



Board to strengthen system arrangements for State care

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Report No: 2022-0332
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	Actions Sought	Due Date
Hon Chris Hipkins, Minister for the Public Service	Discuss your feedback with officials in the new year	N/A

Enclosure: Yes – draft Cabinet paper

Executive Summary

- 1 The Royal Commission of Inquiry into Abuse in Care will produce its final report and recommendations to Government in June 2023, which may include recommendations on organisational arrangements within the care system. We are considering options that could strengthen agency collaboration and accountability in providing State care.
- 2 As discussed with the Public Service Commissioner, a chief executive board would provide a mechanism to join up the way that agencies deliver State care. To ensure strengthened accountability, this board could be established as an interdepartmental executive board under the Public Service Act 2020.
- 3 Early engagement with agencies has helped to inform the possible scope and functions of the board, which have also been tested with the Sponsoring Chief Executive Group for the Crown Response to the RCOI.
- 4 A draft Cabinet paper has been sent to agencies, and is attached to this report. It provides further detail on this proposal, and can inform a further discussion with you in the new year.

Recommended Action

We recommend that you:

- a **discuss** your feedback on the proposal and the attached draft Cabinet paper with officials in the new year.
- b **note** that the draft Cabinet paper has been sent to relevant agencies for their feedback.
- c **agree** that Te Kawa Mataaho release this briefing in full following final Cabinet decisions on the proposal.

Agree/ disagree.



Hon Chris Hipkins
Minister for the Public Service

Te Kawa Mataaho Report: Board to strengthen system arrangements for State care

Purpose of Report

- 5 This report provides you with advice on how an interdepartmental executive board could be used to strengthen agency collaboration and accountability in the care system. An early draft Cabinet paper is attached for your consideration.

Background

- 6 In examining the historical abuse of children, young persons, and vulnerable adults in care, the Royal Commission of Inquiry into Abuse in Care (RCOI) has identified that care systems operating today still have flaws and are not always supporting the wellbeing of those in care, protecting them from abuse and ensuring these individuals can achieve positive life outcomes.
- 7 Specifically, the RCOI has noted that:
- agencies are often acting in siloes, which restricts collaborative working and the sharing of information; and
 - there is no single point of accountability for the care system.
- 8 The RCOI will produce its final report and recommendations to Government in June 2023, which may include recommendations on organisational arrangements within the care system. We consider there could be benefit in acting now to strengthen agency collaboration and accountability in the care system, and have been considering what an appropriate organisational arrangement may look like ahead of the RCOI's report.

Proposal for an interdepartmental executive board

- 9 As discussed with the Public Service Commissioner, a chief executive board would provide a mechanism to join up the way that agencies deliver State care. To ensure strengthened accountability, this board could be established as an interdepartmental executive board under the Public Service Act 2020. The RCOI specifically raised this possibility with the Public Service Commissioner at the institutional response hearings.
- 10 Early engagement with agencies has helped to inform the draft scope and functions of the board (discussed below), which have also been tested with Sponsoring Chief Executive Group for the Crown Response to the RCOI. These can be further refined through agency and ministerial consultation in the new year.
- 11 The scope and functions have been informed by specific concerns raised by the RCOI. The scope could be made broader, including to lead and coordinate aspects of the Government's response to the RCOI's report or to cover a wider range of services or functions delivered by government. If the current draft scope and functions are agreed, there may be benefit in reviewing the board's functions following the release of the Royal Commission's final report and recommendations next year.
- 12 The attached draft Cabinet paper has been sent to relevant agencies for their feedback.

Scope of the Board

- 13 The RCOI's desire for stronger accountability stems from the heightened responsibility the government has for those under its care. This responsibility is especially great where the State has a role in providing or arranging residential care for people in vulnerable circumstances (including children, and people with disabilities or mental health conditions), especially where the State is using coercive powers to protect these individuals.
- 14 Therefore, the scope of the Board would need to cover care services that are:
- delivered by or on behalf of the State (e.g. under contract); and
 - compulsory and/or delivered in a residential/institutional setting; and
 - delivered to children, young people, disabled people, or individuals with a mental health condition.
- 15 The Board itself will be best placed to determine the full set of specific care services that are within this scope, which would likely include (but not necessarily be limited to):
- care and protection and youth justice residences
 - foster care arrangements
 - people with a mental illness where a compulsory treatment order is made
 - intellectually disabled people under a compulsory care order
 - community residential support services for disabled people
 - specialist mental health facilities
 - residential specialist schools.

Functions of the Board

- 16 The Board would provide a single point of contact for Ministers for issues affecting the care system, and be responsible for ensuring collaboration between agencies and consistency where this makes sense. Specific functions, informed by discussions with officials, could be:
- Aligning processes/approaches across agencies to ensure consistency when caring for similar groups of people, including alignment of policy, service provision and contracting/funding, standard setting and monitoring, and regulation. This includes access to wraparound services to people in care, as well as the provision of care itself;
 - Sharing of information, insights and intelligence (e.g. individuals' specific needs, vetting, and intelligence on performance of care providers, coordination of interventions);
 - Managing system transformation of care services (e.g. sharing insights and developing common approaches to support the trend towards devolution of care provision
 - Improving management of transition points (e.g. moving between care settings, moving in and out of care, starting school, becoming parents) to ensure individuals are supported through these processes.
- 17 The board would be jointly responsible for the performance of these functions. This would not change individual chief executive accountabilities for the performance, operation, and actions taken by their

agencies when carrying out their individual roles and functions (including the delivery of care services they are currently responsible for).

Remit and membership

- 18 The Order in Council establishing an IEB must specify the remit of the board. Members of the board, including the chair, are then selected by the Public Service Commissioner from the chief executives of the agencies within the board's remit. The Commissioner will invite you and the Minister for the Board to identify any matters the Commissioner must take into account when selecting the membership, in accordance with section 29(5) of the Public Service Act 2020.
- 19 Agencies within the remit would be those agencies needed to perform the functions listed above, including agencies that:
 - provide, contract or regulate care services; and
 - provide other services to people in care, are involved in managing transition points, and/or support the sharing of information, insights and intelligence, in line with the board's functions.
- 20 Our initial assessment is that this would include Oranga Tamariki, Whaikaha – Ministry for Disabled People, Ministry of Health, Ministry of Education, Ministry of Social Development, New Zealand Police, Department of Corrections, and Ministry of Justice.
- 21 Te Whatu Ora – Health New Zealand is the main provider of healthcare in New Zealand and a key player in the care system, both in respect of providing care services, and helping to provide wrap-around care to individuals receiving State care in other sectors. Given that chief executives of Crown agents cannot be selected as members of an IEB, the chief executive of Te Whatu Ora could be appointed as an independent advisor to the Board under the Public Service Act.
- 22 The board would also need to work closely with other relevant agencies, including Te Puni Kōkiri, Ministry for Pacific Peoples, Te Akai Whai Ora – Māori Health Authority, and agencies in the remit but not represented as members of the board.

Support for the Board

- 23 A servicing department for the board will need to be agreed by Cabinet and listed in the Order in Council establishing it. We propose that the board could initially receive light touch secretariat support from the servicing department, rather than establishing a separate support unit for the board. We consider that any additional costs to the servicing department in providing these services would be minor, and could be met within baselines.
- 24 A cross-agency officials group could also be established to support the board to carry out its functions. This group could have representatives from agencies within the board's remit. These representatives would remain employed by their home agency.
- 25 If any changes are made to the functions of the board following the release of the Royal Commission's report, it would need to be considered at that time whether the board requires more dedicated support to deliver those functions.

Next steps

- 26 A draft Cabinet paper is attached which provides further detail on the proposal. This paper can inform a further discussion with you on this proposal in the new year.