordingly, the Government will be better able to fulfil its relevant domestic and international human rights obligations.</p>		
<b>Does the initiative have a larger impact on any of the following groups of New Zealanders than on the population as a whole?</b>	<i>Māori</i>	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	<i>Pasifika</i>	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	<i>Other minority ethnic groups</i>	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	<i>Rural Populations</i>	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	<i>Seniors</i>	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	<i>Disabled Peoples</i>	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	<i>Women and girls</i>	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	<i>Low-income individuals / families</i>	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	<i>Children and Young People</i>	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	<i>Other groups (please specify)</i>	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
<b>Distributional Impacts</b>	<p>Recordkeeping improvements are likely to benefit people in those among the groups listed above that are heavily represented in the care system.</p> <p>The initiative proposed for education will benefit children and young people, especially if they are also involved in another care system such as the care and protection of Oranga Tamariki.</p> <p>The initiative proposed by for disability support services will benefit disabled peoples who receive support from disability support service providers.</p>			

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# Appendix One – Vote Internal Affairs: Improving care recordkeeping to support new systems and improve management of legacy records and improving access to records by survivors and agencies

## Section 3: Costs and Benefits Analysis

Section 3A: Benefits and non-fiscal costs				
The answer to each question must not exceed 1-2 paragraphs.				
What outcome(s) would the initiative achieve?	Benefits are difficult to quantify but will address the harms done by the recordkeeping shortcomings identified by the Royal Commission. Care survivors would gain enhanced access to records to support and reconnect with identity and whanau, and better access to information to assist in redress or other accountabilities. Agencies would be able to provide an enhanced service by making better care and redress decisions, and better meet their obligations, on the basis of more, more reliable or more accessible information. The prime risk is underachievement of the recordkeeping uplift required because of the extent of the task.			
How will these outcomes be measured and evaluated?	<p>This initiative seeks to ensure that public entities with care responsibilities and their contracted service providers create and maintain full, accurate and appropriately accessible records that support the needs of people in the current system and those seeking redress. Records will properly support delivery of care and the accountability of delivery agencies.</p> <p>The existing Information Management Maturity Assessment would continue to be the key measure of public sector recordkeeping best practice and would be used to measure improvement in public entities with care responsibilities. The Chief Archivist's current expectation is that public entities achieve at least the maturity level of "Managing" (the middle level of a five level scale). However, an expectation could be set that maturity levels will increase to "Maturing" or "Optimising" for care agencies. Specific targets for implementing new components of the regulatory regime will be set, monitored and reported on, e.g. implementation of new disposal authorisations.</p>			
Evidence and assumptions	The interventions proposed directly address key recommendations of the Royal Commission by seeking to improve the quality of recordkeeping and survivor access to records. The benefits of responding to these recommendations addressed by this initiative have not been monetised.			
Climate impact	<input type="checkbox"/> Yes – emissions impacts (positive or negative)	<input type="checkbox"/> Yes – climate adaptation or resilience impacts (positive or negative)	<input checked="" type="checkbox"/> No impact	
Section 3B: Expenditure profile and cost breakdown				
The answer to each question must not exceed 1-2 paragraphs.				
Formula and assumptions underlying costings	<p>The personnel component of the Archives New Zealand (DIA) initiative has been based on 2024/25 salary, overhead and related costs. The costs of recordkeeping audits, translating public material into accessible forms, and training/counselling for staff working with sensitive records have also been based on 2024/25 levels. A 2.2% inflation assumption has been built in for 2025/26. Salary increments are assumed at 2% from 2026/27 and outyears.</p> <p>[See separate summary .xls spreadsheet for DIA – <b>this spreadsheet is to come</b>].</p>			

Provide a breakdown of existing and additional funding sought by individual expense category and agency. Add additional rows as appropriate for additional expense categories.

**Operating expenses (\$m)**

**Existing operating funding (\$m)**

Operating expense category	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
[Type of funding currently allocated or set aside in contingency. E.g. current baseline funding allocated.] – [Agency / Crown Entity etc.]	0	0	0	0	0	0

**Operating costs associated with initiative (\$m)**

Operating expense category	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
Audit related costs: Recordkeeping audits and associated costs	9(2)(f)(iv)					
Producing guidance and advice public material and translating into accessible form; training/counselling for staff working with sensitive records.						
Inflation adjustment for general inflation on operating costs – DIA						
Depreciation and/or capital charge (if relevant) – [Agency / Crown Entity etc.]						

**Personnel expenditure (\$m) – please state impact at the initiative level**

Net FTE funding	9(2)(f)(iv)					
Net contractor/consultant funding						
Net FTE and contractor/consultant overhead funding						
<b>Total operating expenses (\$m)</b>						

\*Extend the profile above to a “steady state” if funding into outyears is irregular. Delete “& outyears” for time-limited funding.

**FTE implications – please state impact at the agency level**

	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears
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Total # of net FTEs at [Agency / Crown Entity / etc.] (employees)	[●]	9	9	9	9
Total # of net FTEs at [Agency / Crown Entity / etc.] (contractors/consultants)	[●]	[●]	[●]	[●]	[●]
<b>Total # of net FTEs (employees and contractors/consultant) over the forecast period</b>	[●]	9	9	9	9

**Additional occupation breakdown of FTE changes (count) over the forecast period**

Occupation	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears
Managers	[●]	1	1	1	1
Policy Analyst	[●]	2	2	2	2
Information Professionals	[●]	5	5	5	5
Social, Health and Education Workers	[●]	[●]	[●]	[●]	[●]
ICT Professionals and Technicians	[●]	[●]	[●]	[●]	[●]
Legal, HR and Finance Professionals	[●]	[●]	[●]	[●]	[●]
Other Professionals not included elsewhere	[●]	[●]	[●]	[●]	[●]
Inspectors and Regulatory Officers	[●]	1	1	1	1
Contact Centre Workers	[●]	[●]	[●]	[●]	[●]
Clerical and Administrative Workers	[●]	[●]	[●]	[●]	[●]
Other Occupations	[●]	[●]	[●]	[●]	[●]

**Would funding this initiative impact current employees?** Please indicate if funding this initiative extends the employment of or retains current employees, or if it is to fund new employees.  
If there is a split, please describe how it is split and if possible, provide figures here.

3 FTEs would allow the rollover of current fixed term internal secondments of staff currently in similar roles. 6 FTEs would be fixed term for the duration of the four years funding.

**Existing capital funding (\$m)**

Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
[Type of funding currently allocated or set aside in contingency. E.g. current baseline funding allocated.] - [Agency / Crown Entity etc.]	0	0	0	0	0	0	0	0	0	0	0

Capital costs associated with initiative (\$m)											
Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
[Name of capital expense category] - [Agency / Crown Entity etc.]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
[Name of capital expense category] - [Agency / Crown Entity etc.]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
[Name/type of contingency] - [Agency / Crown Entity etc.]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Total (\$m)</b>	0	0	0	0	0	0	0	0	0	0	0

\*Extend the profile above if funding is needed beyond 2033/34.

### Section 3C: Scaled and/or Reprioritisation Options to meet 75%, 50% and 25%

#### Operating expenses (\$m)

Operating expenses and reprioritisation (\$m)	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
[Total cost of full or scaled option]	9(2)(f)(iv)					
[Reprioritisation Option – please state the corresponding initiative ID and Title]						
<b>Net Total (\$m) – 75%</b>						
[Total cost of full or scaled option]						
[Reprioritisation Option – please state the corresponding initiative ID and Title]						
<b>Net Total (\$m) – 50%</b>						
[Total cost of full or scaled option]						
[Reprioritisation Option – please state the corresponding initiative ID and Title]						
<b>Net Total (\$m) – 25%</b>						

Capital expenses (\$m)											
Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
[Name of capital expense category]	0	0	0	0	0	0	0	0	0	0	0
[Name of capital expense category]	0	0	0	0	0	0	0	0	0	0	0
[Name/type of contingency]	0	0	0	0	0	0	0	0	0	0	0
Total (\$m)	0	0	0	0	0	0	0	0	0	0	0

\*Extend the profile above if funding is needed beyond 2032/33.

<b>Scaling of initiative</b>	Scaling of the uplifting care recordkeeping and improving access to records initiative proportionately reduces all components at 75%. The 50% and 25% options would leave many initiatives to be picked up to a greatly reduced degree by BAU resourcing, if possible, alongside other priorities, including enhancing survivors' access to their records, the implementation of new disposal rules and regulatory interventions with agencies.
<b>What are the main risks of the options presented above?</b>	The scaling options create the risk of a failure to implement recordkeeping improvements and perpetuating the harms identified by the Royal Commission, such as survivors' records being inaccurate or inaccessible and redress and accountability mechanisms being frustrated.

## Section 4: Delivery

### Section 4A: Procurement

The answer to each question must not exceed 1-2 paragraphs.

<b>What is the initiative purchasing/funding?</b>	Recruiting, and retaining for fixed terms, personnel with the relevant skills and knowledge is the key procurement required for this initiative. Scaling options would leave delivering responses to the Royal Commission's recommendations dependent on already stretched BAU.
<b>What market constraints or other delivery risks exist?</b>	Recruitment is likely to be from among people with public sector policy, information management, archival and regulatory experience. The general constraint on public sector funding is likely to have freed up potential candidates in these areas, with more willing to accept fixed term roles.
<b>Government Procurement Rules</b>	Additional recordkeeping audits proposed can be absorbed by existing arrangements with external providers, which were concluded under standard procurement processes.

### Section 4B: Risks, constraints, and dependencies

The answer to each question must not exceed 1-2 paragraphs.

<b>What are the main risks?</b>	The key risk is that the extent of the recordkeeping uplift required is both broad and detailed. Careful prioritisation for maximum effect will be required. This initiative is not cost recovered or revenue generating.
<b>What are the key constraints?</b>	The proposed resourcing will assist in delivering the improvements sought, but is likely to identify the need for ongoing work. Careful prioritisation and expectation management will be required.
<b>What are the key dependencies?</b>	Regulatory uplift is ultimately delivered by the regulated entities, which indirectly includes care providers outside the state. We will need to positively influence their willingness to participate.

### Section 4C: Governance and oversight

The answer to each question must not exceed 1-2 paragraphs.

<b>What are the governance arrangements for this initiative?</b>	The recordkeeping improvement initiatives will be incorporated into and delivered by BAU structures with the Department of Internal Affairs (Archives New Zealand). There will be ongoing oversight by the internal steering committee and the Crown Response Office (CRO).
<b>Timeframes and monitoring</b>	Recordkeeping improvement initiatives are planned across the four-year term of the funding. Disposal authorisation changes are already underway and will be completed first. The programme will be incorporated into departmental business planning, with updates for key Ministers provided as part of the CRO reporting system.

#### Section 4D: Demonstrating performance

The answer to each question must not exceed 1-2 paragraphs.

The Information Management Maturity Assessment would continue to be the key measure of public sector recordkeeping best practice. This will combine with currently programmed and proposed additional recordkeeping audits that focus on care agencies. Archives New Zealand is currently working on expanding and increasing the frequency of reporting based on the Information Management Maturity Assessment. This, along with periodic surveys and bespoke compliance exercises, will provide data. The Department is developing a new high-level measure that agencies meet or exceed the "Managing" level of the Information Management Maturity Assessment.

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# Appendix Two – Vote Education: Supporting changes to record keeping requirements

## Section 3: Costs and Benefits Analysis

Section 3A: Benefits and non-fiscal costs			
The answer to each question must not exceed 1-2 paragraphs.			
<b>What outcome(s) would the initiative achieve?</b>	<p>The initiative aim to lift the quality of record keeping in the education sector and result in a greater number of records being kept in compliance with requirements and safely. This is expected to result in fewer queries and cases of mis-managed records reaching the Ministry. The benefits of responding to these recommendations have not been monetised.</p> <p>These improvements aspire to produce long-term benefits for the sector, for survivors/future claimants and for government:</p> <ul style="list-style-type: none"> <li>• Improved access to personal information and histories for future generations of learners and their families/whānau who go through the education system. As most children in New Zealand attend school, this will be of wide societal benefit. It will be of particular benefit for people who are also involved with other care systems, such as Oranga Tamariki care and protection as it will allow cross-referencing of records to build a more complete picture of care.</li> <li>• Improved record keeping can support better information sharing. This can help agencies to understand the needs of people in care and to prevent harm.</li> <li>• Reduced risk for the sector and for the Ministry of Education associated with claims that cannot be substantiated or refuted due to lost or incomplete records.</li> </ul> <p>The main risk associated with this initiative is that the proposed support provided will be insufficient or inappropriate as it is based on assumptions about what will be needed to respond to changes in record keeping requirements into the future. These changes have not been finalised.</p> <p>These risks are mitigated by the fact that the initiatives address the sector’s need for both practical storage needs, and information to support quality record keeping practice.</p>		
<b>How will these outcomes be measured and evaluated?</b>	<p>The Ministry will monitor the effectiveness of the initiatives through observing any changes in the queries it receives from the sector and from individuals, and through feedback provided through the proposed support network.</p>		
<b>Evidence and assumptions</b>	<p>Assumptions behind the development of the initiative:</p> <ul style="list-style-type: none"> <li>• Work underway to respond to the Royal Commission’s findings and recommendations will result in a significant increase in both the volume of records that the education sector is required to keep, and the length of time that they should be kept for.</li> <li>• 9(2)(f)(iv)</li> <li>• [REDACTED]</li> <li>• [REDACTED]</li> <li>• [REDACTED]</li> </ul>		
<b>Climate impact</b>	<input checked="" type="checkbox"/> Yes – emissions impacts (positive or negative)	<input type="checkbox"/> Yes – climate adaptation or resilience impacts (positive or negative)	<input type="checkbox"/> No impact
	9(2)(f)(iv) [REDACTED]		

## Appendix Three – Vote Social Development: Supporting disability support service providers

### Section 3: Costs and Benefits Analysis

Section 3A: Benefits and non-fiscal costs						
The answer to each question must not exceed 1-2 paragraphs.						
<b>What outcome(s) would the initiative achieve?</b>	Improved accountability and opportunity for external scrutiny of disability support service provision. For disability support service providers success will be clear understanding and implementation of best practice in relation to record keeping by providers and their employees.					
<b>How will these outcomes be measured and evaluated?</b>	A formal evaluation plan has not yet been developed, but will include consultation with disability support service providers. Achievement of understanding and implementation will be tested through sampling of records during existing audit processes.					
<b>Evidence and assumptions</b>	This proposal will require: development of best practice guidelines with stakeholder and community involvement, dissemination of the guidance, and socialisation of the guidance with providers.					
<b>Climate impact</b>	<input type="checkbox"/>	Yes – emissions impacts (positive or negative)	<input type="checkbox"/>	Yes – climate adaptation or resilience impacts (positive or negative)	<input checked="" type="checkbox"/>	No impact
Section 3B: Expenditure profile and cost breakdown						
The answer to each question must not exceed 1-2 paragraphs.						
<b>Formula and assumptions underlying costings</b>						
Provide a breakdown of existing and additional funding sought by individual expense category and agency. Add additional rows as appropriate for additional expense categories.						
Operating expenses (\$m)						
Existing operating funding (\$m)						
Operating expense category	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
[Type of funding currently allocated or set aside in contingency. E.g. current baseline funding allocated.] [Agency / Crown Entity etc.]	[•]	[•]	[•]	[•]	[•]	[•]
Operating costs associated with initiative (\$m)						
Operating expense category	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
[Name of any operating expense category for additional funding]	[•]	[•]	[•]	[•]	[•]	[•]

<i>sought. E.g. additional subsidy costs] – [Agency / Crown Entity etc.]</i>						
Inflation adjustment for <i>[insert input] – [Agency / Crown Entity etc.]</i>	[●]	[●]	[●]	[●]	[●]	[●]
Depreciation and/or capital charge (if relevant) – <i>[Agency / Crown Entity etc.]</i>	[●]	[●]	[●]	[●]	[●]	[●]
<b>Personnel expenditure (\$m) – please state impact at the initiative level</b>						
Net FTE funding	[●]	[●]	[●]	[●]	[●]	[●]
Net contractor/consultant funding	[●]	[0.500]	[●]	[●]	[●]	[●]
Net FTE and contractor/consultant overhead funding	[●]	[●]	[●]	[●]	[●]	[●]
<b>Total operating expenses (\$m)</b>	[●]	[0.500]	[●]	[●]	[●]	[●]
*Extend the profile above to a “steady state” if funding into outyears is irregular. Delete “& outyears” for time-limited funding.						
<b>FTE implications – please state impact at the agency level</b>						
	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29 &amp; outyears</b>	
Total # of net FTEs at <i>[Agency / Crown Entity / etc.]</i> (employees)	[●]	[●]	[●]	[●]	[●]	
Total # of net FTEs at <i>[Agency / Crown Entity / etc.]</i> (contractors/consultants)	[●]	[●]	[●]	[●]	[●]	
<b>Total # of net FTEs (employees and contractors/consultant) over the forecast period</b>	[●]	[●]	[●]	[●]	[●]	
<b>Additional occupation breakdown of FTE changes (count) over the forecast period</b>						
<b>Occupation</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29 &amp; outyears</b>	
Managers	[●]	[●]	[●]	[●]	[●]	
Policy Analyst	[●]	[●]	[●]	[●]	[●]	
Information Professionals	[●]	[●]	[●]	[●]	[●]	
Social, Health and Education Workers	[●]	[●]	[●]	[●]	[●]	
ICT Professionals and Technicians	[●]	[●]	[●]	[●]	[●]	
Legal, HR and Finance Professionals	[●]	[●]	[●]	[●]	[●]	

Other Professionals not included elsewhere	[•]	[•]	[•]	[•]	[•]
Inspectors and Regulatory Officers	[•]	[•]	[•]	[•]	[•]
Contact Centre Workers	[•]	[•]	[•]	[•]	[•]
Clerical and Administrative Workers	[•]	[•]	[•]	[•]	[•]
Other Occupations	[•]	[•]	[•]	[•]	[•]

**Would funding this initiative impact current employees?**

**Existing capital funding (\$m)**

Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
<i>[Type of funding currently allocated or set aside in contingency. E.g. current baseline funding allocated.] - [Agency / Crown Entity etc.]</i>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]

**Capital costs associated with initiative (\$m)**

Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
<i>[Name of capital expense category] - [Agency / Crown Entity etc.]</i>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<i>[Name of capital expense category] - [Agency / Crown Entity etc.]</i>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<i>[Name/type of contingency] - [Agency / Crown Entity etc.]</i>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Total (\$m)</b>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]

\*Extend the profile above if funding is needed beyond 2033/34.

**Section 3C: Scaled and/or Reprioritisation Options to meet 75%, 50% and 25%**

**Operating expenses (\$m)**

Operating expenses and reprioritisation (\$m)	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
<i>[Total cost of full or scaled option]</i>	[•]	[•]	[•]	[•]	[•]	[•]
<i>[Reprioritisation Option – please state the corresponding initiative ID and Title]</i>	[•]	[•]	[•]	[•]	[•]	[•]
<b>Net Total (\$m) – 75%</b>	[•]	[•]	[•]	[•]	[•]	[•]

[Total cost of full or scaled option]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
[Reprioritisation Option – please state the corresponding initiative ID and Title]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Net Total (\$m) – 50%</b>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
[Total cost of full or scaled option]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
[Reprioritisation Option – please state the corresponding initiative ID and Title]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Net Total (\$m) – 25%</b>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Capital expenses (\$m)											
Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
[Name of capital expense category]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
[Name of capital expense category]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
[Name/type of contingency]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Total (\$m)	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
*Extend the profile above if funding is needed beyond 2032/33.											
<b>Scaling of initiative</b>	Scaling of the initiative is not feasible. It is not possible to partially produce good practice guidance and reducing the cost of implementation will result in poor uptake and reduced effectiveness of the initiative.										
<b>What are the main risks of the options presented above?</b>											

## Section 4: Delivery

### Section 4A: Procurement

The answer to each question must not exceed 1-2 paragraphs.

<b>What is the initiative purchasing/funding?</b>	<p>The purchase would be a contract for service following the Government Rules of sourcing processes, to deliver good practice guidance on record keeping. This would require:</p> <ul style="list-style-type: none"> <li>• Initial engagement with stakeholders and the disability sector</li> <li>• development of an initial draft</li> <li>• a small consultation process on the draft document</li> <li>• publication of the final guidance in an updateable electronic form</li> <li>• development of an implementation plan for dissemination and socialisation of the guidance to providers and the disability community</li> </ul> <p>Auditing of performance against the guidance would be part of ongoing audit processes and is not part of this bid.</p>
<b>What market constraints or other delivery risks exist?</b>	No market constraints have been identified. There are a range of providers who could deliver this service.

<b>Government Procurement Rules</b>	The procurement approach would follow the Government procurement rules.
<b>Section 4B: Risks, constraints, and dependencies</b>	
The answer to each question must not exceed 1-2 paragraphs	
<b>What are the main risks?</b>	There are no identified risks for this improvement initiative. No revenue will be generated through its implementation.
<b>What are the key constraints?</b>	No constraints identified
<b>What are the key dependencies?</b>	No dependencies identified
<b>Section 4C: Governance and oversight</b>	
The answer to each question must not exceed 1-2 paragraphs.	
<b>What are the governance arrangements for this initiative?</b>	The Governance for this initiative will be through existing Ministry of Social Development's DSS Governance arrangements for Quality . The contractors providing service will report to the GM Quality DSS. Stakeholders including providers, the disability community (including tāngata whaikaha Māori) will be included in developmental and implementation consultation.
<b>Timeframes and monitoring</b>	To be confirmed following indication of potential progression of the initiative.
<b>Section 4D: Demonstrating performance</b>	
The answer to each question must not exceed 1-2 paragraphs.	

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<b>Appendix 11.0</b>
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## Annex 1: Budget 2025 Cost Pressures and New Spending Template

### Section 1: Overview

Section 1A: Basic initiative information										
<b>Initiative title</b> (max 120 characters)	Crown Response Office (time limited operating funding)									
<b>Lead Minister</b>	Lead Coordination Minister for the Government's Response to the Royal Commission's Report into Historical Abuse in State Care and in the Care of Faith-based Institutions	<b>Agency</b>	Public Service Commission (Crown Response Office)							
<b>Initiative description</b> (max 800 characters)	This initiative provides funding for the Crown Response Office to drive the implementation of the work programme arising from the Royal Commission, with functions that include monitoring and oversight, survivor engagement, legal services, advisory, and on-going departmental needs.									
<b>Priority Area (PA) Objective</b>	<input checked="" type="checkbox"/> New Spending Commitments	<input type="checkbox"/> Capital Investments								
	<input type="checkbox"/> Cost Pressures	<input type="checkbox"/> Capital Cost Escalation								
	<input type="checkbox"/> Performance Plan Scrutiny									
<b>Is this a cross-Vote initiative?</b>	No	No								
<b>Does this require legislative change?</b>	No									
<b>Agency contact</b>	Name: Molly Elliott Phone: 9(2)(a) Email: Molly.Elliott019@msd.govt.nz		<b>Treasury contact (Vote Analyst)</b>	Name: Talei Pasikale Phone: 9(2)(a) Email: Talei.Pasikale@treasury.govt.nz						
Section 1B: Summary of funding profile										
Operating costs associated with initiative (\$m)										
2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total					
-	15.58	14.29	-	-	29.87					
*For irregular outyears, add additional rows above to display the full profile of the initiative. Delete "& outyears" for time-limited funding. See the Budget 2025 Uploading Initiatives to CFISnet for more information on entering outyears into CFISnet.										
Capital costs associated with initiative (\$m)										
24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	31/32	33/34*	Total
-	-	-	-	-	-	-	-	-	-	-
*Extend the profile above if funding is needed beyond 2033/34.										

**Section 2: Alignment and options analysis**

There are **specific sections to complete based on the PA Objective of the Initiative** (feel free to delete non-relevant sections of the template):

- *Cost Pressures, Capital Cost Escalations and Performance Plan Scrutiny: Section 2A and 2C*
- *New Spending Commitments and Capital Investments: Section 2B and 2C*

Section 2B: Problem definition – New Spending					
The answer to each question must not exceed 1-2 paragraphs					
<b>What is the problem that this initiative is trying to solve and why does it need to be solved now?</b>	<p>In September 2024, Cabinet agreed to establish a Crown Response Office (CRO) to drive the implementation of the work programme arising from the Royal Commission of Inquiry into Abuse in Care (the Royal Commission) [CAB-24-MIN-0331 refers]. The Crown Response Office (CRO) is not funded past 30 June 2025.</p> <p>In November 2024, the CRO was established through the transfer of relevant functions from the Crown Response Unit [CAB-24-MIN-0331 refers] to lead the coordination of the Government’s response to the Royal Commission, including the initial development of a new redress system and the associated policy decisions.</p> <p>This Budget Bid seeks two-years of operational funding, to support the Government’s response to the Royal Commission. \$29.87 million is sought over two years.</p> <p>The Public Service Commission and Treasury have been engaged in the development of the Crown Response Office (time limited funding) budget bid. The wider Crown Response package of bids is a multi-agency, multi-initiative budget bid, coordinated by the CRO.</p>				
<b>Alignment to Government Priorities</b> (if alignment to multiple Priorities is possible, select the most relevant)	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"><input type="checkbox"/> Addressing the rising cost of living</td> <td style="width: 50%;"><input checked="" type="checkbox"/> Delivering effective and fiscally sustainable public services</td> </tr> <tr> <td><input type="checkbox"/> Building for growth and enabling private enterprise</td> <td><input type="checkbox"/> Not Aligned</td> </tr> </table> <p>The CRO drives and co-ordinates the implementation of the work programme arising from the Government’s response to the Royal Commission.</p>	<input type="checkbox"/> Addressing the rising cost of living	<input checked="" type="checkbox"/> Delivering effective and fiscally sustainable public services	<input type="checkbox"/> Building for growth and enabling private enterprise	<input type="checkbox"/> Not Aligned
<input type="checkbox"/> Addressing the rising cost of living	<input checked="" type="checkbox"/> Delivering effective and fiscally sustainable public services				
<input type="checkbox"/> Building for growth and enabling private enterprise	<input type="checkbox"/> Not Aligned				
<b>Does this initiative relate to one of the Government’s focus areas for Budget 2025?</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"><input type="checkbox"/> Economic Growth (invitation only)</td> <td style="width: 50%;"><input checked="" type="checkbox"/> Not Applicable</td> </tr> </table>	<input type="checkbox"/> Economic Growth (invitation only)	<input checked="" type="checkbox"/> Not Applicable		
<input type="checkbox"/> Economic Growth (invitation only)	<input checked="" type="checkbox"/> Not Applicable				
Section 2C: Options analysis					
The answer to each question must not exceed 1-2 paragraphs					
<b>What was the range of options considered?</b>	This Budget Bid considers scaled options for funding the CRO to deliver Cabinet directives and Government priorities on the response plan.				
<b>What was the process used to select the preferred option?</b>	<p>Consideration has been given to the fiscally constrained environment the wider public sector is operating in, and the need for pace and delivery have been balanced with fiscal responsibility.</p> <p>Consideration has also been given to the high expectations among survivors and the public for a meaningful and urgent response from the Crown. This reflects the long-standing nature of concerns around survivor access to justice, the high-profile nature of the Royal Commission, and the adverse commentary the Royal Commission has made about existing abuse claims processes.</p>				
<b>Interaction with savings proposals</b>	The CRO was not required to submit savings proposals as it has no funding beyond FY2024/25 to return.				

**Section 3: Costs and Benefits Analysis**

*All initiatives need to complete section 3A and 3B.*

*All initiatives except those submitted by:*

- *agencies provided with an envelope, or*
  - *economic growth initiatives that are asked to provide a fiscally neutral option*
- are required to complete section 3C.*

**Section 3A: Benefits and non-fiscal costs**

The answer to each question must not exceed 1-2 paragraphs.

<p><b>What outcome(s) would the initiative achieve?</b></p>	<p>Funding for the CRO will drive the implementation of the work programme arising from the Royal Commission, with functions [CAB-24-MIN-0331 refers] that include:</p> <ul style="list-style-type: none"> <li>• Advising on policy, legislative change and redress design, and working closely with the Treasury on investment advice;</li> <li>• Engaging closely with stakeholders, including survivors, and providing secretariat support to relevant reference groups, as required;</li> <li>• Supporting government decisions to deliver and implement its plan for responding to the Royal Commission recommendations, for improvements to redress;</li> <li>• Coordinating, monitoring and reporting on implementation of recommendations and Cabinet decisions across government; and</li> <li>• Providing secretariat support for the Group of responsible Chief Executives with accountabilities established through the response plan.</li> </ul> <p>Outcomes<sup>1</sup> achieved include:</p> <ul style="list-style-type: none"> <li>• ensuring safety for people in the care system (improvements to the care system), and</li> <li>• addressing the wrongs of the past through the establishment of a new redress system.</li> </ul> <p>Improved redress is a key commitment in the Government's public apology to survivors of abuse in care.</p> <p>It is intended that the Crown will engage with and consider the needs of groups over-represented in care and as survivors of abuse. In particular, Māori, Pacific, Deaf, and disabled peoples.</p> <p>The funding will also deliver a National Remembrance Day in November 2025 as agreed by Cabinet and announced as part of the apology (refer SOU-24 – MIN-0129).</p>						
<p><b>How will these outcomes be measured and evaluated?</b></p>	<p>One of the key roles of the CRO is to enable accountability by establishing and coordinating a clear plan, providing monitoring and assurance of agencies' activities, and communicating regularly with relevant agency Chief Executives [CAB-24-MIN-0331 refers]. Budget sought through this bid will enable the CRO to:</p> <ul style="list-style-type: none"> <li>• establish and implement centralised monitoring and oversight of the Government's abuse in care response plan; and</li> <li>• Provide in-house capability and capacity to coordinate and support centralised oversight, monitoring and reporting on cross-agency progress in implementing the response plan.</li> </ul>						
<p><b>Evidence and assumptions</b></p>	<p>The CRO funding will enable monitoring and evidence of success of the improvements to the care system and improved survivor redress outcomes.</p>						
<p><b>Climate impact</b></p>	<table border="1"> <tr> <td data-bbox="454 1339 778 1473"> <input type="checkbox"/> Yes – emissions impacts (positive or negative)                 </td> <td data-bbox="778 1339 1098 1473"> <input type="checkbox"/> Yes – climate adaptation or resilience impacts (positive or negative)                 </td> <td data-bbox="1098 1339 1420 1473"> <input checked="" type="checkbox"/> No impact                 </td> </tr> <tr> <td colspan="3" data-bbox="454 1473 1420 1516"> <p>No impact</p> </td> </tr> </table>	<input type="checkbox"/> Yes – emissions impacts (positive or negative)	<input type="checkbox"/> Yes – climate adaptation or resilience impacts (positive or negative)	<input checked="" type="checkbox"/> No impact	<p>No impact</p>		
<input type="checkbox"/> Yes – emissions impacts (positive or negative)	<input type="checkbox"/> Yes – climate adaptation or resilience impacts (positive or negative)	<input checked="" type="checkbox"/> No impact					
<p>No impact</p>							

<sup>1</sup> Refer to related budget bids in CRO's Budget '25 package

**Section 3B: Expenditure profile and cost breakdown**

The answer to each question must not exceed 1-2 paragraphs.

Description	FY25/26	FY26/27	Total
	\$'million	\$'million	\$'million
<b>Crown Response Office kaimahi costs</b>			
Monitoring and assurance	1.33	1.36	2.68
Stakeholder engagement	2.22	2.26	4.48
Policy	3.60	3.68	7.28
Legal Services	0.26	0.27	0.53
Executive support and corporate services	1.54	1.57	3.10
Executive leadership	0.74	0.75	1.49
National Remembrance Day and associated actions	9(2)(f)(iv)		
<b>Subtotal</b>	<b>9.98</b>	<b>9.89</b>	<b>19.87</b>
<b>Crown Response Office other costs</b>			
General legal advice (Crown Law or other) and litigation costs	0.80	0.82	1.62
Engagement costs	0.75	0.76	1.51
National Remembrance Day and associated actions	9(2)(f)(iv)		
Other Operating costs	0.83	0.85	1.68
Overheads	1.92	1.97	3.89
<b>Subtotal</b>	<b>5.59</b>	<b>4.40</b>	<b>9.99</b>
<b>Total</b>	<b>15.58</b>	<b>14.29</b>	<b>29.87</b>

The CRO is estimating an efficiency underspend from the public apology in FY24/25 of approximately 9(2)(f)(iv). This underspend could be transferred to FY25/26 to deliver the National Day of Remembrance in November 2025 (refer SOU-24 – MIN-0129).

An amount has been included in overhead costs for IT equipment that may need to be purchased in FY24/25 due to the move to a new host agency. These costs may be treated as fixed assets.

Provide a breakdown of existing and additional funding sought by individual expense category and agency. Add additional rows as appropriate for additional expense categories.

**Operating expenses (\$m)**

**Existing operating funding (\$m)**

Operating expense category	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
FTE costs	8.23					
Operating costs	1.91					
Overheads	0.71					

**Operating costs associated with initiative (\$m)**

Operating expense category	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
Operating costs	-	3.53	2.28	-	-	5.81

**Personnel expenditure (\$m) – please state impact at the initiative level**

Net FTE funding	-	9.98	9.89	-	-	19.87
Net contractor/consultant funding	-	0.15	0.15	-	-	0.30
Net FTE and contractor/consultant overhead funding	-	1.92	1.97	-	-	3.89
<b>Total operating expenses (\$m)</b>	<b>-</b>	<b>15.58</b>	<b>14.29</b>	<b>-</b>	<b>-</b>	<b>29.87</b>

\*Extend the profile above to a "steady state" if funding into outyears is irregular. Delete "& outyears" for time-limited funding.

**FTE implications – please state impact at the agency level**

SENSITIVE

	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears
Total # of net FTEs at [Agency / Crown Entity / etc.] (employees)	-	59.0	57.0	-	-
Total # of net FTEs at [Agency / Crown Entity / etc.] (contractors/consultants)	-	0.5	0.5	-	-
<b>Total # of net FTEs (employees and contractors/consultant) over the forecast period</b>	-	59.5	57.5	-	-

**Additional occupation breakdown of FTE changes (count) over the forecast period**

Occupation	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears
Managers	-	5	5	-	-
Policy Analyst	-	20	20	-	-
Information Professionals	-	13	13	-	-
Social, Health and Education Workers	-	-	-	-	-
ICT Professionals and Technicians	-	-	-	-	-
Legal, HR and Finance Professionals	-	3	3	-	-
Other Professionals not included elsewhere	-	15	13	-	-
Inspectors and Regulatory Officers	-	2	2	-	-
Contact Centre Workers	-	-	-	-	-
Clerical and Administrative Workers	-	1	1	-	-
Other Occupations	-	-	-	-	-

**Would funding this initiative impact current employees?** Employment agreements for current employees are a combination of secondments from other government agencies or fixed term employment, due to expire on 30 June 2025.  
 Any funding confirmed through this Budget process will allow the continued operation of the CRO, with core FTE to deliver the Crown's response to the Royal Commission. This will likely be a combination of new and current employees. Multiyear funding provides stability and predictability, enabling the CRO to secure resources for the programme.  
 Any reduction in funding will negatively impact FTE numbers and ability to deliver initiatives.

**Existing capital funding (\$m)**

Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
[Type of funding currently allocated or set aside in contingency. E.g. current baseline funding allocated.] - [Agency / Crown Entity etc.]	-	-	-	-	-	-	-	-	-	-	-

Capital costs associated with initiative (\$m)											
Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
[Name of capital expense category] - [Agency / Crown Entity etc.]	-	-	-	-	-	-	-	-	-	-	-
[Name of capital expense category] - [Agency / Crown Entity etc.]	-	-	-	-	-	-	-	-	-	-	-
[Name/type of contingency] - [Agency / Crown Entity etc.]	-	-	-	-	-	-	-	-	-	-	-
<b>Total (\$m)</b>	-	-	-	-	-	-	-	-	-	-	-

\*Extend the profile above if funding is needed beyond 2033/34.

**Section 3C: Scaled and/or Reprioritisation Options to meet 75%, 50% and 25%**

Operating expenses (\$m)

Operating expenses and reprioritisation (\$m)	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
[Total cost of full or scaled option]	-	12.09	11.13	-	-	23.21
[Reprioritisation Option – please state the corresponding initiative ID and Title]	-	-	-	-	-	-
<b>Net Total (\$m) – 75%</b>	-	12.09	11.13	-	-	23.21
[Total cost of full or scaled option]	-	5.85	5.16	-	-	11.00
[Reprioritisation Option – please state the corresponding initiative ID and Title]	-	-	-	-	-	-
<b>Net Total (\$m) – 50%</b>	-	5.85	5.16	-	-	11.00
[Total cost of full or scaled option]	-	2.20	1.85	-	-	4.05
[Reprioritisation Option – please state the corresponding initiative ID and Title]	-	-	-	-	-	-
<b>Net Total (\$m) – 25%</b>	-	2.20	1.85	-	-	4.05

Capital expenses (\$m)

Capital expense category	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34*	Total
[Name of capital expense category]	-	-	-	-	-	-	-	-	-	-	-
[Name of capital expense category]	-	-	-	-	-	-	-	-	-	-	-
[Name/type of contingency]	-	-	-	-	-	-	-	-	-	-	-
<b>Total (\$m)</b>	-	-	-	-	-	-	-	-	-	-	-

\*Extend the profile above if funding is needed beyond 2032/33.

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Scaling of initiative

Scaling options for this part of the package (75%, 50% and 25%) are proposed.

The primary impact of scaling is a reduction in FTE and the ability to complete the Government's priorities and within desired timeframes. Scaling impacts reduce headcount and activities, both for the CRO and across the wider Crown Response agencies, as described below. If scaling impacts FTE and initiatives, some may need to be required to be picked up in other agency budgets, which may impact agency priorities.

75% Scaled option:

Scaled	Budget 75%	Budget 75%	Budget 75%
Description	FY25/26	FY26/27	Total
Crown Response Office kaimahi costs	\$'million	\$'million	\$'million
Monitoring and assurance	1.15	1.18	2.33
Stakeholder engagement	1.16	1.19	2.36
Policy	3.12	3.19	6.32
Legal Services	0.26	0.27	0.53
Executive support and corporate services	0.74	0.75	1.49
Executive leadership	1.20	1.22	2.42
National Remembrance Day and associated actions	0.31	-	0.31
<b>Subtotal</b>	<b>7.95</b>	<b>7.81</b>	<b>15.75</b>
<b>Crown Response Office other costs</b>			
General legal advice (Crown Law or other) and litigation costs	0.80	0.82	1.62
Engagement costs	0.33	0.34	0.66
National Remembrance Day and associated actions	0.89	-	0.89
Other Operating costs	0.64	0.66	1.30
Overheads	1.47	1.51	2.98
<b>Subtotal</b>	<b>4.14</b>	<b>3.32</b>	<b>7.46</b>
<b>Total</b>	<b>12.09</b>	<b>11.13</b>	<b>23.21</b>

- Capacity to support agencies response halved
- Survivor engagements halved
- No external engagements held face-to-face (all online)
- Skeleton CRO engagement staff
- Reduced governance support
- Reduced contract support
- Delivery of National Remembrance Day initiatives have been scaled by 25%
- Total FTE reduced to 44 in year 1, 42 in year 2

50% Scaled option:

Scaled	Budget 50%	Budget 50%	Budget 50%
Description	FY25/26	FY26/27	Total
Crown Response Office kaimahi costs	\$'million	\$'million	\$'million
Monitoring and assurance	0.52	0.53	1.05
Stakeholder engagement	-	-	-
Policy	1.80	1.84	3.65
Legal Services	-	-	-
Executive support and corporate services	0.34	0.35	0.69
Executive leadership	0.41	0.42	0.84
National Remembrance Day and associated actions	0.31	-	0.31
<b>Subtotal</b>	<b>3.38</b>	<b>3.14</b>	<b>6.52</b>
<b>Crown Response Office other costs</b>			
General legal advice (Crown Law or other) and litigation costs	0.80	0.82	1.62
Engagement costs	0.23	0.24	0.47
National Remembrance Day and associated actions	0.49	-	0.49
Other Operating costs	0.25	0.26	0.51
Overheads	0.68	0.70	1.38
<b>Subtotal</b>	<b>2.46</b>	<b>2.01</b>	<b>4.48</b>
<b>Total</b>	<b>5.85</b>	<b>5.16</b>	<b>11.00</b>

- No additional capacity to support agencies
- Minimal external engagement
- Minimal executive support
- No contract support
- Delivery of National Remembrance Day initiatives have been scaled by 50%
- Total FTE reduced to 19 in year 1, 17 in year 2

25% Scaled option:

Scaled	Description	Budget 25%	Budget 25%	Budget 25%
		FY25/26 \$'million	FY26/27 \$'million	Total \$'million
<b>Crown Response Office kaimahi costs</b>				
	Monitoring and assurance	0.52	0.53	1.05
	Stakeholder engagement	-	-	-
	Policy	-	-	-
	Legal Services	0.44	0.45	0.88
	Executive support and corporate services	0.41	0.42	0.84
	Executive leadership	0.10	0.11	0.21
	<b>Subtotal</b>	<b>1.47</b>	<b>1.50</b>	<b>2.97</b>
<b>Crown Response Office other costs</b>				
	General legal advice (Crown Law or other) and litigation costs	-	-	-
	Engagement costs	-	-	-
	National Remembrance Day and associated actions	0.40	-	0.40
	Other Operating costs	0.11	0.11	0.22
	Overheads	0.22	0.23	0.45
	<b>Subtotal</b>	<b>0.73</b>	<b>0.34</b>	<b>1.07</b>
	<b>Total</b>	<b>2.20</b>	<b>1.85</b>	<b>4.05</b>

- No Crown Response Office – just basic monitoring & assurance function, minimal policy and secretariat functions. The functions would need to be fully serviced and supported by the host agency.
- Minimal delivery. National Remembrance Day initiatives have been scaled by 75%
- Total FTE reduced to 8.

What are the main risks of the options presented above?

There are options to scale the funding request and we recommend that these are considered alongside the decisions Ministers are expected to make in relation to the scope of any new redress system (including the nature of a new redress entity, and what redress will be delivered through the system), care system safety package, and overall plan for responding to the Royal Commission recommendations. The outcomes of these decisions will impact on the nature and costs of the capability required to deliver.

The main risk of the options presented above is that they will impact the Crown Response Office's ability to coordinate and drive the implementation of the work programme arising from the Royal Commission.

- The 75% option reduces the capacity of CRO to support agencies to lead cross-agency work which may impact the pace and scale of the development and delivery of advice. The reduced engagements with survivors and other stakeholder groups may negatively impact the expectations of survivors and the input received from survivors which forms advice. Other functions i.e. governance and contract support will also be limited.
- The 50% option would result in a significantly reduced capacity to drive the government response. There would be no capacity to support other agencies, and engagement with survivors/stakeholders will be reactive rather than proactive with only a small number of engagements held. The host agency is unlikely to have capacity to contribute to the delivery of CRO function
- The 25% option would result in only a basic monitoring & assurance function, minimal policy and secretariat functions. The result would be no Crown Response Office to undertake the work mandated to deliver the Government's priorities.

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**Section 4: Delivery**

There are **specific sections to complete based on the PA Objective of the Initiative** (feel free to delete non-relevant sections of the template):

- *Cost Pressures, Capital Cost Escalations and Performance Plan Scrutiny: Section 4A and 4D*
- *New Spending Commitments and Capital Investments: All sections*

Section 4A: Procurement	
The answer to each question must not exceed 1-2 paragraphs.	
<b>What is the initiative purchasing/funding?</b>	<p>The CRO is funded until 30 June 2025. This Budget Bid seeks funding for two-years of operation, to drive the implementation of the work programme arising from the Royal Commission as described in section 2B.</p> <p>Funding is predominantly for FTE, covering both general and specialist functions – policy development and analysis, legal services, monitoring, reporting and oversight, engagement with survivors and other relevant stakeholders, corporate services and ministerial support.</p> <p>The other costs are:</p> <ul style="list-style-type: none"> <li>• Overheads, which includes: <ul style="list-style-type: none"> <li>○ overhead costs, that in previous years, were covered by Oranga Tamariki as our host agency. These costs cannot be absorbed by the Public Service Commission, as our new host. This includes paying for desk space, phone and laptop plans and equipment, IT licences and helpdesk and payroll support services; and</li> <li>○ An increase in overhead recovery costs sought by the Public Service Commission for an estimated increase in audit fees and for general corporate service support</li> </ul> </li> <li>• Operating costs: <ul style="list-style-type: none"> <li>○ to pay fees for members of formal groups and other associated costs to host meeting or engagement events; and</li> <li>○ legal services provided by the Crown Law Office, or an external provider.</li> </ul> </li> </ul>
<b>What market constraints or other delivery risks exist?</b>	<p>There are some employment market constraints for retaining and recruiting appropriately skilled and experienced personnel. However, the strong service-focussed nature of the work can help alleviate some of the general employment pressures.</p> <p>There is a delivery risk that government agencies may be unable to contribute sufficiently to the response to the Royal Commission due to competing priorities and/or resource constraints. This bid seeks funding to enable secondments of expert staff into the CRO, or alternatively, support agencies to lead cross-agency work.</p>
<b>Government Procurement Rules</b>	Will be undertaken in line with Government Procurements, Principles, Rules and related guidance.
Section 4B: Risks, constraints, and dependencies	
The answer to each question must not exceed 1-2 paragraphs	
<b>What are the main risks?</b>	<p>There is a risk that without certainty of (time-limited) funding, additional employment market constraints will apply for retaining and recruiting appropriately skilled and experienced personnel. However, the strong service-focussed nature of the work can help alleviate some of the general employment pressures.</p> <p>There is a delivery risk that government agencies may be unable to contribute sufficiently to the response to the Royal Commission due to competing priorities and/or resource constraints. This bid seeks funding to enable secondments of expert staff into the CRO, or alternatively, support agencies to lead cross-agency work.</p>
<b>What are the key constraints?</b>	Availability of appropriately skilled and experienced capability in the market and time it takes to bring new resources up to required knowledge levels and the inability to 'turn skills on and off' in short terms.
<b>What are the key dependencies?</b>	<p>Work programme initiatives are dependent on decisions Ministers are expected to make in relation to the scope of any new redress system (including the nature of a new redress entity, and what redress will be delivered through the system), care system safety package, and overall plan for responding to the Royal Commission recommendations.</p> <p>Additional dependencies exist in relation to ability for care system agencies to respond in a timely manner to implement initiatives related to the implementation of the Royal Commission.</p>

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**Section 4C: Governance and oversight**

The answer to each question must not exceed 1-2 paragraphs.

<b>What are the governance arrangements for this initiative?</b>	<p>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 is Hon Minister Erica Stanford.</p> <p>The overall response plan is overseen by individual Ministers responsible for their portfolios and where there is an overlap of responsibilities and/or interdependencies and integration with the Crown Response priorities and initiatives.</p> <p>This is enabled by the Crown Response Chief Executives Group who support Ministers to ensure individual and joint agency accountability by:</p> <ul style="list-style-type: none"> <li>• establishing a clear plan</li> <li>• monitoring agencies’ progress on their actions</li> <li>• communicating regularly with relevant agency chief executives.</li> </ul> <p>The group is chaired by a Deputy Public Service Commissioner of the Public Service Commission.</p> <p>This bid also seeks funding to establish an independent reference or advisory group to provide oversight and monitoring advice to Ministers.</p> <p>Stakeholder reference groups may also be convened to provide stakeholder insights to individual work packages.</p>
<b>Timeframes and monitoring</b>	<p>Regular reporting on the CRO initiatives will be provided to both Minister and the Chief Executive Group, along with regular monitoring and assurance of the Crown’s overall response to the Royal Commission.</p>

**Section 4D: Demonstrating performance**

The answer to each question must not exceed 1-2 paragraphs.

The overall Crown Response to the Royal Commission is a new multi-agency package of initiatives, impacting both business as usual care settings/services and new redress.

Monitoring and assurance of the programme will be developed as part of the establishment of the CRO.

**Section 5: Equity**

*All initiatives need to complete this section.*

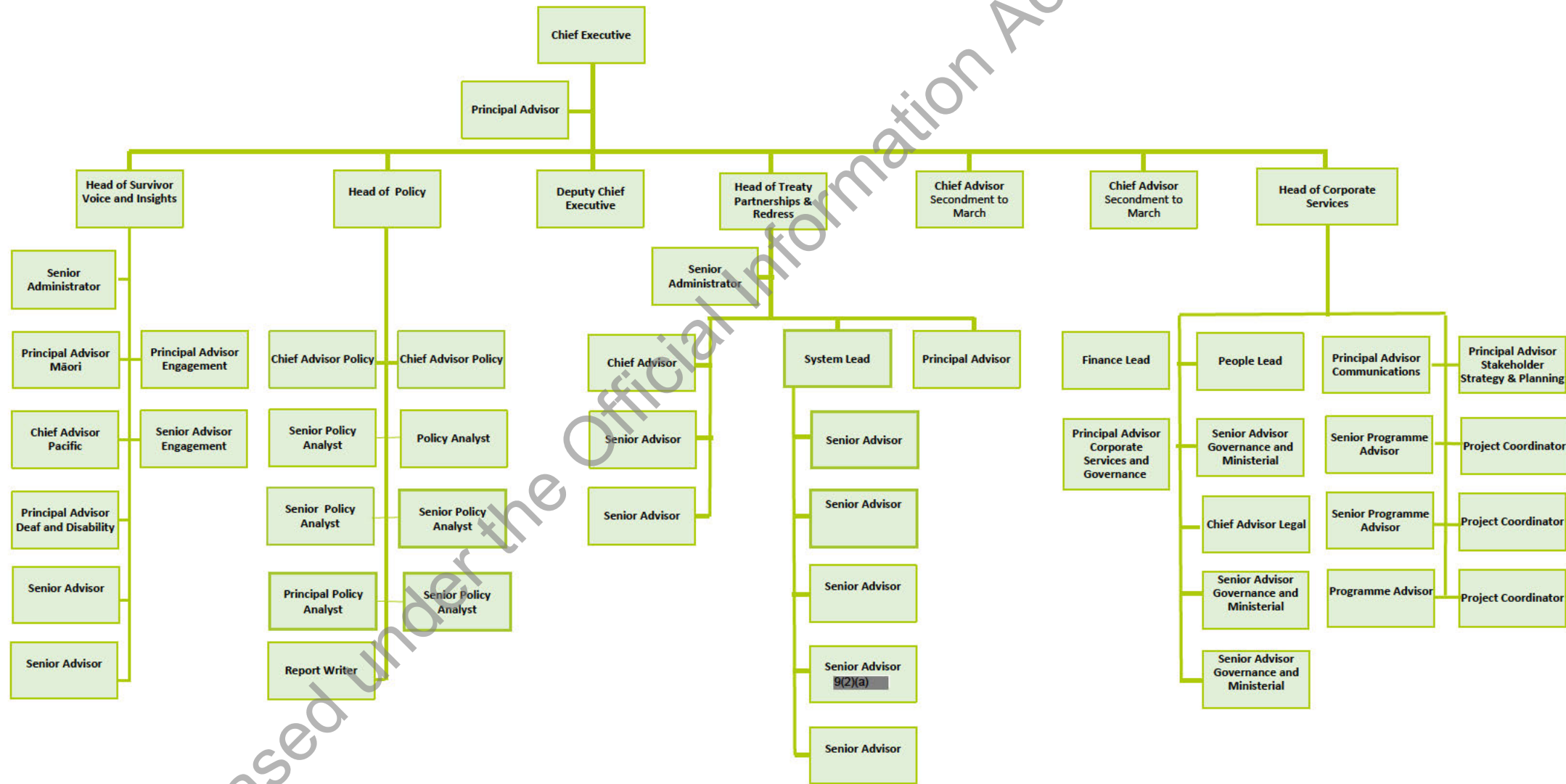
The answer to each question must not exceed 1-2 paragraphs.

<b>Timing of costs and benefits</b>	<p>The bulk of the cost will be incurred between FY25/26 and FY 26/27 as the time period for redress system design work and responding to the Royal Commission’s final report. Benefits are expected in out years, as new or improved redress and care services are accessed or experienced by survivors (for redress) and children and young people (for care services).</p>			
<b>Treaty of Waitangi (Te Tiriti o Waitangi) Obligations</b>	<b>Yes</b>	<p>There are Treaty implications for the work of the CRO as Māori have disproportionately experienced abuse in care, which has had compounding impacts on loss of language, identity, and belonging.</p> <p>Specific breaches of Crown obligations under the Treaty in relation to the care system have been acknowledged by Chief Executives of Crown agencies in the Royal Commission’s State institutional response hearings in 2022.</p> <p>There are no specific settlement implications directly relevant to the CRO.</p>		
		<p>The full Crown Response work programme includes improving the redress system for survivors of abuse in care and improvements to the care system, in which budget bids are being put forward as part of the CRO’s Budget ’25 package. The success of these bids will positively contribute to the Government meeting its Tiriti obligations and addressing acknowledged breaches.</p>		
<b>Specific implications regarding human rights</b>	<b>Yes</b>	<p>Abuse in State care represents a breach of human rights under the New Zealand Bill of Rights Act 1990 and Human Rights Act 1993 and can in some instances represent a breach of the Convention against Torture and Other Cruel, Inhuman and Degrading Treatment or Punishment. Redress seeks to address these breaches and help ensure the Government is providing an appropriate remedy under the Convention.</p>		
<b>Does the initiative have a larger impact on any of the following groups of New</b>	<i>Māori</i>	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	<i>Pasifika</i>	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	<i>Other minority ethnic groups</i>	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>

SENSITIVE

<b>Zealanders than on the population as a whole?</b>	<i>Rural Populations</i>	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	<i>Seniors</i>	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	<i>Disabled Peoples</i>	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	<i>Women and girls</i>	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	<i>Low-income individuals / families</i>	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
	<i>Children and Young People</i>	Yes - Positive <input checked="" type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input type="checkbox"/>
	<i>Other groups (please specify)</i>	Yes - Positive <input type="checkbox"/>	Yes - Negative <input type="checkbox"/>	No impact <input checked="" type="checkbox"/>
<b>Distributional Impacts</b>	<p>Māori have disproportionately experienced abuse in care, which has had compounding impacts on loss of language, identity, and belonging.</p> <p>As noted above the full Crown Response work programme is intended to improve health and wellbeing of survivors/mōrehu, and work towards more equitable access to services, achievement of outcomes, and access to opportunities.</p>			

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