



Te Kawa Mataaho

Public Service Commission

15 August 2025

9(2)(a) privacy

9(2)(a) privacy

Official Information Request

Our Ref: PSCR 2025-0566

I refer to our response to your OIA request dated 5 August 2025 where we advised we were preparing the documents relevant to your request, and that these would be released to you no later than 15 August 2025.

Information being released

Please find enclosed and listed in the table below the documents within scope of your request. Please note that item nine in the table below was identified in scope of your request subsequent to our original response being sent to you.

Item	Date	Document Description
1	22 November 2024	Briefing - Approach to developing a Budget 2025 package
2	27 November 2025	A3 - Approach to creating a package of initiatives for redress provision for submission to the Budget 25 process
3	28 November 2025	A3 - Approach to creating a package of Crown Response to Abuse in Care initiatives for submission to the Budget 25 process
4	3 December 2024	Briefing - Approach to creating a package of initiatives for redress provision for submission to the Budget 25 process
5	12 December 2024	Briefing - Preparing costings for a Crown Response Budget 2025 bid – Time limited funding for the proposed duration of the Crown Response Office
6	12 December 2024	Briefing - Placeholder Submission - Crown Response to Abuse in Care Budget '25 Package
7	12 December 2024	Annotated Agenda - For Meeting with MoF-Min Stanford 16 Dec

8	18 December 2024	Briefing - Updated information on the Crown Response Office component of the Crown Response Budget 2025 bid
9	15 January 2025	Briefing – For your input Budget '25 Crown Response to Abuse Package
10	17 January 2025	Briefing - For approval - Budget '25 Crown Response to Abuse Package
11	27 February 2025	Aide Memoire - Bilateral with Minister of Finance on Crown Response Budget '25 package
12	6 March 2025	A3 - Redress System Package – Alternative Scaling Options
13	14 March 2025	Briefing - Confirming the Crown Response Budget 2025 package
14	23 April 2025	Cover Note - Budget 2025 – Summary of initiatives document for publication
15	23 April 2025	Summary of Initiatives - Crown Response to the Royal Commission of Inquiry into Historical Abuse in State Care
16	13 May 2025	Briefing - Crown Response Work Programme and Summary of Budget '25 Package

As earlier advised, I have decided to release the documents listed above, subject to information being withheld under one or more of the following sections of the Official Information Act 1982 (OIA), as applicable:

- section 9(2)(a) – to protect the privacy of natural persons, including deceased people
- section 9(2)(f)(iv) – to maintain the current constitutional conventions protecting the confidentiality of advice tendered by Ministers and officials
- section 9(2)(g) – to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to Ministers of the Crown or members of an organisation or officers and employees of any public service agency or organisation in the course of their duty
- section 9(2)(h) – to maintain legal professional privilege

In addition, some information has been deleted where it is not within the scope of your request.

In making my decision, I have considered the public interest considerations in section 9(1) of the OIA.

If you wish to discuss this decision with us, please feel free to contact Enquiries@publicservice.govt.nz.

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 at www.ombudsman.parliament.nz or freephone 0800 802 602.

Please note that we intend to publish this letter (with your personal details removed and enclosed documents on the Te Kawa Mataaho Public Service Commission's website.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Nicky Dirks', with a stylized, cursive script.

Nicky Dirks

**Manager – Ministerial and Executive Services
Te Kawa Mataaho Public Service Commission**

Briefing



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

Approach to developing a Budget 2025 package			
Date:	22/11/2024	Security level:	
Priority:	High	Report number:	CRACI 24/091

Actions sought	
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	Agree to the proposed approach for developing a Budget 2025 package.

Contact for discussion			
Name	Position	Telephone	1 st contact
Rajesh Chhana	Chief Executive, Crown Response Office	9(2)(a)	
Molly Elliott	Chief Advisor to CE – Budget, Crown Response Office	9(2)(a)	✓

Agencies consulted
Treasury

Minister's office to complete

<input type="checkbox"/> Noted <input type="checkbox"/> Seen <input type="checkbox"/> See Minister's notes <input type="checkbox"/> Needs change <input type="checkbox"/> Overtaken by events <input type="checkbox"/> Declined <input type="checkbox"/> Referred to (specify) _____	Comments
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Briefing



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

Approach to developing a Budget 2025 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

Date: 22 November 2025

Security level:

Priority: High

Report number: CRACI 24/091

Purpose

1. This report seeks your agreement to a proposed approach for developing a Budget 2025 package. This approach includes a series of advice, decision making points, and collaboration process with Ministerial colleagues.

Recommendations

2. It is recommended that you:
 - a. **note** that you have been invited by the Minister of Finance to coordinate a Budget 2025 package
 - b. **note** a placeholder package with an estimated amount of funding is due on 23 December 2024, with the final package currently due on 18 January 2025
 - c. **agree** to the proposed approach for developing this package as outlined in Appendix Two.

YES / NO





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

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

22/11/2024

/ /

You have been invited to lead the development of a Budget '25 package

3. On Monday 18 November, you received a letter from the Minister of Finance inviting you to “coordinate the development of a package of survivor-focused initiatives requiring investment for Budget 2025” (the package). The letter is attached for your reference in Appendix One. This is a unique opportunity, as Budget 2025 is being developed in a tight fiscal environment and we understand that not many invites have been extended across Ministerial portfolios.
4. The package will need to be jointly developed and submitted with relevant Ministers responsible for historic claims and the care system. In particular, the Ministers for Social Development and Employment, Disability, Children, and Health, as well as you in your capacity as Minister for Education, will have Vote and operational responsibilities relevant to initiatives in the package. Joint package development and approvals will be required across relevant Vote Ministers.
5. The Minister of Finance’s letter to you outlines that initiatives may cover the following areas:
 - Out of scope
 - 
 - 
 - 
 - 
 - the establishment of the Crown Response Office.
6. You have been given an additional month to develop the package. A placeholder package is to be submitted on 23 December 2024 with final package deadline currently being 18 January 2025. We recommend requesting the Minister of Finance for a revised date of 24 January 2025 to allow time for joint Ministers’ approval after Wellington Anniversary Day on 20 January 2025.

This budget package is the primary mechanism to enable further delivery of the Crown Response and future redress system settings

7. We recommend maximising this opportunity to ensure there is multi-year sustainable funding model for the government redress system, and to support any further initiatives as part of the Crown’s full response to the Abuse in Care Inquiry.
8. As Lead Coordinating Minister, your responsibility will be to ensure the full package comes together to deliver on the intent of the Budget 2025 invitation and the Crown Response priorities of Government. However, portfolio Ministers and their supporting agencies, are responsible for confirming the details of budget initiatives within their Vote and operational responsibilities. In particular, it is anticipated that initiatives for “future proofing the care system” will primarily be led by care agencies and their Ministers, with coordinating support from the Crown Response Office.

The timeframes are extremely tight, therefore we recommend a process that first confirms costing assumptions with policy decisions to follow

9. To develop a strong and comprehensive Budget package, officials require indications from Ministers on the overarching set of assumptions to be used for financial costings. Given the

tight timeframes, and that not all policy decisions have been made, in particular regarding redress, we recommend a process that:

- between now and mid-December 2024, confirms options and assumptions that will be used to develop the financial costings; and
 - seeks Cabinet decisions across February and March 2025 to inform Budget Ministers' final Budget 2025 decisions.
10. We propose a series of briefings and decisions points for you and/or joint Ministers over the next three weeks. Ministers' engagement in this advice will be needed to ensure officials can accurately estimate the overall quantum of the package by 23 December 2024.
 11. It will be important to ensure that the amount of funding proposed in the Budget package is such that any subsequent policy decisions will only scale down (versus up) the financial investment required. We have discussed this approach with the Treasury. They are comfortable with what we have proposed and will be working closely with us on this work as it progresses.
 12. We seek your support to the approach and timeframes as outline in Appendix Two.

We recommend sending communications to relevant Ministers as soon as practicable, informing them of your approach

13. Once you have approved the approach, we recommend communicating your plan to relevant Ministers as soon as possible. Officials will work with your office to confirm the appropriate Ministers, and to draft a letter that includes the full timetable and milestones to meet budget deadlines.
14. Given the tight timeframes of this process, we recommend keeping the number of Ministers who need to agree on the package contained to necessary relevant Vote and portfolio Ministers.
15. There is a previously scheduled joint Ministers' meeting in the diary for 3 December, and we recommend keeping that and adding two additional meetings; one for the week of 16 December and one in January prior to the Budget submission deadline. These meetings will be important to confirm Ministers are on the same page regarding the approach to the Budget process and the components of the package.
16. We have informed the Chief Executive Group members of the tight timeframes and will work closely with them and their agency officials to delivery this package.

The Minister of Finance will be expecting a response to her letter of invitation, we recommend your response set out your approach

17. Along with Treasury officials, we recommend you reply to the Minister of Finance to acknowledge the Budget invitation and outline your high-level strategy and approach to developing the package. We will work with your office to provide you with a draft by 29 November 2024. The content of the letter will be based on your decision regarding the approach outlined in this briefing and could also include key messages such as:
 - As Lead Coordinating Minister, you will work collaboratively with relevant Ministers.

- Out of scope

-
-
-

18. The Minister of Finance has asked to be updated in December on your progress.

Next steps

19. We recommend that you discuss this briefing with officials at the next officials meeting on Tuesday 26 November.

20. Pending your approval of the approach, officials will work with your office to:

- prepare communications to relevant Ministers;
- provide you with a draft response letter to the Minister of Finance; and
- confirm meeting schedules.

21. Pending your approval of the approach, on 29 November you will receive the first of approximately five briefings with advice to support Budget package development.

Area	Conditions outlined by the Minister of Finance	Approach
Out of scope		
Time-limited funding for the duration of the Crown Response Office	<ul style="list-style-type: none"> Funding for this initiative should be time-limited to the period the Crown Response Office is expected to exist as a branded business unit within the Public Service Commission. Please provide scaling and reprioritisation options to offset 25%, 50% and 75% of the full cost of this initiative. 	<p>13 December briefing to relevant Ministers: Operational Funding advice on approach and costing options. This is likely to include:</p> <ul style="list-style-type: none"> Crown Response Office time-limited operational funding Engagement, survivor governance/advisory group, and/or advocate options including advice on future of Survivor Experience Service Oversight, Monitoring, Reporting Review of current tagged contingencies.

Approach to creating a package of initiatives for redress provision for submission to the Budget 25 process

Specific assumptions will be defined in the Briefing papers that support each area of focus. This document outlines the types of assumptions needed, and are not binding policy decisions. They support the preparation of a funding envelope for responding to the Royal Commission’s recommendations.

Policy decisions will be sought in February and March 2025 to inform final budget decisions and implications.

Deadlines: Update to Minister of Finance in mid December; 23 December submit placeholder initiatives; 18 January (TBC) submit final initiatives

Budget Components

Area of focus

Types of assumptions required for costing purposes

Next steps

Area of focus	Types of assumptions required for costing purposes	Next steps
Out of scope		



Time-limited funding
For the duration of the Crown Response Office

Advice will include consideration regarding:

- Time-limited to the period the Crown Response Office is expected to exist as a branded business unit within the Public Service Commission.
- Include additional functions required for the redress system, including survivor engagement, system oversight and monitoring
- Scaling and reprioritisation options are required, that offset 25%, 50% and 75% of the full cost of this initiative



12 December Briefing to relevant Ministers.

Requires consultation with agencies



Approach to creating a package of Crown Response to Abuse in Care initiatives for submission to the Budget 25 process

Specific assumptions will be defined in the Briefing papers that support each area of focus. This document outlines the types of assumptions needed, and are not binding policy decisions. They support the preparation of a funding envelope for responding to the Royal Commission's recommendations.

Policy decisions will be sought in February and March 2025 to inform final budget decisions and implications.

Deadlines: Update to Minister of Finance in mid December; 23 December submit placeholder initiatives; 18 January (TBC) submit final initiatives

Budget Components

Area of focus	Types of assumptions required for costing purposes	Next steps
Out of scope		



Time-limited funding
For the duration of the
Crown Response
Office

Advice will include consideration regarding:

- Time-limited to the period the Crown Response Office is expected to exist as a branded business unit within the Public Service Commission.
- Include additional functions required, including survivor engagement, system oversight and monitoring
- Scaling and reprioritisation options are required, that offset 25%, 50% and 75% of the full cost of this initiative



**12 December Briefing
to relevant Ministers.**

*Requires consultation
with agencies*



Approach to creating a package of initiatives for redress provision for submission to the Budget 25 process

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

Date: 3 December 2024

Security level:

Decision required

1. The purpose of this paper is to confirm the approach to developing a package of initiatives for the Budget 2025 process.

Recommendations

2. It is recommended that the Joint Ministers group:
 - a. note the Lead Coordination Minister has been invited by the Minister of Finance to coordinate the development of a package of survivor-focused initiatives requiring investment for Budget 2025 (see Attachment One)
 - b. confirm the approach and milestones for developing a package of initiatives for Budget 2025 as set out in this paper and the attached A3.

Background

3. On Monday 18 November, the Lead Coordination Minister was invited by the Minister of Finance to coordinate the development of a package of survivor-focused initiatives requiring investment for Budget 2025.
4. The invitation requests placeholder initiatives should be submitted by 1pm on 23 December. Final submissions will need to be made by 18 January 2025. I am engaging with the Minister of Finance to move this date into the following week, given that some Ministers will only be returning to Wellington at that time.
5. Following the final submission in January 2025, as part of the next stage of the Budget process, Cabinet policy decisions will be sought to confirm the options to be included in the Budget.

Priorities for package development

6. The invitation is for a package of initiatives that cover:
 - a) Out of scope
 - b)
 - c)
 - d)
 - e) the establishment of the Crown Response Office
7. This is an opportunity to ensure there is multi-year sustainable funding model for the government redress system, and to support any further initiatives as part of the Crown's full response to the Abuse in Care Inquiry, noting that current funding for redress provision will expire in June 2026.

8. The package of initiatives must reflect the tight fiscal environment, be fiscally responsible, and involve rigorous prioritisation and consideration of where funds can be reprioritised from relevant baselines. Additional funds for initiatives will be considered where it is either not possible or sufficient reprioritise baseline funding.

Coordination of and support from relevant portfolio Ministers

9. While the Lead Coordination Minister has been invited to coordinate the development of a package of options for Budget 2025, the coordination role does not supersede individual agencies' and Ministers' accountabilities. The Minister of Finance's expectation is that relevant Ministers will remain responsible for approving financial or policy decisions relating to their own portfolios.

10. Out of scope

11.

Tight timeframes need a process that confirms costing assumptions with policy decisions to follow

12. The tight timeframes mean that all necessary policy decisions will not be able to be made before the preliminary initiatives and final submissions are due. The process in the attached A3 (Attachment Two) sets out the approach and timings for decisions required to develop the submissions due on 23 December and 18 January 2025, and Cabinet policy decisions that will need to be made as part of the Budget process that follows the final submission. In summary,
 - a) between now and mid-December 2024, confirm options and assumptions that will be used to develop the financial costings, and submit placeholder initiatives
 - b) in January 2025, refine costings, and Ministers approve budget initiatives for submission
 - c) in February and March 2025, seek Cabinet policy decisions across to inform Budget Ministers' final decisions.
13. Officials from across agencies will collaboratively develop a series of briefings for Ministers over the next three weeks seeking confirmation of the options to be presented and the assumption that will underpin the costing of those options. It will be important to ensure that the amount of funding proposed in the Budget package is such that any subsequent policy decisions will only scale down (versus up) the financial investment required.
14. The options will leave choices open to Ministers, as definitive policy decisions will not be sought at this stage of the process. Those decisions will be made by Cabinet in February/ March 2025.
15. This approach has been discussed with The Treasury. They are comfortable with it and will be working closely with the CRO and agencies throughout the process.

Out of scope



Briefing

Preparing costings for a Crown Response Budget 2025 bid – Time limited funding for the proposed duration of the Crown Response Office

Date:	12 December	Security level:	
Priority:	High	Report number:	CRACI 24/096

Actions for Minister

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

- Confirm the assumptions to be used relating to time-limited funding for the proposed duration of the Crown Response Office

Contact for discussion

Name	Position	Telephone	1 st contact
Rajesh Chhana	Chief Executive, Crown Response Office	9(2)(a)	
Isaac Carlson	Deputy Chief Executive, Crown Response Office	9(2)(a)	✓

Agencies consulted

The Treasury, Public Service Commission

Minister's office to complete

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

Comments



Briefing

Preparing costings for a Crown Response Budget 2025 bid – Time limited funding for the proposed duration of the Crown Response Office

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

Copied: Hon Nicola Willis, Minister for the Public Service

Date: 12 December 2024

Security level:

Priority: High

Report number: CRACI 24/096

Purpose

1. This briefing is part of the wider Crown Response Budget 2025 package and seeks confirmation of the assumptions to be used relating to time-limited funding for the proposed duration of the Crown Response Office.

Recommendations

2. It is recommended that you:
 - a. **note** the Minister of Finance invited you to coordinate the development of a package of Royal Commission initiatives for Budget 2025 investment and that a key area for investment is the funding for the Crown Response Office, which currently ends on 30 June 2025.
 - b. **note** the Crown Response Office was established 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.
 - c. **confirm** that for Budget bid costing, the following assumptions are used:
 - i. the Budget bid will seek funding for an additional two-years of operation YES / NO
 - ii. Out of scope [REDACTED] YES / NO
 [REDACTED]
 [REDACTED]
 [REDACTED]
 - iii. it includes the increased capability and capacity funded by the drawdown of the Crown Response Office – Tagged Operating Contingency (the Contingency) YES / NO

- iv. the assumptions to be used for Budget bid development are not binding policy decisions and are intended to support the preparation of a maximum funding envelope for Budget purposes YES / NO

d. **note** that the final Budget bid is due for submission on 23 January 2025.



Rajesh Chhana
Chief Executive, Crown Response Office

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

12 / 12 / 2024

/ /

Confirming the assumptions to use for the Crown Response Budget 2025 bid

3. In line with the briefing provided to you on the Minister of Finance's invitation to submit a Crown Response Budget 2025 bid [CRACI 24/091 refers], we are providing a series of briefings to confirm the assumptions to be used in the costings for the bid. An overview of the Budget approach is set out in Appendix One. This briefing covers the assumptions relating to time-limited funding for the proposed duration of the Crown Response Office.
4. In September 2024, Cabinet agreed that the Crown Response Office begin with the transfer of relevant functions from the Crown Response Unit (CAB-24-MIN-0331 refers). The Crown Response Office was established to drive the implementation of the work programme arising from the Royal Commission, with functions that include:
 - 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.
5. The Office is funded until 30 June 2025. This Budget Bid will seek funding for an additional two-years of operation, to support 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 \$28.638 million over two years. The increase from Budget 2024 is predominantly due to:
 - a. increased fees estimated for litigation support;
 - b. overhead costs that in previous years were covered by Oranga Tamariki as host agency;

- c. associated recovery costs from the Public Service Commission as the host agency; and
 - d. additional capacity to support accountable agencies with the delivery of the recommendations that are relevant to them.
6. The assumptions to be used for Budget bid development are not binding policy decisions and are intended to support the preparation of a maximum funding envelope for Budget purposes. It includes the increased capability and capacity funded by the drawdown of the Crown Response Office – Tagged Operating Contingency (the Contingency).

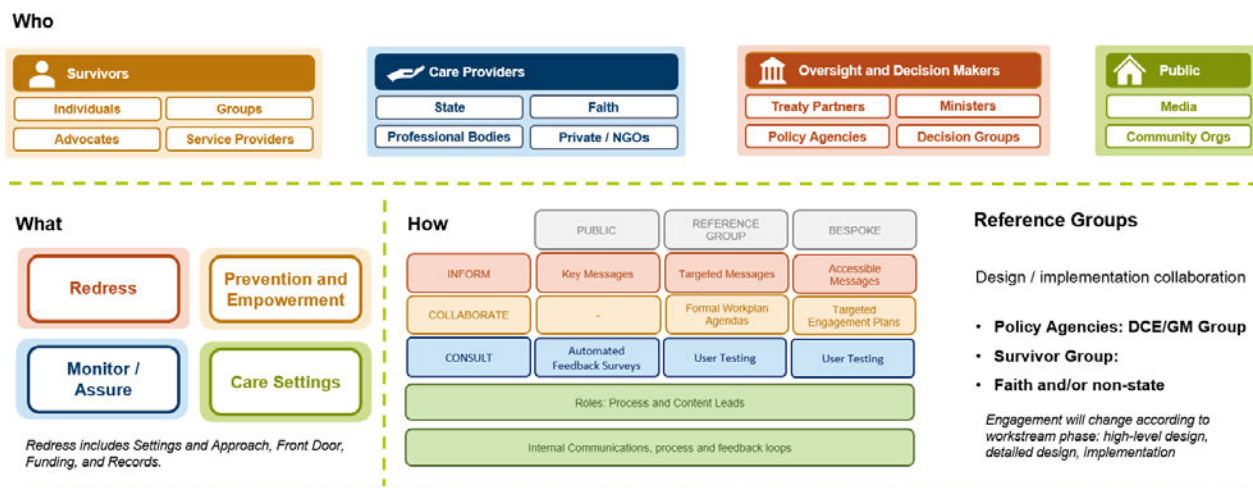
Monitoring and oversight of the Government’s Abuse in Care Response Plan

7. The Royal Commission has made 233 recommendations and more than six hundred findings. The recommendations have cross-portfolio implications and require a joined-up response from agencies. Cabinet agreed to the establishment of a Crown Response Office in September 2024 to enable a timely response to the Royal Commission’s recommendations and findings [CAB-24-MIN-0331 refers].
8. 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].
9. We estimate \$1.264 million per annum is required to establish centralised monitoring and oversight of the Government’s abuse in care response plan. This includes capability and capacity to coordinate and support centralised oversight, monitoring and reporting on cross agency progress with implementing the response plan.

Stakeholder engagement framework

10. To continue to build and maintain trust, clarity, and transparency with stakeholders, including survivors, and progress workstreams in an informed way, the Crown Response Office has developed a Crown Response Stakeholder Strategy.
11. The strategy includes specific engagement plans with clear roles and responsibilities for each workstream and stakeholder group. Figure 1 provides an overview of the stakeholder strategy framework. The framework outlines examples of engagement approaches for different stakeholder groups.

Figure 1: Proposed stakeholder strategy framework



12. We propose a formal approach to engagement and relationship management via reference groups. This may include the establishment of an independent reference or advisory group/s that provide oversight and monitoring advice to Ministers. This approach also:
 - a. Creates consistency, clarity, and transparency for stakeholders;
 - b. Formalises stakeholder groups and identifies priority groups;
 - c. Clearly defines roles and responsibilities;
 - d. Outlines a tiered engagement framework that provides clear engagement options; and
 - e. Aligns priorities and schedules engagement activities around work programme milestones, resources and budget.

13. Recognising a formal approach may not be suitable for all engagements, this will be supported by both:
 - a. a general approach, covered through our existing relationships and communications channels; and
 - b. a bespoke approach (for example, where we may require specific access to consultation information, where we might choose to outsource engagement activities or where there are specific stakeholder groups or individuals that we want to foster relationships with throughout the project lifecycle).

14. Table Two provides a summary of resourcing options considered for this function, with the recommended option highlighted.

Table Two: Options to resource the Stakeholder engagement function

	Option One	Option Two	Option Three
Description	Hybrid of formal and bespoke approaches to engagement and relationship management. This assumes the CRO is not expected to facilitate stakeholder engagement for all agencies.	Bespoke approaches to engagement and relationship management, with no reference groups. This assumes the CRO is not expected to facilitate stakeholder engagement for all agencies.	Hybrid of formal and bespoke approaches to engagement and relationship management. This assumes the CRO would hold and facilitate stakeholder engagement and relationships for all agencies centrally.
Cost (\$m pa)	2.856	3.200	4.810

15. In-house capability and capacity will be required to implement Option 1 of the framework and coordinate and facilitate stakeholder engagement and relationships. This is expected to cost approximately \$2.111 million per annum. In addition, we estimate that reference groups and engagement will cost \$0.745 million per annum.

Policy

16. There is a need to scale policy resources to meet increased demand of responding to the Royal Commission recommendations, including ongoing analysis and implementation of the response plan.
17. Table Four provides a summary of resourcing options considered for this function, with the recommended option highlighted.

Table Four: Options to resource the Policy function

	Option One	Option Two
Description	Baseline Crown Response Office policy capability and capacity. It includes increased capability and capacity funded by the drawdown of the Contingency.	Baseline Crown Response Office policy capability and capacity. It includes increased capability and capacity funded by the drawdown of the Contingency.. This option assumes additional capacity to support accountable agencies with the delivery of the recommendations that are relevant to them by setting up a cross-agency team
Cost (\$m pa)	2.192	3.572

18. The recommended option maintains the capacity and capability of the internal Policy team to support the continued provision of well-informed policy advice to inform Ministerial and Cabinet decision making. This includes policy and legislative actions on the response plan and Cabinet advice regarding redress and the care system.

19. This option allows for additional capacity (\$1.380 million) to support accountable agencies with the delivery of the recommendations that are relevant to them by setting up a cross-agency Crown Response team¹. The team may be based in the Crown Response Office, but the accountability will sit with the individual agencies.

Legal services

20. The Crown Response Office will require budget for legal services (which includes legal advice and litigation support). Legal services for the Crown Response Office are provided by an inhouse lawyer with additional advice from Crown Law. On occasion it has also been necessary to instruct external lawyers to ensure public confidence in the advice because of Crown Law’s role in the conduct of abuse in care litigation. The Office is currently involved in two court proceedings, both of which are likely to continue beyond 30 June 2025.
21. The proposed budget assumes that legal advice will continue to be provided through a mix of inhouse legal services, Crown Law advice and some external legal support.
22. The budget costings assumes demand for litigation support will increase because of the high likelihood of further legal challenges relating to the design, implementation and operation of the new redress scheme.
23. Table Three provides a summary of resourcing options considered for this function, with the recommended option highlighted.

Table Three: Options to resource the legal services function

	Option One	Option Two	Option Three
Description	In-house legal capability, supported by Crown Law or another provider.	All legal advice is sought externally, through Crown Law or another provider.	Increased in-house capability, supported by Crown Law or another provider.
Cost (\$m pa)	1.030 ²	1.200	1.400

24. The recommended option estimates \$1.030 million will be required per annum for legal services and is comprised of:
- a. \$0.530 million for internal legal advice (including associated Crown Law Office fees); and
 - b. \$0.500 million to cover Crown Law Office fees associated with litigations costs, to respond to any cases that are filed and where the Crown Response Office are defendants.

Executive function and support and corporate services

25. The Executive function includes the strategic leadership capability for the Functional Chief Executive and the Office of the Chief Executive. The Crown Response Office also needs to

¹ Additional capacity to support the accountable agencies will likely need a range of capabilities. They have been included in the Policy function for costing purposes of the Budget Bid but will need to be confirmed as the operating model for the Crown Response Office is finalised in early 2025.

² This value is dependent on the number and cost of litigations. Currently assumes 2-3 matters per annum.

continue to provide core administrative, coordination, monitoring and reporting of the internal Crown Response Office work programme, corporate and ministerial services and programme management responsibilities.

26. Executive support functions are expected to remain at a similar level to ensure responsiveness agility and flexibility as the Public Service Commission cannot provide dedicated resources for any of these services from their existing funding as host and therefore must be sought through this bid.
27. Table Six provides a summary of resourcing options considered for this function, with the recommended option highlighted.

Table Six: Options to resource the Executive and corporate function

	Option One	Option Two
Description	Lean back office is maintained to provide executive leadership and support and enabling corporate services.	Enabling services and project management services. Additional staff for HR and Finance support.
Cost (\$m pa)	2.165	3.776

28. The recommended option estimates \$2.165 million (per annum) will be required, and includes:
 - a. \$0.702 million (per annum) to provide executive leadership capability; and
 - b. \$1.463 million (per annum) for Executive Support and corporate services including: finance, HR, governance, ministerial services and private secretary, corporate reporting, communications and secretariat services to governance and reference groups.
29. This option allows the Crown Response Office to continue to fully support the Ministers Office with official correspondence, media queries, and official information act requests and service the Crown Response Chief Executives Group.

Redress

30. The roles and responsibilities of the Redress function will depend on decisions that will be taken over the coming months on redress design and delivery and responses to the wider recommendations of the Royal Commission.
31. Funding assumptions regarding the Redress function has been included and considered in the Redress component of the Budget bid.

Overhead

32. Total overhead costs are estimated at \$2.765 million per annum including an inflation adjustment of 2.5%.
33. With the establishment of the Crown Response Office hosted in the Public Service Commission, the budget bid recognises an increase in overhead costs of \$1.364 million per annum. This is driven by overhead costs that in previous years were covered by Oranga

Tamariki as host agency. These additional overhead costs resulting from the change in host agency have been estimated in consultation with the Public Service Commission.

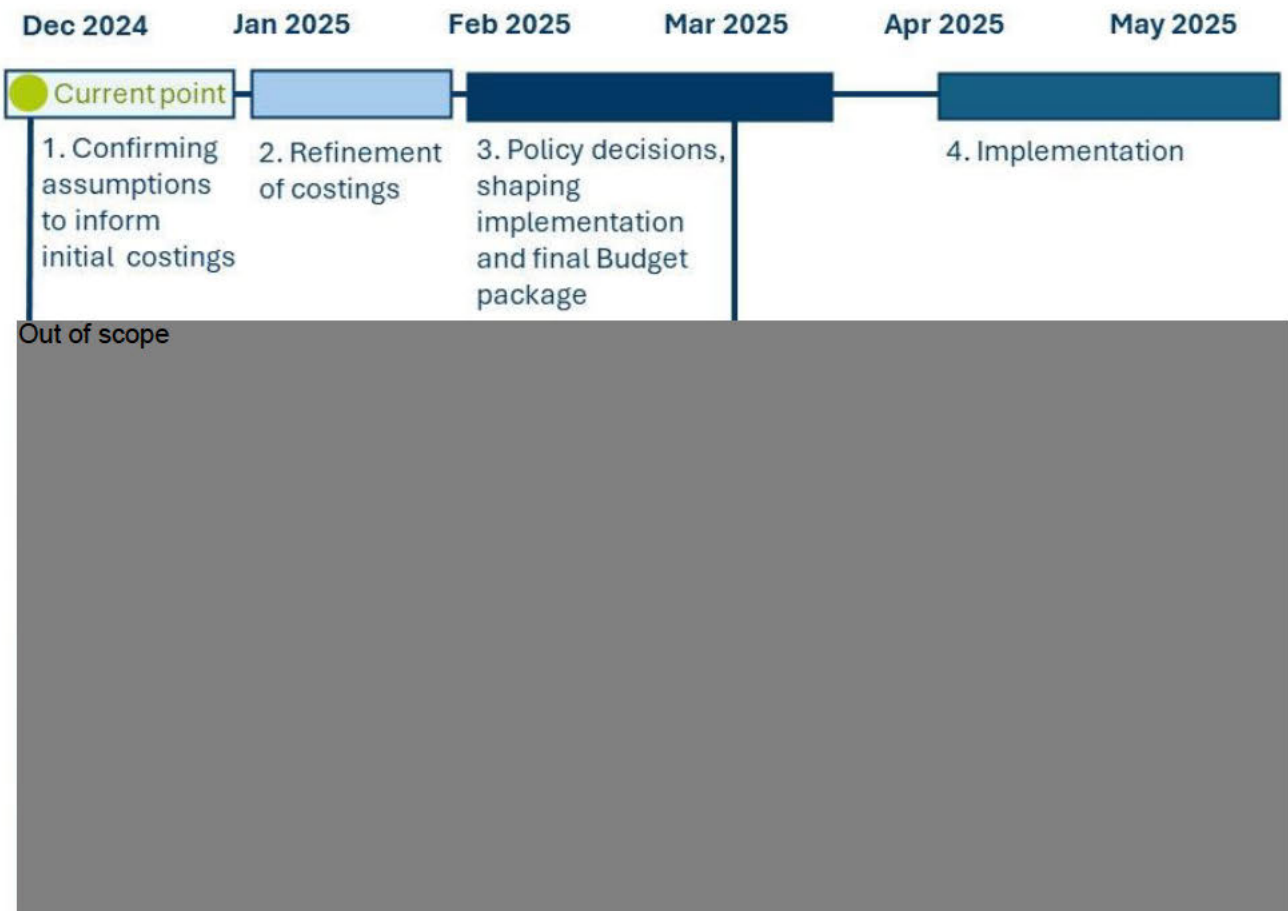
34. Included in the total overhead costs, the Public Service Commission are seeking an overhead recovery of \$0.030 million for estimated increased audit fees and \$0.270 million for corporate services support.

Next steps

35. The full set of assumptions will need to be confirmed in time for a placeholder bid to be submitted by the deadline of 23 December 2024. The final bid will then be ready for review and sign off on your return in January 2025.

Appendix One: Overview of overall Budget process and key elements

Activity to May 2025



Crown Response Office

Paper: Time-limited funding for the duration of the Crown Response Office

Crown response oversight, monitoring, and reporting

Key Dates

23 Dec
Placeholder Budget bid

24 Jan
Final Budget bid

TBC Apr
Cabinet considers Budget package

TBC May
Budget Day

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 st 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



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

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. Out of scope

b.

c.

d.

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. Out of scope [REDACTED]
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. Out of scope

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. Out of scope
 - b.
 - 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.

Out of scope

Out of scope

17.

18.

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 **Out of scope** and Appendix Four (Crown Response Office).
- 20. This placeholder package has been prepared based on costing assumptions confirmed with Ministers through a series of briefings¹. 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. **Out of scope**
 - b. **Out of scope**
 - c. Crown Response Office Time-Limited Funding: \$28.638m over two years.

Out of scope

¹ **Out of scope**

Out of scope Preparing costings for a Crown Response Budget 2025 bid – Time limited funding for the proposed duration of the Crown Response Office [CRACI 24/096].

Out of scope

37.

38.

39.

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 23rd, to provide joint Ministers to review and approve the final Budget package submission.

47. Out of scope

48.

Appendix Four – Crown Response Office

Description	FY25/26	FY26/27	Total
Crown Response Office kaimahi costs			
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
Subtotal	\$ 9,575,550.00	\$ 9,814,938.75	\$ 19,390,488.75
Crown Response Office overheads cost			
Overheads	\$ 4,566,907.45	\$ 4,681,080.14	\$ 9,247,987.58
Subtotal	\$ 4,566,907.45	\$ 4,681,080.14	\$ 9,247,987.58
Total	\$ 14,142,457.45	\$ 14,496,018.89	\$ 28,638,476.33

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.

Key areas of focus for meeting

Table 1 - Crown Response to Abuse in Care investment package for Budget 2025

<p>Background</p>	<p>The Crown Response Unit was established in 2019 to support the Royal Commission of Inquiry (RCOI) into Abuse in Care recommendations. The RCOI ran from 2018 – 2024 and the final report, tabled in July 2024, makes 233 recommendations that are broad-ranging and extensive. The public apology took place on 12 November 2024, and Cabinet has agreed to investments of:</p> <ul style="list-style-type: none">• Out of scope [redacted][redacted][redacted][redacted] <p>Out of scope [redacted]</p> <p>[redacted]</p>
<p>Budget 2025 context</p>	<p>Budget 2025 is being developed in a tight fiscal environment. There will need to rigorous prioritisation in the development of the response package, and it will be considered as part of the wider Budget 2025 process. An invitation to submit initiatives for consideration is not a guarantee of funding. The package will need to be deliverable and sustainable within a fiscally responsible system. This means that initiatives will need to:</p>

	<ul style="list-style-type: none"> • incorporate analysis of value for money • reflect Hon Stanford's view of its overall effectiveness in recognising the experiences of survivors of abuse in care. • complement and align with the other initiatives invited • consider how existing schemes and processes could be modified to support delivery • be supported by strong evidence, • have a clear delivery plan, and • present robust value-for-money analysis.
<p>Approach to the Abuse in Care response package</p>	<p>Out of scope</p> <p>[Redacted]</p> <p>The first draft of the package is due at 1pm on 23 December, and you have provided an extension for the final package to be submitted by 1pm on 23 January.</p> <p>Hon Stanford is working with portfolio Ministers to develop the B25 package and has convened a select group of Ministers, with a primary focus on budgetary considerations. In parallel, the CRO is engaging with officials across agencies to develop scenarios to inform initiative costings across three elements:</p> <ol style="list-style-type: none"> 1. Out of scope [Redacted] 2. Out of scope [Redacted] 3. Time-limited operating funding for the CRO. <p>The CRO, in consultation with other agencies, has been seeking agreement to initial assumptions to underpin budget bid costings for these three elements through a series of detailed briefings for the Ministers' group. The Ministers for Social Development and Employment, Health, Children, Education, and the Lead Government Response Coordination Minister will be jointly responsible for granting final approval to the package before it is submitted. Notwithstanding this collective decision-making, each Minister will continue to oversee the financial decisions in their respective portfolios.</p> <p>There is a key role for Hon Stanford, as Lead Coordinating Minister, to clarify her priorities for investment and surface key trade-offs. Ministerial colleagues can support her by sharing their priorities for responding to abuse in care within their portfolios, identifying options for reprioritisation and leveraging</p>

off current system responses and existing levers, and encouraging a consistent approach across portfolios. Any costings will need to align with the fiscal context and recognise the significant pressure on allowances. Final bids are expected to include modelling and value for money analysis.

Out of scope
[Redacted]

[Redacted]

The Ministers for Social Development and Employment, Health, Children, Education, and the Lead Government Response Coordination Minister are due to meet on Tuesday 17 December to discuss the first draft of the Budget 25 Abuse in Care package. This draft will use costing assumptions that include upper fiscal parameters to set a fiscal anchor whilst preserving Cabinet policy decisions in February and March.

Out of scope
[Redacted]

Future funding for operation of the CRO is likely to be costed based on current funding which is time-limited to the end of the 2024/25 financial year.



Briefing

Updated information on the Crown Response Office component of the Crown Response Budget 2025 bid

Date:	18 December 2024	Security level:	
Priority:	High	Report number:	CRACI 24/106

Actions for Minister

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	<ul style="list-style-type: none">This briefing provides updated information to support the assumptions relating to time-limited funding for the proposed duration of the Crown Response Office.
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Contact for discussion

Name	Position	Telephone	1 st contact
Rajesh Chhana	Chief Executive, Crown Response Office	9(2)(a)	
Isaac Carlson	Deputy Chief Executive, Crown Response Office	9(2)(a)	✓

Agencies consulted

The Treasury, Public Service Commission

Minister's office to complete

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

Comments

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Briefing

Updated information on the Crown Response Office component of the Crown Response Budget 2025 bid

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

Date: 18 December 2024

Security level:

Priority: High

Report number: CRACI 24/106

Purpose

1. This briefing provides updated information to support the assumptions relating to time-limited funding for the proposed duration of the Crown Response Office.

Recommendations

2. It is recommended that you:
 - a. **note** the Minister of Finance invited you to coordinate the development of a package of Royal Commission initiatives for Budget 2025 investment and that a key area for investment is the funding for the Crown Response Office, which currently ends on 30 June 2025.
 - b. **note** the Crown Response Office was established 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.
 - c. **note** the Crown Response Unit 2024/25 operating budget is \$13.41 million¹
 - d. **confirm** that the placeholder Budget bid for the Crown Response Office will seek \$13.96 million in FY25/26 and \$14.27 million in FY26/27 YES / NO
 - e. **note** that the Crown Response Office will provide further advice and scaling options for your review and sign off on your return in January 2025 to enable the final bid to be submitted on 23 January 2025.
 - f. **note** that the cost of implementing the Redress system have been included in the Redress component of the budget bid, and will depend on the policy decisions taken over the coming months on redress design, in particular the form or host agency for the function.

¹ Comprised \$10.428 million operating budget funded by Budget 24 and \$2.964 million funded by the drawdown of the Crown Response Office – Tagged Operating Contingency.

g. **note** that the final Budget bid is due for submission on 23 January 2025.



Rajesh Chhana
Chief Executive, Crown Response Office

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

18 / 12 / 2024

/ /

Executive summary

3. In September 2024, Cabinet agreed to establish the Crown Response Office with the transfer of relevant functions from the Crown Response Unit (CAB-24-MIN-0331 refers) to drive the implementation of the work programme arising from the Royal Commission, with functions that include:
 - 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.

4. The Office is funded until 30 June 2025. This Budget Bid will seek funding for an additional two-years of operation, to support the development of a redress system, 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 (refer Table One). The increase from Budget 2024 is predominantly due to:
 - a. increased legal fees estimated for litigation support;
 - b. overhead costs that in previous years were covered by Oranga Tamariki as host agency;
 - c. associated recovery costs from the Public Service Commission as the host agency; and
 - d. additional capacity to support accountable agencies with the delivery of the recommendations that are relevant to them.

Table One: Summary of current and forecast budget

Budget	FY24/25 \$'million	FY25/26 \$'million	FY26/27 \$'million
Staff costs	8.23	9.68	9.89
Operating costs	1.91	2.38	2.43
Overhead costs	0.71	1.90	1.95
CRO establishment costs*	2.56	-	-
Total	13.41	13.96	14.27

5. 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.
6. The assumptions to be used for Budget bid development are not final decisions and are intended to support the preparation of a maximum funding envelope for Budget purposes. It includes the increased capability and capacity funded by the drawdown of the Crown Response Office – Tagged Operating Contingency (the Contingency).

Policy

7. Over the next two years, the priorities for the Office’s Policy function will be development of a redress system, and development of initiatives in relation to the response plan, including system level recommendations that will bring multiple agencies together. This level of resourcing, in combination with the legal function, will also support any legislative change that might be required to implement policy projects.
8. The roles and responsibilities of the redress function² will depend on policy decisions that will be taken over the coming months on redress system and delivery and responses to the wider recommendations of the Royal Commission.
9. We propose \$7.28 million over two-years (refer Table Two) to fund the policy function. This is based on three team’s worth of capacity using a functional public sector benchmark of \$1.20 million per annum per team. At this stage we propose to use the funding to:
 - a. Establish two policy teams in the Office; and
 - b. Use one team’s worth of capacity to enable secondments of expert staff into the Office, or alternatively support agencies to lead cross-agency work.
10. This way of working will be particularly relevant to cross-agency system level projects. The operating model for the Office will be finalised in early 2025, alongside the Response Plan.

² Funding assumptions regarding the Redress function have been included and considered in the Redress component of the Budget bid.

Table Two: Summary of costs to resource the Policy function

	FY25/26 \$'million	FY26/27 \$'million	Total \$'million
Staff costs	2.40	2.45	4.85
Agency staff costs	1.20	1.23	2.43
Total	3.60	3.68	7.28

Engaging with survivors and stakeholders

11. Over the next two years, this function will focus on developing and implementing a Crown Response Stakeholder Strategy to build and maintain trust, clarity, and transparency with survivors, and other stakeholders.
12. The Strategy proposes a formal approach to engagement and relationship management via reference groups. This will include the establishment of an independent reference or advisory group/s that provide oversight and monitoring advice to Ministers, and has been guided by the:
 - a. Department of Prime Minister and Cabinet's experiences and learnings in responding to the Royal Commission of Inquiry into the terrorist attacks on the Christchurch Mosques (in particular, the Ministerial Advisory Group Kāpuia and associated secretariat costs); and
 - b. Government's approach to engaging with stakeholders when responding to, and preventing, family and sexual violence (in particular, the Ministerial Advisory Group Te Pūkotahitanga).
13. Recognising that a formal approach may not be suitable for all engagements, this will be supported by both:
 - a. a general approach, covered through our existing relationships and communications channels; and
 - b. a bespoke approach (for example, where we may require specific access to consultation information, where we might choose to outsource engagement activities or where there are specific stakeholder groups or individuals that we want to foster relationships with throughout the project lifecycle).
14. \$5.99 million is estimated to be needed over two-years (refer Table Three). The cost includes internal teams to provide secretariat support to reference groups and to support and advise other agencies. It also includes operating costs to pay fees for members of formal groups and other associated costs to host meeting or engagement events. This request assumes that:
 - a. In-house capability and capacity is required to implement a hybrid of formal and bespoke approaches to engagement and relationship management;
 - b. The Crown Response Office will not facilitate stakeholder engagement for all agencies; and
 - c. Reference groups and bespoke engagements will have an associated operating cost that includes, but is not limited to, engagement fees, travel, wellbeing and accommodation support.

Table Three: Summary of costs to resource the Stakeholder Engagement function

	FY25/26	FY26/27	Total
	\$'million	\$'million	\$'million
Staff costs	2.22	2.26	4.48
Operating costs	0.75	0.76	1.51
Total	2.97	3.02	5.99

Monitoring and oversight of the Government’s Abuse in Care Response Plan

15. 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].
16. \$2.69 million is estimated to be needed over two-years (refer Table Four). This request assumes that:
 - a. The Crown Response Office will establish and implement centralised monitoring and oversight of the Government’s abuse in care response plan; and
 - b. In-house capability and capacity will be required to coordinate and support centralised oversight, monitoring and reporting on cross-agency progress in implementing the response plan.

Table Four: Summary of costs to resource the Monitoring and Oversight function

	FY25/26	FY26/27	Total
	\$'million	\$'million	\$'million
Staff costs	1.33	1.36	2.69
Total	1.33	1.36	2.69

Legal services

17. The legal services function supports the Crown Response policy, legislation and redress design workstreams. It also provides litigation support.
18. Legal services for the Crown Response Office are provided by an in-house lawyer with additional advice provided by the Crown Law Office. On occasion, it has also been necessary to instruct external lawyers to ensure public confidence in the advice because of the Crown Law Office’s role in the conduct of abuse in care litigation.
19. Under the Crown legal proceedings rules administered by Crown Law, if the Crown Response Office is named as a defendant, we must pay the Crown Law Office for their services. The Office is currently involved in two court proceedings, both of which are likely to continue beyond 30 June 2025, and we may be named as defendants in further cases. Costs estimated in this request have been informed by discussions with the Crown Law Office and our experience working with them to date.
20. If these costs are not budgeted and are subsequently incurred, the Crown Response Office will need to repurpose our baseline, which would reduce our ability to deliver other functions, impacting the pace of redress design and delivery of the response plan.

21. \$2.15 million is estimated to be needed over two-years (refer Table Five). This request assumes that:
- a. Demand for litigation support will increase (2-3 new matters per annum) because of the high likelihood of further legal challenges relating to the design, implementation and operation of the new redress scheme; and
 - b. In-house legal capability will be supported by the Crown Law Office (or another provider).

Table Five: Summary of costs to resource the Legal Services function

	FY25/26 \$'million	FY26/27 \$'million	Total \$'million
Staff costs	0.26	0.27	0.53
Crown Law Office (external support)	0.30	0.31	0.61
Crown Law Office (Crown legal proceedings)	0.50	0.51	1.01
Total	1.06	1.09	2.15

Corporate Services

22. The Corporate Services function includes:
- a. strategic leadership capability for the Functional Chief Executive; and
 - b. core administrative, coordination, monitoring and reporting of the internal Crown Response Office work programme, corporate and ministerial services and programme management responsibilities.
23. \$4.59 million is estimated to be needed over two-years (refer Table Six). This request assumes that:
- a. Executive support functions are expected to remain at a similar level to ensure responsiveness, agility and flexibility;
 - b. The Crown Response Office will continue to fully support the Ministers Office with official correspondence, media queries, official information act requests and ensure there is dedicated Private Secretary personnel in the Office;
 - c. Secretariat services will continue to be provided to the Crown Response Chief Executives Group; and
 - d. The Public Service Commission cannot provide dedicated resources for corporate services³ from their existing funding as our host and therefore must be sought through this bid.

³ Such as finance, human resources, governance, ministerial services and private secretary, corporate reporting, communications and secretariat services to governance and reference groups.

Table Six: Summary of costs to resource the Corporate Services function

	FY25/26	FY26/27	Total
	\$'million	\$'million	\$'million
Executive leadership costs	0.74	0.75	1.49
Staff costs other corporate services	1.53	1.57	3.10
Total	2.27	2.32	4.59

Overhead and other operating costs

24. The bid seeks an increase in annual overhead and operating budget from \$2.62 million to \$4.28 million in 2025/26 (refer Table Seven), primarily due to:
- a. An increase in 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;
 - b. 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; and
 - c. Inflation at the Treasury prescribed rate of 2.2%; balanced against
25. Costs associated with the change in host agency have been developed in consultation with the Public Service Commission and are based on a fixed formula or prescribed all of government rates.

Table Seven: Summary of overhead and operating costs

Functional Operating costs	FY25/26	FY26/27	Total
	\$'million	\$'million	\$'million
Operating costs	0.75	0.76	1.51
Crown Law Office (external support)	0.30	0.31	0.61
Crown Law Office (Crown legal proceedings)	0.50	0.51	1.01
Subtotal	1.55	1.58	3.13
Additional Operating and overhead costs			
	FY25/26	FY26/27	Total
	\$'million	\$'million	\$'million
CRO Operating costs	0.83	0.85	1.68
CRO Overhead costs	0.88	0.91	1.79
Increase in overhead costs due to change in host	0.72	0.73	1.45
Host agency recovery costs	0.30	0.31	0.61
Subtotal	2.73	2.80	5.53
Total Operating and overhead costs			
	FY25/26	FY26/27	Total
	\$'million	\$'million	\$'million
Functional operating costs	1.55	1.58	3.13
Additional operating and overhead costs	2.73	2.80	5.53
Total	4.28	4.38	8.66

Next steps

26. The placeholder bid for the Office will need to be confirmed in time to be submitted by the deadline of 23 December 2024. We will provide further advice and scaling options for your review and sign off on your return in January 2025 to enable the final bid to be submitted on 23 January 2025.

Briefing



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

For your input Budget '25 Crown Response to Abuse Package

Date:	15/01/2025	Security level:	
Priority:	High	Report number:	CRACI 25/006

Actions sought

Hon Dr Shane Reti Minister of Health	Provide input to the Budget '25 Crown Response to Abuse in Care Package
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 Paul Goldsmith Minister of Justice	
Hon Louise Upston Minister for Social Development and Employment, for Disability Issues, 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	

Contact for discussion

Name	Position	Telephone	1 st 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
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Minister's office to complete

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

Comments



For your input 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 Lousie 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: 15 January 2025

Security level:

Priority: High

Report number: CRACI 25/006

Purpose

1. This paper provides you, as the responsible Vote and portfolio Ministers, with a complete Budget '25 package supporting the Crown's Response to Abuse in Care. We seek your input by 10am Friday 17 January.
2. This complete package has been developed collaboratively with relevant Vote agencies. A number of you discussed an early indicative version of this package at your Crown Response Vote Ministers meeting on 17 December [CRACI 24-104 refers] which was revised and submitted to The Treasury, as a placeholder, on 23 December 2024.
3. Pending your input, you will be provided with an updated version of the final Budget package in the afternoon of 17 January. We require your final input and approval of the package by 2:30 pm 21 January to meet The Treasury's submission deadlines.

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. Out of scope

Out of scope

7. Out of scope

8. **provide input** on this budget package by 10 AM on Friday 17 January, which can then be incorporated into a final version for approval on 21 January;

9. Out of scope



Rajesh Chhana
Chief Executive, Crown Response Office
Crown Response to the Abuse in Care Inquiry
15/01/2025

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 input on the complete 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 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.

11. Out of scope

12.

13.

14. Ministers might find it useful to first refer to Appendix 2.3 and Appendix 3.0 as they set out an overview of the Redress and Care System Safety components of the package.

There are three primary components to the package: Out of scope

Crown Response Office

15. This section provides a summary of the three components, the details of which can be found in the Appendices.

16. The below table outlines the various components of the package including the amount of funding being sought, which Votes are seeking funding, and what appendices to find the detail in.

¹ Placeholder Submission – Crown Response to Abuse in Care Budget '25 Package [CRACI 24/104]; Out of scope

Preparing costings for a Crown Response Budget 2025 bid – Time limited funding for the proposed duration of the Crown Response Office [CRACI 24/096].

Out of scope

Crown Response Office: Funding for the Crown Response Office post June 2025. Includes funding for survivor engagement, advisory, monitoring and oversight and on-going departmental needs.	\$28.27M	Public Service	Appendix 11.0: Budget Template Appendix 11.1: Crown Response Office Organisational Chart
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Out of scope



Crown Response Office Time-Limited Funding

- 27. 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.

- 28. 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.

Next steps


- 29. We seek your feedback on this draft package by 10am Friday 17 January.
- 30. You will receive an updated final version of this package by COP Friday 17 January for your approval before midday Tuesday 21 January.
- 31. Officials will begin uploading the package into The Treasury system from midday 22 January.

Appendices

1.0 Draft letter from Minister Stanford that is submitted with the bid;

1.1 “Envelop Summary” which is appended to the Minister’s letter;

Out of scope



11.0 Crown Response Office;

11.1 Crown Response Office Organisational Chart.

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

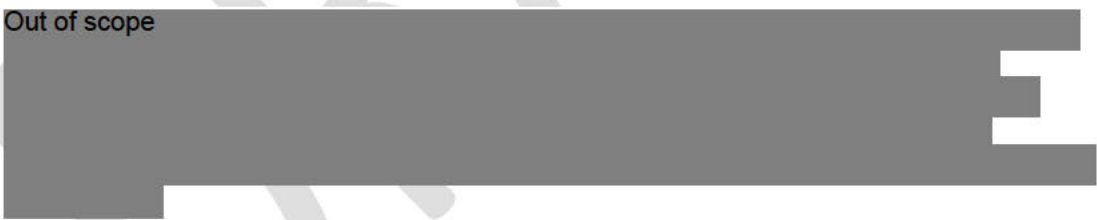

Hon Nicola Willis
Minister of Finance
Parliament Buildings
Wellington

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. Out of scope 
2. Out of scope 
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:

Out of scope



ID 16493	New Spending	New Spending Commitments	Crown Response Office (time limited operating funding)
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Out of scope



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

This summary template is to provide information on reprioritisation, new spending and cost pressure choices made to develop options for agencies that have been set an envelope. Letters outlining the Budget 2025 strategy and the relevant envelope targets have been issued to Ministers (with Chief Executives Cc'd).

A copy of this summary must be attached to your Minister's submission letter to the Minister of Finance, and uploaded to the CFISnet document sharing function by **1pm Monday 23 December 2024**

Agencies must also submit the relevant templates for individual initiatives, which are;

- Annex 2: Savings (all agencies)

- Annex 3: Cost Pressure and New Spending (all agencies)

Crown Response Office (Time Limited Funding)

Summary	High Envelope	Medium Envelope	Low Envelope
Total Operating*	28,270,000.00	22,010,000.00	10,200,000.00
Average Operating per annum**	14,135,000.00	11,005,000.00	5,100,000.00
Total Operating Scaling*			
Total Operating Reprioritisation*	-	-	-
Priorities of Package	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 \$28.27 million over two years . 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. The Crown Response Office was not required to submit savings proposals as it has no funding beyond FY2024/25 to return.		
Risks and trade offs	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. 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.	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
Mitigation	This bid seeks funding to enable secondments of expert staff into the Crown Response Office, or alternatively, support agencies to lead cross-agency work.		

* Total Operating (across forecast period) is the total operating costs from 2024/25 to 2028/29

** To calculate average operating per annum, use the total operating (across forecast period) and divide by four



Appendix 11.0

Annex 1: Budget 2025 Cost Pressures and New Spending Template

Section 1: Overview

Section 1A: Basic initiative information										
Initiative title (max 120 characters)	Crown Response Office (time limited operating funding)									
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	Public Service Commission (Crown Response Office)							
Initiative description (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.									
Priority Area (PA) Objective	<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>									
Is this a cross-Vote initiative?	No	No								
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 (\$m)										
2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total					
-	13.98	14.29	-	-	28.27					
*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					
<p>What is the problem that this initiative is trying to solve and why does it need to be solved now?</p>	<p>The Crown Response Office (CRO) is not funded past 30 June 2025.</p> <p>The CRO is mandated to drive and co-ordinate the Crown’s response to the final report from the Royal Commission of Inquiry into Abuse in Care (the Royal Commission). The CRO is also mandated with leading cross-agency advice on addressing the urgent issues identified with current abuse claims services.</p> <p>The CRO has, to date, been funded year-by-year to ensure that it remains responsive to the Royal Commission’s particular phase.</p> <p>Time limited funding is sought for a two-year period to ensure financial planning and resource allocation are directly tied to the CRO’s objectives and expected timeline to deliver on its mandate.</p> <p>The Government has undertaken to respond to the Royal Commission and has committed to implementing a new redress system. The CRO has been established to lead the work to coordinate the Government’s response and the initial development of a new redress system and the associated policy decisions.</p> <p>The Public Service Commission and Treasury have been engaged in the development of the Crown Response Office (time limited funding) budget bid.</p> <p>The wider Crown Response package of bids is a multi-agency, multi-initiative budget bid, coordinated by the CRO.</p>				
<p>Alignment to Government Priorities (if alignment to multiple Priorities is possible, select the most relevant)</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;"><input type="checkbox"/> Addressing the rising cost of living</td> <td style="width: 50%; text-align: center;"><input checked="" type="checkbox"/> Delivering effective and fiscally sustainable public services</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/> Building for growth and enabling private enterprise</td> <td style="text-align: center;"><input type="checkbox"/> Not Aligned</td> </tr> </table> <p>The CRO drives and co-ordinates Government’s response to drive the implementation of the work programme arising from the Royal Commission, with functions that include (CAB-24-MIN-0331 refers):</p> <ul style="list-style-type: none"> • Advising on policy, legislative change and redress design, and working closely with the Treasury on investment advice; • Engaging closely with stakeholders, including survivors, and providing secretariat support to relevant reference groups, as required; • Coordinating, monitoring and reporting on implementation of recommendations and Cabinet decisions across government; and • Providing secretariat support for the Group of responsible Chief Executives with accountabilities established through the response plan. 	<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				
<p>Does this initiative relate to one of the Government’s focus areas for Budget 2025?</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;"><input type="checkbox"/> Economic Growth (invitation only)</td> <td style="width: 50%; text-align: center;"><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					
<p>What was the range of options considered?</p>	<p>In September 2024, Cabinet agreed to establish the Crown Response Office with the transfer of relevant functions from the Crown Response Unit (CAB-24-MIN-0331 refers).</p> <p>This Budget Bid seeks funding for two-years of operational funding, to support redress design, the response plan to the Royal Commission and the monitoring and assurance functions of the Office. The CRO (time-limited funding) budget bid seeks a total investment of \$28.27 million over two years.</p>				

<p>What was the process used to select the preferred option?</p>	<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. 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>
<p>Interaction with savings proposals</p>	<p>The CRO was not required to submit savings proposals as it has no funding beyond FY2024/25 to return.</p>

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.

<p>Section 3A: Benefits and non-fiscal costs</p>				
<p>The answer to each question must not exceed 1-2 paragraphs.</p>				
<p>What outcome(s) would the initiative achieve?</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"> • Advising on policy, legislative change and redress design, and working closely with the Treasury on investment advice; • Engaging closely with stakeholders, including survivors, and providing secretariat support to relevant reference groups, as required; • Supporting government decisions to deliver and implement its plan for responding to the Royal Commission recommendations, for improvements to redress; • Coordinating, monitoring and reporting on implementation of recommendations and Cabinet decisions across government; and • Providing secretariat support for the Group of responsible Chief Executives with accountabilities established through the response plan. <p>The CRO is mandated to drive and co-ordinate the Crown’s response to the recommendations of the Royal Commission to ensure safety for people in the care system (improvements to the care system) and address the wrongs of the past through the establishment of a new redress system (refer to related budget bids in CRO’s Budget ’25 package). Improved redress was also a key commitment in the Government’s public apology to survivors of abuse in care.</p> <p>Māori, Pacific, Deaf, and disabled peoples have been over-represented in care, and are therefore over-represented as survivors of abuse in care. As a result of the impacts of abuse in care, many survivors experience lifelong lower socio-economic status and poor health. These in turn have significant impacts on survivors as they become elderly. It is important that the Crown engage with and consider the specific context and needs of the over-represented groups as part its response to the Royal Commission.</p>			
<p>How will these outcomes be measured and evaluated?</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"> • establish and implement centralised monitoring and oversight of the Government’s abuse in care response plan; and • Provide in-house capability and capacity to coordinate and support centralised oversight, monitoring and reporting on cross-agency progress in implementing the response plan. 			
<p>Evidence and assumptions</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>Climate impact</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>	

No impact

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
Crown Response Office kaimahi costs			
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
Subtotal	9.68	9.89	19.57
Crown Response Office other costs			
General legal advice (Crown Law or other) and 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	1.92	1.97	3.89
Subtotal	4.30	4.40	8.70
Total	13.98	14.29	28.27

Formula and assumptions underlying costings

The CRO is estimating an efficiency underspend from the public apology in FY24/25 of approximately \$1.6 million. The CRO anticipate that some of that funding may be required in FY25/26 to complete continuing initiatives associated with the public apology. These include a National Day of Remembrance (November 2025) and a final resting place for the taonga representing survivor stories, suffering and harm, developed as part of the public apology.

Remaining funds from Public Apology FY24/25 funding could be reprioritised to CRO FY25/26 to meet the initiatives to be delivered in FY25/26.

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	-	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	-	1.92	1.97	-	-	3.89
Total operating expenses (\$m)	-	13.98	14.29	-	-	28.27

*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	-	-
Total # of net FTEs (employees and contractors/consultant) over the forecast period	-	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? 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.]	-	-	-	-	-	-	-	-	-	-	-
Total (\$m)	-	-	-	-	-	-	-	-	-	-	-

*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]	-	10.89	11.13	-	-	22.01					
[Reprioritisation Option – please state the corresponding initiative ID and Title]	-	-	-	-	-	-					
Net Total (\$m) – 75%	-	10.89	11.13	-	-	22.01					
[Total cost of full or scaled option]	-	5.05	5.16	-	-	10.20					
[Reprioritisation Option – please state the corresponding initiative ID and Title]	-	-	-	-	-	-					
Net Total (\$m) – 50%	-	5.05	5.16	-	-	10.20					
[Total cost of full or scaled option]	-	1.80	1.85	-	-	3.65					
[Reprioritisation Option – please state the corresponding initiative ID and Title]	-	-	-	-	-	-					
Net Total (\$m) – 25%	-	1.80	1.85	-	-	3.65					
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)	-	-	-	-	-	-	-	-	-	-
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*Extend the profile above if funding is needed beyond 2032/33.

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	Description	Budget 75%	Budget 75%	Budget 75%
		FY25/26	FY26/27	Total
Crown Response Office kalmahi 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
	Subtotal	7.64	7.81	15.44
Crown Response Office other costs				
	General legal advice (Crown Law or other) and litigation costs	0.80	0.82	1.62
	Engagement costs	0.33	0.34	0.66
	Other Operating costs	0.64	0.66	1.30
	Overheads	1.47	1.51	2.98
	Subtotal	3.25	3.32	6.57
	Total	10.89	11.13	22.01

- 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
- Total FTE reduced to 42

50% Scaled option:

Scaled	Description	Budget 50%	Budget 50%	Budget 50%
		FY25/26	FY26/27	Total
Crown Response Office kalmahi 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
	Subtotal	3.07	3.14	6.21
Crown Response Office other costs				
	General legal advice (Crown Law or other) and litigation costs	0.80	0.82	1.62
	Engagement costs	0.23	0.24	0.47
	Other Operating costs	0.25	0.26	0.51
	Overheads	0.68	0.70	1.38
	Subtotal	1.97	2.01	3.98
	Total	5.05	5.16	10.20

- No additional capacity to support agencies
- Minimal external engagement
- Minimal executive support
- No contract support
- Total FTE reduced to 17

25% Scaled option:

Scaled	Description	Budget 25%	Budget 25%	Budget 25%
		FY25/26 \$'million	FY26/27 \$'million	Total \$'million
Crown Response Office kaimahi costs				
	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
	Subtotal	1.47	1.50	2.97
Crown Response Office other costs				
	General legal advice (Crown Law or other) and litigation costs	-	-	-
	Engagement costs	-	-	-
	Other Operating costs	0.11	0.11	0.22
	Overheads	0.22	0.23	0.45
	Subtotal	0.33	0.34	0.67
	Total	1.80	1.85	3.65

- 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.
- 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.

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.	
What is the initiative purchasing/funding?	<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"> • Overheads, which includes: <ul style="list-style-type: none"> ○ 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 ○ 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 • Operating costs: <ul style="list-style-type: none"> ○ to pay fees for members of formal groups and other associated costs to host meeting or engagement events; and ○ legal services provided by the Crown Law Office, or an external provider.
What market constraints or other delivery risks exist?	<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.</p> <p>This bid seeks funding to enable secondments of expert staff into the CRO, or alternatively, support agencies to lead cross-agency work.</p>
Government Procurement Rules	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	
What are the main risks?	<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.</p> <p>This bid seeks funding to enable secondments of expert staff into the CRO, or alternatively, support agencies to lead cross-agency work.</p>
What are the key constraints?	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.
What are the key dependencies?	<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>

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 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"> • establishing a clear plan • monitoring agencies’ progress on their actions • communicating regularly with relevant agency chief executives. <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>
Timeframes and monitoring	<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.

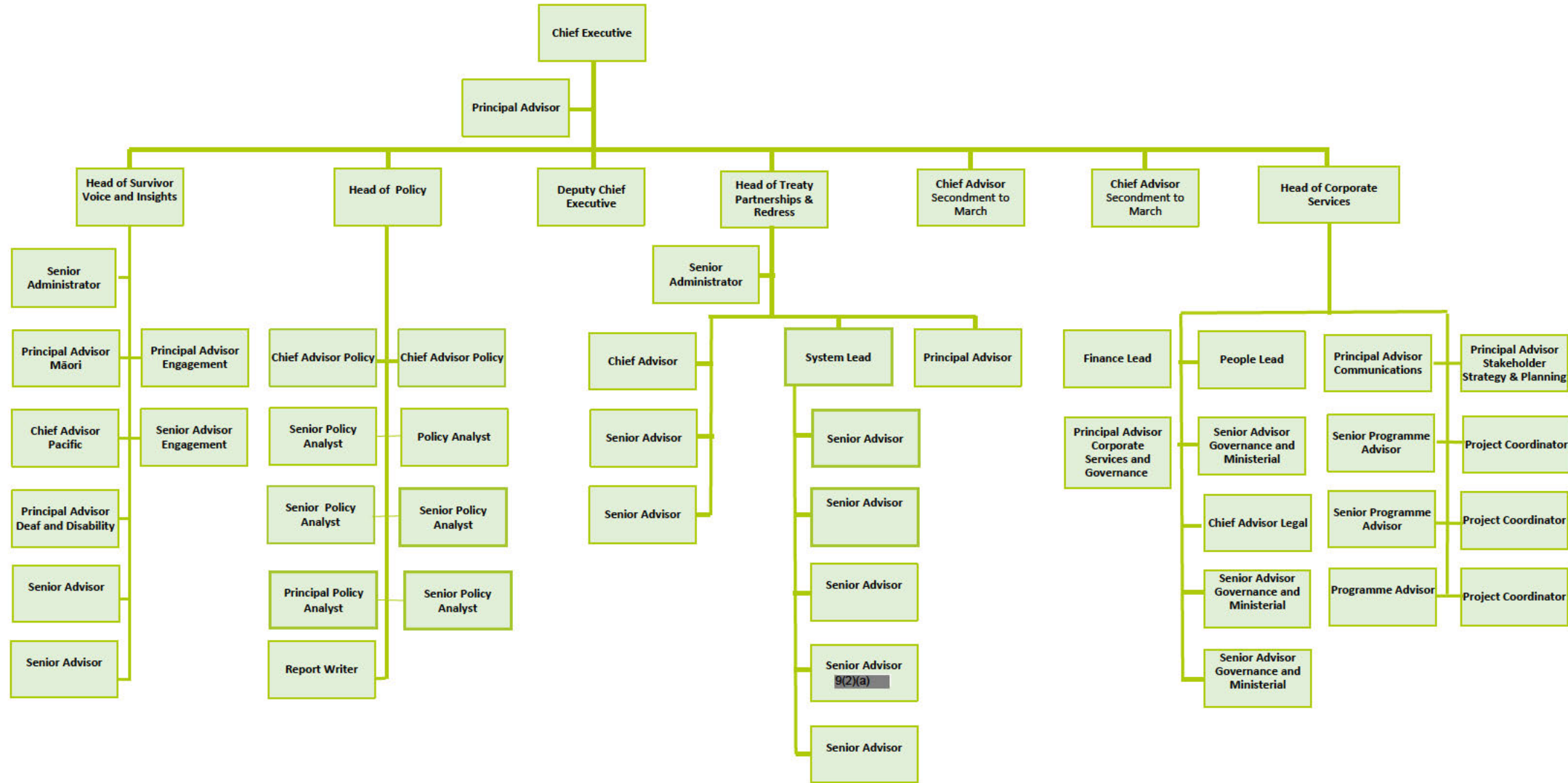
Section 5: Equity

All initiatives need to complete this section.

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

Timing of costs and benefits	<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>			
Treaty of Waitangi (Te Tiriti o Waitangi) Obligations	Yes	<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>The anticipated CRO 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 in meeting its Tiriti obligations.</p>		
Specific implications regarding human rights	Yes	<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>		
Does the initiative have a larger impact on any of	<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"/>

the following groups of New Zealanders than on the population as a whole?	<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"/>
Distributional Impacts	<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. These intend to improve health and wellbeing of survivors/mōrehu, enable them to achieve their aspirations, improve their ability to be resilient, and work towards more equitable access to services, achievement of outcomes, and access to opportunities.</p> <p>There are no specific settlement implications directly relevant to the CRO.</p>			



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 Minister of Health</p> <p>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</p> <p>Hon Paul Goldsmith Minister of Justice</p> <p>Hon Louise Upston Minister for Social Development and Employment, for Disability Issues, transferred responsibilities from the Minister for Children for redress decisions</p> <p>Hon Mark Mitchell Minister of Corrections</p> <p>Hon Tama Potaka Minister for Māori Development</p> <p>Hon Brooke van Velden Minister of Internal Affairs</p> <p>Hon Karen Chhour Minister for Children</p>	<p>Agree to submit the Budget '25 Crown Response to Abuse in Care Package</p>

Contact for discussion			
Name	Position	Telephone	1 st 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



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

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. Out of scope

Out of scope

7. Out of scope

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

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

10. Out of scope



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. Out of scope

13.

14.

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.

¹ Placeholder Submission – Crown Response to Abuse in Care Budget '25 Package [CRACI 24/104]; Out of scope

Preparing costings for a Crown Response Budget 2025 bid – Time limited funding for the proposed duration of the Crown Response Office [CRACI 24/096].

Area	Votes	Appendices
Out of scope		
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;



Out of scope



11.0 Crown Response Office;

11.1 Crown Response Office Organisational Chart.

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. Out of scope [Redacted]
2. Out of scope [Redacted]
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:

Out of scope



ID 16493	New Spending	New Spending Commitments	Crown Response Office (time limited operating funding)
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Out of scope



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 11.0

Annex 1: Budget 2025 Cost Pressures and New Spending Template

Section 1: Overview

Section 1A: Basic initiative information										
Initiative title (max 120 characters)	Crown Response Office (time limited operating funding)									
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	Public Service Commission (Crown Response Office)							
Initiative description (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.									
Priority Area (PA) Objective	<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>									
Is this a cross-Vote initiative?	No	No								
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 (\$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									
What is the problem that this initiative is trying to solve and why does it need to be solved now?	<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>								
Alignment to Government Priorities (if alignment to multiple Priorities is possible, select the most relevant)	<table border="1"> <tr> <td><input type="checkbox"/></td> <td>Addressing the rising cost of living</td> <td><input checked="" type="checkbox"/></td> <td>Delivering effective and fiscally sustainable public services</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Building for growth and enabling private enterprise</td> <td><input type="checkbox"/></td> <td>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						
Does this initiative relate to one of the Government's focus areas for Budget 2025?	<table border="1"> <tr> <td><input type="checkbox"/></td> <td>Economic Growth (invitation only)</td> <td><input checked="" type="checkbox"/></td> <td>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	
What was the range of options considered?	This Budget Bid considers scaled options for funding the CRO to deliver Cabinet directives and Government priorities on the response plan.
What was the process used to select the preferred option?	<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>
Interaction with savings proposals	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>What outcome(s) would the initiative achieve?</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"> • Advising on policy, legislative change and redress design, and working closely with the Treasury on investment advice; • Engaging closely with stakeholders, including survivors, and providing secretariat support to relevant reference groups, as required; • Supporting government decisions to deliver and implement its plan for responding to the Royal Commission recommendations, for improvements to redress; • Coordinating, monitoring and reporting on implementation of recommendations and Cabinet decisions across government; and • Providing secretariat support for the Group of responsible Chief Executives with accountabilities established through the response plan. <p>Outcomes¹ achieved include:</p> <ul style="list-style-type: none"> • ensuring safety for people in the care system (improvements to the care system), and • addressing the wrongs of the past through the establishment of a new redress system. <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>How will these outcomes be measured and evaluated?</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"> • establish and implement centralised monitoring and oversight of the Government's abuse in care response plan; and • Provide in-house capability and capacity to coordinate and support centralised oversight, monitoring and reporting on cross-agency progress in implementing the response plan. 			
<p>Evidence and assumptions</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>Climate impact</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>

¹ 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
Crown Response Office kaimahi costs			
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	0.31	-	0.31
Subtotal	9.98	9.89	19.87
Crown Response Office other costs			
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	1.29	-	1.29
Other Operating costs	0.83	0.85	1.68
Overheads	1.92	1.97	3.89
Subtotal	5.59	4.40	9.99
Total	15.58	14.29	29.87

The CRO is estimating an efficiency underspend from the public apology in FY24/25 of approximately \$1.6 million. 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
<i>FTE costs</i>	8.23					
<i>Operating costs</i>	1.91					
<i>Overheads</i>	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
Total operating expenses (\$m)	-	15.58	14.29	-	-	29.87

*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)	-	59.0	57.0	-	-						
Total # of net FTEs at [Agency / Crown Entity / etc.] (contractors/consultants)	-	0.5	0.5	-	-						
Total # of net FTEs (employees and contractors/consultant) over the forecast period	-	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?	<p>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.</p> <p>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.</p> <p>Any reduction in funding will negatively impact FTE numbers and ability to deliver initiatives.</p>										
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.]	-	-	-	-	-	-	-	-	-	-	-
Total (\$m)	-	-	-	-	-	-	-	-	-	-	-

*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]	-	-	-	-	-	-
Net Total (\$m) – 75%	-	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]	-	-	-	-	-	-
Net Total (\$m) – 50%	-	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]	-	-	-	-	-	-
Net Total (\$m) – 25%	-	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]	-	-	-	-	-	-	-	-	-	-	-
Total (\$m)	-	-	-	-	-	-	-	-	-	-	-

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

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
Subtotal	7.95	7.81	15.75
Crown Response Office other costs			
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
Subtotal	4.14	3.32	7.46
Total	12.09	11.13	23.21

- 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
Subtotal	3.38	3.14	6.52
Crown Response Office other costs			
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
Subtotal	2.46	2.01	4.48
Total	5.85	5.16	11.00

- 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
Crown Response Office kaimahi costs				
	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
	Subtotal	1.47	1.50	2.97
Crown Response Office other costs				
	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
	Subtotal	0.73	0.34	1.07
	Total	2.20	1.85	4.05

- 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.

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>What is the initiative purchasing/funding?</p>	<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"> • Overheads, which includes: <ul style="list-style-type: none"> ○ 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 ○ 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 • Operating costs: <ul style="list-style-type: none"> ○ to pay fees for members of formal groups and other associated costs to host meeting or engagement events; and ○ legal services provided by the Crown Law Office, or an external provider.
<p>What market constraints or other delivery risks exist?</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 CRO, or alternatively, support agencies to lead cross-agency work.</p>
<p>Government Procurement Rules</p>	<p>Will be undertaken 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

<p>What are the main risks?</p>	<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>
<p>What are the key constraints?</p>	<p>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.</p>
<p>What are the key dependencies?</p>	<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>

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 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"> • establishing a clear plan • monitoring agencies' progress on their actions • communicating regularly with relevant agency chief executives. <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>
Timeframes and monitoring	<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.

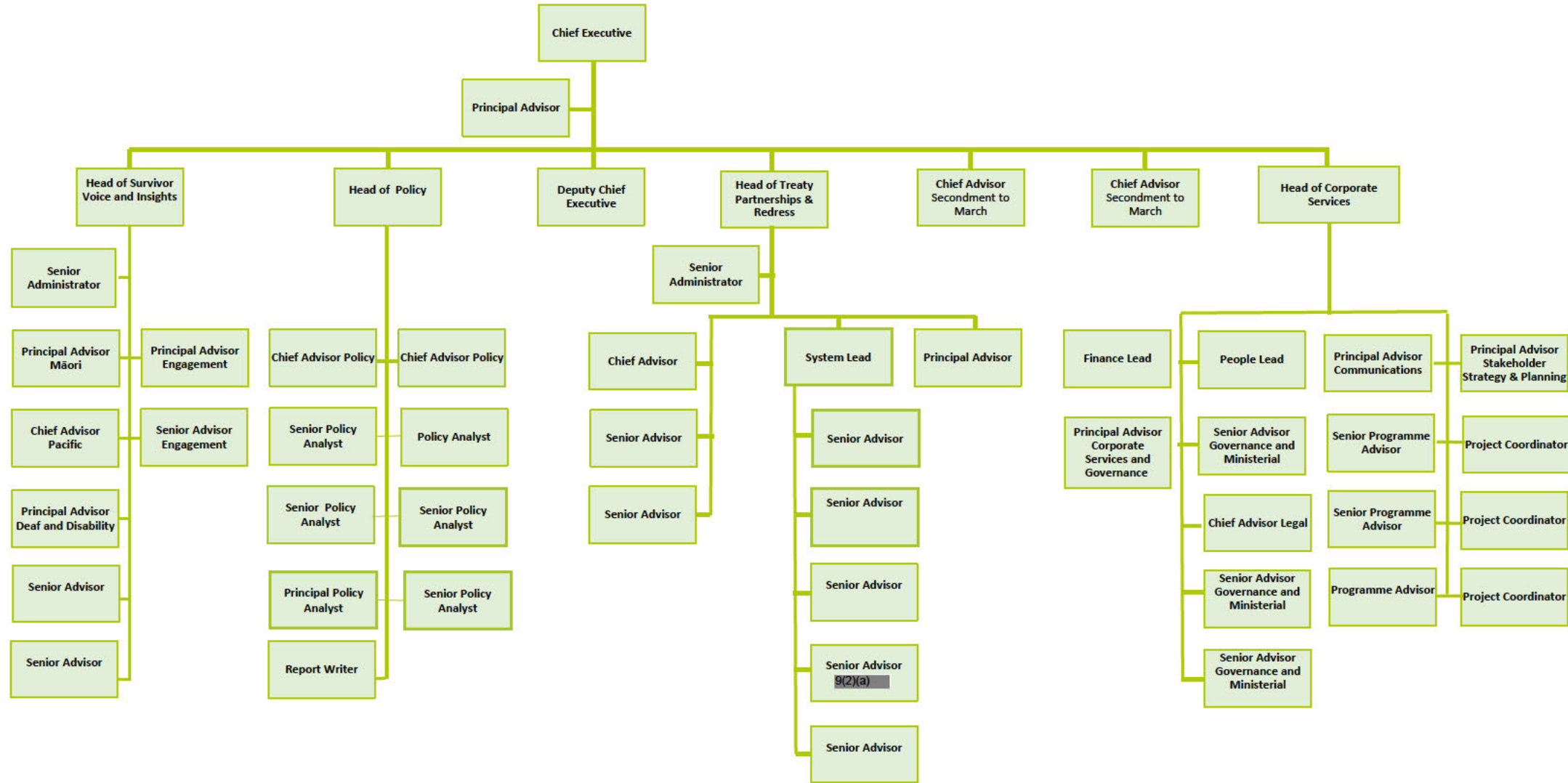
Section 5: Equity

All initiatives need to complete this section.

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

Timing of costs and benefits	<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>			
Treaty of Waitangi (Te Tiriti o Waitangi) Obligations	Yes	<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>		
Specific implications regarding human rights	Yes	<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>		
Does the initiative have a larger impact on any of the following groups of New	<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"/>

Zealanders than on the population as a whole?	<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"/>
Distributional Impacts	<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>			





Aide-memoire

Bilateral with the Minister of Finance on Crown Response 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

Date: 27/02/2025

Security level:

Priority: Medium

Report number: CRACI 25/016


Purpose

1. This paper provides you with advice and talking points to support your meeting with the Minister of Finance on Monday 3 March.

You submitted a Budget Package to support the Crown Response to Abuse in Care

2. On 26 January you submitted a Budget package that had three core components:


Out of scope



c. **Crown Response Office time limited funding [See Appendix Three]**. This focuses on funding for the Crown Response Office which currently ends on 30 June 2025.

3. The three attached appendices provide information on the Budget proposals, speaking points and additional information in anticipation of potential questions from the Minister of Finance based on queries officials have received from The Treasury.

4. Out of scope



Appendix 3: Crown Response Office Proposal

3a: Overall intent of CRO package

This package 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.

3b: Summary of Bid Content

CRO funding ends 30 June 2025. The Budget package assumes the CRO functions for two years as agreed by Cabinet in September 2024 to drive the implementation of the work programme arising from the Royal Commission, with functions that include [CAB-24-MIN-0331 refers]:

- Advising on policy, legislative change and redress design, and working closely with the Treasury on investment advice;
- Engaging closely with stakeholders, including survivors, and providing secretariat support to relevant reference groups, as required;
- Coordinating, monitoring and reporting on implementation of recommendations and Cabinet decisions across government; and
- Providing secretariat support for the group of responsible Chief Executives with accountabilities established through the response plan.

Operating costs associated with initiative (\$m)					
2024/25	2025/26	2026/27	2027/28	2028/29 & outyears*	Total
-	15.58	14.29	-	-	29.87

3c: Implications if not funded

If not funded, there would not be resourcing for cross-agency coordination or Ministerial support and advice provision. There would be a significant delivery risk that government agencies would not be able to contribute sufficiently to the response to the Royal Commission due to competing priorities and/or resource constraints.

3d: Key messages and talking points

- The level of Crown Response Office (CRO) resourcing is heavily dependent on Ministerial and Cabinet decisions regarding the oversight, monitoring and stakeholder engagement elements of the Full Government Response Plan.
- I expect this to be decided through the Full Government Response Plan which is currently under development and will be considered by SOU on 9 April.
- Any engagement function within CRO would exist primarily to support the policy/advisory, monitoring and oversight functions. For example:
 - you are currently considering a proposal to establish a Ministerial advisory group to oversee Government's implementation of the Full Response Plan (the Plan) [report CRACI 25/002 refers].
 - If an advisory group is established, resources for any necessary engagement, set up and a supporting secretariat will be required.

- The Budget proposal recommends an efficiency underspend from FY 24/25 be transferred to FY 25/26:
 - This was funding allocated to the public apology, which I recommend is used to deliver the National Day of Remembrance in November 2025 as agreed by Cabinet and announced as part of the apology [SOU-24-MIN-0129 refers]
 - originally estimated (and stated in the Budget package) as 9(2)(f)(iv) latest figures show that underspend to be 9(2)(f)(iv).
- Corporate overheads are increasing for CRO through the transition to the Public Service Commission (PSC). The bid accordingly seeks an increase in annual overhead and operating budget from \$2.62 million to \$4.28 million in 2025/26, noting:
 - When the Crown Response Unit (CRU) was hosted by Oranga Tamariki , they did not charge for such services as Oranga Tamariki is a much larger department and could adsorb the fiscal impact of overhead costs as the CRU was relatively small. The PSC advise that given their small size and the relative size of the CRO they will need to seek cost recovery.
 - There has also been an increase in overhead costs that in previous years were covered by Oranga Tamariki as our host agency. This includes paying for desk space, phone and laptop plans and equipment, IT licences, helpdesk and payroll support services. We have been advised that these costs cannot be absorbed by the PSC;
 - An increase in overhead recovery costs sought by the PSC for an estimated increase in audit fees and for general corporate service support; and
 - Inflation at the Treasury prescribed rate of 2.2%.
- Costs associated with the change in host agency have been developed in consultation with the PSC and are based on a fixed formula or prescribed all of government rates.

Redress System Package – Alternative Scaling Options

	Option 1 Initial changes - payments and capacity remain the same					Option 2 Initial changes – increased payments					Option 3 Initial changes – increased capacity and moderate capacity increases					Option 4 Initial changes – increased payment and more significant capacity increases				
	Operating costs associated with this option (\$m)					Operating costs associated with this option (\$m)					Operating costs associated with this option (\$m)					Operating costs associated with this 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	2025/26	2026/27	2027/28	2028/29 & outyears	Total
	\$14.86	\$107.02	\$103.30	\$103.41	\$328.58	9(2)(f)(iv)					9(2)(f)(iv)					9(2)(f)(iv)				
Capacity	1,550 claims per year					1,550 claims per year					1,550 claims rising to 2000 claims per year from year two					1,550 claims rising to 2000 claims per year from year two and 2500 claims from year three				
Monetary payment	Average of \$20k per payment per claim					Average of \$30k per payment per claim					Average of \$30k per payment per claim					Average of \$30k per payment per claim				

All packages include a package of improvements to the experience of survivors that can be made in the short term, including:

- Making legislative changes to support more fulsome apologies
- Aligning payment levels so there is consistent payments for the same type of experience
- Introducing changes to increase the independent oversight of claims outcomes both within the process and for where survivors are unhappy with the outcome of their claim
- Introducing a simple application process with a single-entry point to make a claim
- Ensuring that survivors with claims across multiple State agencies have one point of contact and their claim is managed as one claim
- Introducing shared governance and oversight of the State redress processes, including a common monitoring framework that incorporates survivor insights
- Introducing a common payment framework
- Making improvements to existing assessment processes to focus on what is most important to survivors and to enable assessments to be completed as quickly and efficiently as possible (for example focusing assessments on abuse allegations only)
- Creating one set of core policies that apply to State redress processes (with setting specific exceptions where needed). These could also be adopted in whole or part by other redress providers.
- Moving to a consistent support service offerings across each redress agency
- Introducing a legal fees framework

Note:

- Options two and four includes 9(2)(f)(iv) to top up closed claims
- Options two, three and four include top-up payments for survivors with closed claims spread across two years

Released under the Official Information Act 1982



Cover note

Confirming Crown Response Budget 2025 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

Date: 14 March 2025

Security level:

Priority: High

Report number: CRACI 25/033

Purpose

1. This cover note seeks your confirmation of the elements and amounts of the Crown Response Budget 2025 package and provides you with a letter (Appendix One) to give to the Minister of Finance by close of business 17 March 2025, which confirms the size and components of this package.

Recommendations

2. It is recommended that you:

- a. **confirm** in writing the approach to the Crown Response Budget 2025 package as outlined in the Annex of Appendix One by close of business Monday 17 March; Yes / No
- b. **note** a letter has been drafted from you to the Minister of Finance to confirm each initiative and the total funding sought as part of Budget 2025 (Appendix One) Yes / No


Rajesh Chhana
Chief Executive
Crown Response Office

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


14 / 03 / 2025

/ /

Crown Response Budget 2025 package

3. To inform Budget Ministers' decisions on the Government's Budget 25 package, the Crown Response Budget package components and amount needs to be finalised next week (17 March). The Crown Response Office received notice of this from the Treasury on Thursday 13 March.
4. Confirmation of the Crown Response Budget 2025 package is required in writing to the Treasury by close of business Monday 17 March and to the Minister of Finance the following day. This will require confirmation of total funding sought and high-level details on the initiatives sought as part of the package.
5. The Annex One of Appendix One outlines the details associated with the Crown Response Budget 2025 package including:
 - a. Out of scope
 - b. 
 - c. Crown Response Office, as per direction from the Treasury on the amount supported by the Minister of Finance.
6. Officials are available to discuss any components of this package with you, if you wish.

Out of scope



Out of scope

Crown Response Office

13. Funding sought for the Crown Response Office has been scaled to \$24.000 million. It is expected that existing funding will also be transferred due to a projected underspend of \$2.300 million (as of 13 March) and remaining contingency funding of \$2.564 million associated with the establishment of the Crown Response Office. The total funding available for the Crown Response Office is estimated at a total of \$28.864 million over FY 2025/26 and 2026/27.

Envelope approved by the Minister of Finance

14. Out of scope
Out of scope
Out of scope
Out of scope
To note, funding for the Crown Response Office Out of scope are in addition to the approved envelope (therefore not included in the below table).

Out of scope

15.

Next steps

16. Confirmation of the Crown Response Budget 2025 package is required to the Treasury by 5pm Monday 17 March and to the Minister of Finance the following day. This will require confirmation of total funding sought and high-level details on the initiatives sought as part of the package.
17. If you are comfortable with the proposed funding profile of the package, outlined in the Annex of Appendix One, please have your office provide written confirmation to the Crown Response Office by 5pm Monday 17 March. The signed letter to the Minister of Finance can follow the next day. We have included a draft letter in Appendix One.



Cover note

Budget 2025 – Summary of initiatives document for publication			
Date:	23 April 2025	Security level:	
Priority:	High	Report number:	CRACI 25/045

Information for Minister	
<p>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</p> <p>Copied to:</p> <p>Hon Simeon Brown Minister of Health</p> <p>Hon Louise Upston Minister for Social Development and Employment</p> <p>Hon Mark Mitchell Minister of Corrections</p> <p>Hon Tama Potaka Minister for Māori Development</p> <p>Hon Matt Doocoy Minister for Mental Health</p> <p>Hon Brooke van Velden Minister of Internal Affairs</p> <p>Hon Karen Chhour Minister for Children</p>	<p>This cover note provides you with the <i>Summary of Initiatives</i> document for your input by 9am Monday 28 April.</p>

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

Agencies consulted
Department of Corrections, Department of Internal Affairs, Ministry of Education, Ministry of Health, Ministry of Social Development, Oranga Tamariki, Te Kawa Mataaho – Public Service Commission, Te Puni Kōkiri

Minister’s office to complete

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

Comments



Cover note

Budget 2025 – Summary of initiatives document for publication

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

Cc: Hon Simeon Brown, Minister of Health
Hon Louise Upston, Minister for Social Development and Employment
Hon Mark Mitchell, Minister of Corrections
Hon Tama Potaka, Minister for Māori Development
Hon Matt Dooney, Minister for Mental Health
Hon Brooke van Velden, Minister of Internal Affairs
Hon Karen Chhour, Minister for Children

Date: 23 April 2025

Security level:

Priority: High

Report number: CRACI 25/045

Purpose

1. This cover note provides you with the *Summary of Initiatives* document for your input by 9 am Monday 28 April (Appendix One – clean version and Appendix Two – marked up version) which outlines all new spending initiatives that were agreed through the Budget process and will be released to the public following announcements. The document is due to the Treasury before midday Monday 28 April.

Recommendations

2. It is recommended that you:
 - a. **note** the *Summary of Initiatives* document (attached) is a Treasury template used to communicate publicly about agreed Budget initiatives;
 - b. **provide any input** on the document by 9am Monday 28 April; and Yes / No
 - c. **note** the Treasury has requested confirmation that relevant Ministers offices are comfortable with the document.

Publication of the Summary of Initiatives document

3. The Treasury has requested input on the titles and descriptions for the *Summary of Initiatives* document for the Abuse in Care package. The Crown Response Office has coordinated input from other relevant agencies receiving Abuse in Care related funding.
4. The document outlines all new spending and savings initiatives (regardless of funding source) that were agreed through the Budget process. Initiatives are published in the form of initiative title, description and funding amounts. Summaries of the total amount of funding (including any savings and reprioritisation) are also published for each Vote.

5. The document is a Treasury template used across agencies to communicate publicly agreed Budget initiatives. The material in the document is being used to inform the Ministers announcements on 6 May.

Relevant Ministers confirmation of the Summary of Initiatives document

6. The Treasury has also requested that all agencies confirm that their Ministers office is comfortable with the titles and descriptions for the document for the Abuse in Care package. At time of writing, the Crown Response Office has not yet received confirmation from the Minister for Children, Minister of Internal Affairs, Minister of Health, and Minister for Māori Affairs. We will work with your office to confirm the remaining Ministers are comfortable with the content of the document.
7. We have been advised by their officials that Minister for Social Development and the Minister of Corrections are comfortable with the document. We seek your approval as the Minister for Education in addition to your role as Lead Coordination Minister.

Next steps

8. Please provide any feedback on the document to the Crown Response Office by 9am Monday 28 April. The Crown Response Office will send the final version of the document to the Treasury before 12pm Monday 28 April.

This document contains budget-sensitive data. It is not the final version

Out of scope



Crown Response Office – Time Limited Operating Funding

This initiative provides funding for the Crown Response Office to drive the implementation of the work programme arising from the Royal Commission of Inquiry into Abuse in Care. Funding will allow for functions that include monitoring and oversight, survivor engagement, legal services, advisory, and on-going departmental needs.


Vote	2024/25	2025/26	2026/27	2027/28	2028/29	<i>Operating Total</i>	<i>Capital Total</i>
Public Service	-	10.191	13.809	-	-	24.000	-

Out of scope



This document contains budget-sensitive data. It is not the final version

Out of scope




Crown Response Office – Time Limited Operating Funding

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Vote	2024/25	2025/26	2026/27	2027/28	2028/29	Operating Total	Capital Total
Public Service	-	10.191	13.809	-	-	24.000	-

Out of scope





Briefing

Crown Response Work Programme and Summary of Budget '25 Package

For: Hon Erica Stanford, Minister of Education and 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

Cc: Hon Simeon Brown, Minister of Health
Hon Paul Goldsmith, Minister of Justice and Minister for Arts, Culture and Heritage
Hon Louise Upston, Minister for Social Development and Employment and Minister for Disability Issues
Hon Judith Collins KC, Attorney-General and Minister for the Public Service
Hon Mark Mitchell, Minister of Police and Minister for Corrections
Hon Tama Potaka, Minister for Māori Development
Hon Matt Dooney, Minister for Mental Health
Hon Scott Simpson, Minister for ACC
Hon Karen Chhour, Minister for Children
Hon Casey Costello, Associate Minister of Health

Date: 13 May 2025

Security level:

Priority: Low

Report number: CRACI 25/051

Purpose

1. This briefing provides you with view across the Crown Response work programme and highlights key upcoming milestones for your information. It has two attachments:
 - a. A Crown Response Work Programme Road Map (Appendix One) which provides an initial high-level view across the Crown Response work programme as it currently stands;
 - b. Crown Response Budget '25 Summary of Initiatives, which is due to be released on Budget Day (see Appendix Two).

Recommendations

2. It is recommended that you:
 - a. **note** there have been significant Cabinet decisions made across April and May, including Budget decisions, that enable the Crown's response;

- b. **note** that government agencies are organised and working together to implement the Crown's response and provide ongoing policy and other advice to Ministers;
- c. **note** that the first annual monitoring report on the Crown's Response is due to Cabinet in October 2025;
- d. **discuss** this briefing at your next meeting with Crown Response Joint Ministers.

YES / NO



Rajesh Chhana
Chief Executive, Crown Response Office

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

13 / 05 / 2025

/ /

Background

3. In April and May 2025 Cabinet made a significant number of decisions regarding the Crown's Response to the Royal Commission of Inquiry into Abuse in Care. This includes:

a. Out of scope

b. Out of scope


c. Budget '25 investments (Appendix Two)

Out of scope

Appendix Two: Summary of Budget '25 Initiatives

Crown Response to the Royal Commission of Inquiry into Historical Abuse in State Care

Out of scope



Crown Response Office – Time Limited Operating Funding

This initiative provides funding for the Crown Response Office to drive the implementation of the work programme arising from the Royal Commission of Inquiry into Abuse in Care. Funding will allow for functions that include monitoring and oversight, survivor engagement, legal services, advisory, and on-going departmental needs.

Vote	2024/25	2025/26	2026/27	2027/28	2028/29	<i>Operating Total</i>	<i>Capital Total</i>
Public Service	-	10.191	13.809	-	-	24.000	-