

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

Work on an improved redress pathway and interim enhancements to current processes

Date of issue: 2 April 2025

These documents have been proactively released:

- Redress for survivors of abuse in care – work on an improved redress pathway and interim enhancements to current processes Cabinet paper;
- CAB-24-MIN-0434, Cabinet Minute, 11 November 2024.

Summary of redactions:

- Section 9(2)(f)(iv) – to maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials.

Office of 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

Cabinet

Redress for survivors of abuse in care – work on an improved redress pathway and interim enhancements to current processes

Proposal

1. This paper seeks agreement to interim funding to increase the capacity of current State redress processes for abuse in care while decisions are made in 2025 on a future redress pathway.

Relation to government priorities

2. This paper progresses the Government's response to the Abuse in Care Royal Commission of Inquiry (the Royal Commission).

Executive Summary

3. This paper is focussed on one redress-related decision that could be taken before the public apology, as well as signalling the more significant redress-related matters that will require Cabinet consideration through 2025.
4. State abuse claims processes have continued to evolve since they grew out of litigation in the 1990s and early 2000s. Today the largest claims processes, operated by the Ministry of Social Development and Ministry of Education, involve a more personalised case management approach and choices for claimants of an individualised assessment or a rapid payment approach.
5. The two agencies are funded through to June 2026 to process approximately 2,000 claims. However, demand on the agencies exceeds their processing capacity, and there are currently over 3,500 survivors with lodged claims, and wait times of 4-5 years for claims to be settled. An investment in additional case management and operating capacity will help the agencies to engage more quickly with the survivors that have been waiting the longest.
6. This paper seeks your agreement to a funding increase of \$32.524 million across the 2024/25 and 2025/26 years to increase capacity while further decisions are made about redress in 2025. In the medium term the investment can be transferred to whatever operational and organisational arrangements we ultimately agree will provide redress in future.
7. Claims agency Chief Executives supported by the Crown Response Office Functional Chief Executive will also report back to joint Ministers by the end of 2024 with options for better integration and/or streamlining of existing claims processes funded from baselines.
8. Alongside this, in 2025 Cabinet will need to take decisions on the significant and complex recommendations made by the Royal Commission in their interim

and final reports for an integrated redress system covering both State and faith-based (non-State) care.

Background

There are currently multiple State and non-State abuse claims processes

9. In the 1990s, a growing number of claims were made regarding abuse and neglect of children and young people while in State care. At that time, litigation was the primary option for claimants. State claims processes evolved out of the litigation brought against the Crown. In accordance with the Crown Litigation Strategy, agreed by Cabinet in 2008, the Crown established an alternative dispute resolution model for its claims processes as an alternative to litigation.
10. The Crown's current abuse claims processes primarily sit across four agencies: the Ministries of Education, Health, and Social Development, and Oranga Tamariki. There are also claims processes operated through school Boards of Trustees and Health New Zealand Claims have recently been made to Te Puni Kōkiri, and the Department of Corrections.
11. Although efforts are made by claims agencies to collaborate, particularly where claims of abuse cross multiple settings, these processes are separate. There are differences in system elements such as the assessment processes, settlement amounts, and review and complaints pathways. There is no single entry-point for claimants and there is limited central oversight or coordination.
12. The Ministries of Social Development and Education have the highest numbers of claims in the State sector, with significant queues (approximately 3,100 and 400 claimants respectively) that result in claims taking an average of four to five years to resolve. Seriously ill and elderly survivors are prioritised. Non-State institutions have also developed their own complaints and claims processes.
13. The different State claims processes have developed over the past two decades. In general, the processes are focussed on engaging with claimants, hearing their account of abuse, reviewing records, and determining how to whether to take allegations into account when settling a claim. The processes also seek to acknowledge a survivor's experiences with an apology and offer a limited range of supports during and/or after a claim.


The Royal Commission was critical of the multiple State and non-State claims processes that have previously or currently operate

14. In its December 2021 interim report on redress, the Royal Commission found State and non-State survivors have had variable and sometimes negative experiences when seeking redress for abuse in care.
15. The Royal Commission recommended the establishment of a single, principles-based redress system covering abuse in State and faith-based (non-State) care, operating independent of care agencies and organisations, with significant survivor involvement in redress governance.

Cabinet has previously made decisions guiding the work to improve redress

16. In June 2024, Cabinet endorsed work on redress as an important focus of the overall response to the Royal Commission and agreed to the development of redress options drawing on the Royal Commission's findings, proposals prepared by a Design Group established by the previous administration, and lessons from domestic and international redress schemes [CBC-24-MIN-050 refers].
17. Cabinet also agreed four core objectives for redress, that it:
 - 17.1 delivers accountability for survivors, including apologies and financial payments that serve to acknowledge the harm survivors experienced and furthers obligations to prevent future abuse in care;
 - 17.2 supports improved outcomes for survivors – which could, depending on a survivor's circumstances and preference, encompass improved quality of life, and the ability to more fully participate in all aspects of community, social, cultural, and economic life;
 - 17.3 manages affordability, risks, and liability, including avoiding significant unintended consequences and helping to ensure the sustainability of redress for as long as it is needed; and
 - 17.4 contributes to reducing the negative social, cultural and economic costs arising from the poor outcomes experienced by survivors as a result of the injury and trauma caused by abuse.

Designing an improved redress pathway is complex and will involve a series of Cabinet decisions across 2025

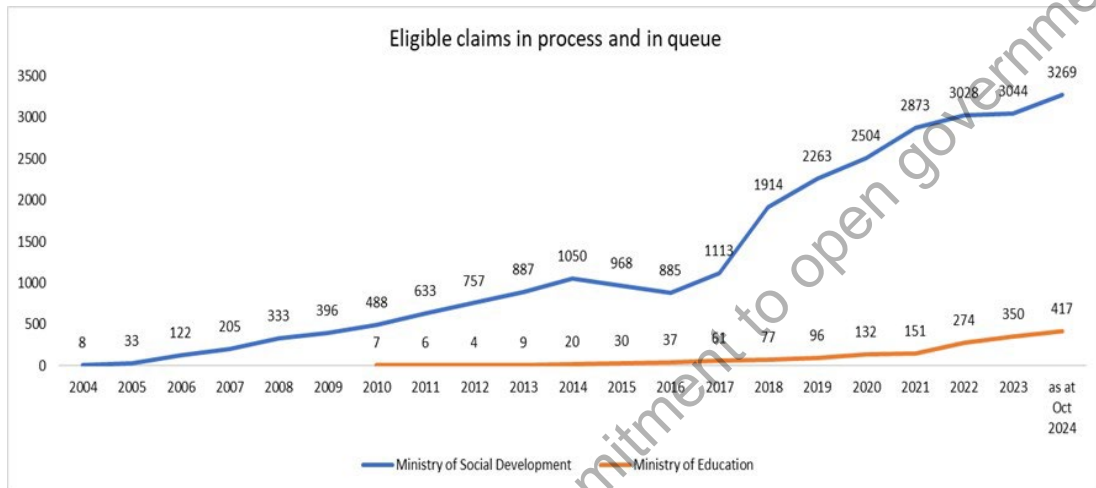
18. The overall change articulated by the Royal Commission is that the Crown should move away from multiple claims processes to an integrated approach that provides consistent redress.
19. Any changes to the Crown's redress model will need to recognise the broader environment in which redress is delivered and the complexity of designing an integrated approach. This includes significant constraints on the Crown's current fiscal position and capacity pressures in the medical and mental health sectors. The constraints apply to all redress options including the status quo.
20. s9(2)(f)(iv)

21. The Royal Commission recommended an improved redress pathway should include both State and faith-based (non-State) care. Options are being developed with an initial focus on State care, given the direct line of responsibility and control the Government has over State settings and therefore redress processes.
22. Further exploration with non-State (primarily faith-based) institutions will occur in 2025 on the potential for an integrated redress pathway with the non-State

organisations being required to meet their share of operating and claims costs. It is intended to seek decisions in 2025 on the inclusion of non-State care.

In the meantime, large numbers of claims coming forward has resulted in most survivors waiting several years to have their State claims resolved

23. Over time, as the number of new claims received has exceeded the number of claims that could be resolved by the current State agencies within their resourcing levels, a growing list of open claims has formed.

Figure 1 Open claims with Ministry of Social Development and Ministry of Education



24. The Ministry of Social Development and Ministry of Education are currently funded through to June 2026 to process approximately 2,000 claims. However, reflecting the high demand illustrated in Figure 1, there is currently a wait-time of four to five years from when a survivor lodges a claim to the settlement of that claim. This waiting period can be very difficult for survivors, even with the stronger case management approach the two agencies have sought to introduce over recent years. The negative impact of delay on survivors’ experiences was one of the points noted by the Royal Commission and outlined in feedback from survivors more generally.
25. The Ministry of Health and Oranga Tamariki receive a smaller proportion of claims and are currently working to expected timeframes across active claims. However, both agencies are also experiencing increased numbers of claims and have challenges to secure ongoing funding and resourcing, which is likely to lead to longer wait times or reduced service levels if not addressed.

The introduction of a rapid payment option has helped two agencies engage with more claimants sooner

26. In response to the Royal Commission’s 2021 interim report on redress¹, the Ministry of Social Development introduced a rapid payment assessment option

¹Which included a recommendation to establish an interim “advance payments” mechanism to provide a fixed sum to survivors who, because of serious ill health or age, are at significant risk of not being able to make a claim to a new redress system, and a recommendation that institutions use best endeavours to resolve claims in the lead up to the establishment of a new redress scheme and should offer settlements that do not prejudice survivors’ rights under the new redress system or any new legislation enacted in response to Royal Commission recommendations on civil litigation.

alongside the existing individualised assessment. Since implementation, more than 70 per cent of claimants have requested a rapid payment offer.

27. In May 2024, the Ministry of Education introduced rapid payments, which are currently available to claimants who attended Waimokoia residential school. Rapid payments will be extended to claimants who attended two other closed residential schools by the end of the 2024/25 financial year, subject to resourcing. The three closed residential special schools that are the focus of the rapid payments comprise around 45 per cent of all Ministry claims.

However, new claims have been trending up and may continue at increased levels

28. The claims trend over time has been upwards for all claims agencies. Claims agencies have received more new claims this year than ever before, especially since the tabling of the Royal Commission's final report. The trend highlights that survivors are seeking to engage with agencies to have their experiences heard and acknowledged within the range of choices currently available.
29. It is expected claim numbers will continue at higher levels, but it is anticipated the number of new claims being lodged will lessen a few months after the public apology. Based on these numbers, it is expected the four agencies will receive upwards of 1,500 new claims in the next financial year. However, this is a conservative estimate, and the actual number of new claims could be higher if the numbers coming forward continue at current levels.

Interim investment can be made in existing claims processes to address capacity constraints while decisions are made on a future redress pathway

30. Recognising that the development of an improved redress pathway will require decisions across 2025, and there is a large queue of survivors seeking redress from current State claims processes, investment in process capacity is sought to enhance survivors' experience of seeking redress in the short term.

Increasing capacity in current State processes to engage with more claimants will help address the frustration of survivors who have been waiting in long claims queues

31. While the introduction of the rapid payment options has provided survivors with a much faster assessment choice, capped processing capacity (for example, the Ministry of Social Development is only funded to process and pay out 1,000 claims per annum) means survivors are experiencing long wait times. Increasing funding for claims agencies will enable them to progress more claims and therefore engage more quickly with the survivors who have been waiting the longest. This will address survivors' frustration at the delay in having their experiences acknowledged. The Ministers responsible for the State claims agencies and I have considered scaled options for increasing capacity.
32. The options considered were based on what may benefit survivors whilst being operationally achievable by the agencies within an appropriate timeframe to respond to the current and increasing demand. The reduction in time a claimant needs to wait will depend on the actual numbers that come forward and survivor decisions once they reach the front of the queue, such as the claim option they wish to pursue.

33. I am seeking your agreement for an additional \$32.524 million investment in the current State processes' capacity over the 2024/25 and 2025/26 years. This will fund an additional 746 claims to be completed by the claims agencies. Options for any further investment can be considered through the standard Budget 2025 process, alongside any additional Royal Commission response investment proposals.
34. I note that for the Ministries of Social Development and Education (as the largest processes), approximately 62 per cent of this funding will go directly to the redress and services survivors receive (including counselling and payment of legal costs, where the survivor has engaged a lawyer), with the remaining 38 per cent covering operating costs, the majority of which is personnel who engage directly with survivors.
35. Additional investment in current redress funding will benefit survivors regardless of decisions we make across 2025 on a future redress pathway. In the short term the investment will increase agencies' ability to engage with survivors and process their claims. As part of the overall redress funding envelope, in the medium term the investment can be transferred to whatever operational and organisational arrangements we ultimately agree will provide redress in future.

Taking initial steps on integrating the current State claims processes will help survivors more easily navigate current redress options

36. In addition to increasing processing capacity, work can be undertaken on options to further streamline existing processes as well as integrate the existing State agency processes. This would help respond to a key difficulty the Royal Commission identified for survivors having to navigate multiple processes and share their information and experiences several times.
37. Claims agency Chief Executives supported by the Crown Response Office Functional Chief Executive will report back to joint Ministers (myself and the other Ministers responsible for the claims agencies) by the end of 2024 with options for the integration of existing claims processes, funded from baselines. It is envisaged that such integration can be progressed while Cabinet makes decisions on a future improved redress pathway and provide survivors with another improvement in their redress experience in the short term.

Cost-of-living implications

38. The proposals in this paper have no cost-of-living implications.

Financial Implications

39. Funding covers both the redress survivors receive and operating costs for the case management approach taken with claims. The latter varies based on agency, reflecting the particular claims process operated. For the Ministries of Social Development and Education approximately 62 per cent of redress funding goes to the redress survivors receive, with the remaining 38 per cent covering operating costs, the majority of which is personnel engaging directly

with survivors. Agencies can continue to look at ways to reduce operating costs.

40. Operating costs cover case management and administration, including:
 - 40.1 engagement with survivors and responding to survivor queries;
 - 40.2 records retrieval, processing and delivery to survivors;
 - 40.3 assessment and review processes;
 - 40.4 general legal review; and
 - 40.5 operational overheads.
41. An additional \$32.524 million interim investment is sought to increase State claims agencies (the Ministries of Education, Health, and Social Development, and Oranga Tamariki) capacity to complete an additional 746 claims over 2024/25 and 2025/26 years, per the following table.

Table 1. Proposed interim investment in, and additional claims to be processed by, State claims agencies

Agency	2024/25		2025/26	
	Funding	Number claims	Funding	Number claims
Ministry of Education	\$3.500 m	57	\$7.920 m	160
Ministry of Health	\$0.150 m	25	\$0.300 m	50
Ministry of Social Development	\$4.435 m	90	\$12.889 m	300
Oranga Tamariki	\$1.280 m	24	\$2.050 m	40
Total	\$9.365 m	196	\$23.159 m	550

42. As noted above, scaling options were considered reflecting the ability of claims agencies to quickly increase capacity, with lower scale funding being sought at this time.
43. The Ministries of Social Development and Education’s current redress funding is only until 30 June 2026 (with the appropriations established until 30 June 2027). The Ministry of Health and Oranga Tamariki do not have dedicated redress funding, with their smaller number of settlements funded through baselines or contingencies². However, the increased number of claims being received by all agencies means that the latter two agencies will need to reprioritise within their baselines, affecting core services to be able to try and keep pace with claims numbers. The additional interim funding, to the end of the 2025/26 year, is therefore being sought at this time to allow agencies to address the high demand in the short-term while work on longer term redress options is progressed. Funding for 2026/27 and outyears will need to be considered as part of the standard Budget process.

² The Ministry of Health has recently received additional funding to support claims related to the Lake Alice Child and Adolescent Unit, however the Ministry is also responsible for claims related to psychiatric and psychopaedic care settings prior to 1993.

44. The proposal for better integration of current State claims processes is intended to be funded through agency baselines. This may require reprioritisation within agencies, which will need to form part of the options to be provided to joint Ministers by the end of 2024.
45. The fiscal implications of the decisions sought in 2025 on an improved redress pathway will be included in advice.

Legislative Implications

46. There are no legislative implications with the proposals set out in this paper.

Population Implications

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

Human Rights

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

Use of external resources

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

Consultation

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

Communications

51. It is intended some of the decisions made through this and parallel papers will form part of the announcements accompanying the public apology for abuse in care to be made 12 November 2024.

Proactive Release

52. I intend to proactively release this paper after the public apology consistent with the Official Information Act 1982.

Recommendations

I recommend that Cabinet:

1. **note** the Abuse in Care Royal Commission of Inquiry (the Royal Commission) made a number of wide ranging and complex recommendations regarding the future redress system for abuse in care, including integrating State and non-State processes;
2. **note** that, in June 2024, Cabinet endorsed work on redress as part of an overall phased Royal Commission response work programme and agreed to the development of redress options to be assessed against four core redress objectives [CBC-25-MIN-050 refers]:
 - 2.1. delivers accountability for survivors, including apologies and financial payments that serve to acknowledge the harm survivors experienced and furthers obligations to prevent future abuse in care;
 - 2.2. supports improved outcomes for survivors – which could, depending on a survivor’s circumstances and preference, encompass improved quality of life, and the ability to more fully participate in all aspects of community, social, cultural, and economic life;
 - 2.3. manages affordability, risks, and liability, including avoiding significant unintended consequences and helping to ensure the sustainability of redress for as long as it is needed; and
 - 2.4. contributes to reducing the negative social, cultural and economic costs arising from the poor outcomes experienced by survivors as a result of the injury and trauma caused by abuse;
3. **note** work on the design of an improved redress pathway for survivors of abuse in State care is being advanced as a priority, with decisions to be sought across 2025 on a future redress pathway;
4. **note** that further work will be undertaken in 2025 to explore with non-State institutions the potential an integrated redress pathway that covers both State and non-State care;
5. **note** current State claims processes operated by the Ministry of Education, Ministry of Health, Ministry of Social Development, and Oranga Tamariki are receiving high numbers of claims, beyond the levels they are currently funded to respond to;
6. **note** that in light of the current demands on current State claims processes, and with decisions on a future redress pathway being taken over 2025, interim investment is recommended to increase capacity in the current system;
7. **agree** to increase the capacity of the four current State claims processes operated by the Ministry of Education, Ministry of Health, Ministry of Social Development, and Oranga Tamariki to respond to the volume of claims they are receiving, to be able to more rapidly engage with survivors who have been waiting the longest;

8. **note** the additional funding will cover both the redress survivors receive and the operating costs for case management and administration, as outlined in more detail in paragraphs 39 and 40;
9. **approve** the following changes to appropriations to allow the Ministry of Education, Ministry of Health, and Oranga Tamariki to process an additional 356 abuse claims (in total) across the 2024/25 and 2025/26 years, with a corresponding impact on the operating balance and net core Crown debt:

	\$m – increase/(decrease)				
	2024/25	2025/26	2026/27	2027/28	2028/29 & Outyears
Vote Education Minister of Education Multi-Category Expenses and Capital Expenditure: Outcomes for Target Student Groups MCA Departmental Output Expense: Interventions for Target Student Groups (funded by revenue Crown)	3.500	7.920	–	–	–
Vote Health Minister of Health Non-Departmental Other Expense: Legal Expenses	0.150	0.300	–	–	–
Vote Oranga Tamariki Minister for Children Multi-Category Expenses and Capital Expenditure: Investing in Children and Young People MCA Departmental Output Expense: Statutory Intervention and Transition (funded by revenue Crown)	1.280	2.050	–	–	–
Total Operating	4.930	10.270	–	–	–

10. **approve** the following change to an appropriation to allow the Ministry of Social Development to process an additional 390 abuse claims (in total) across the 2024/25 and 2025/26 years, with a corresponding impact on the operating balance and net core Crown debt:

	\$m – increase/(decrease)		
	2024/25 to 2026/27	2027/28	2028/29 & Outyears
Vote Social Development Minister for Social Development and Employment			

Departmental Output Expense: Historic Claims (funded by revenue Crown)	17.324	-	-
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11. **note** that the indicative spending profile for the change to the multi-year appropriation described in recommendation 10 above is as follows:

Indicative annual spending profile	\$m – increase/(decrease)				
	2024/25	2025/26	2026/27	2027/28	2028/29 & Outyears
	4.435	12.889	-	-	-

12. **agree** that the proposed changes to appropriations for 2024/25 in recommendations 9 and 10 above be included in the 2024/25 Supplementary Estimates and that, in the interim, the increases and any expenses incurred be met from Imprest Supply;
13. **agree** that the expenses incurred under recommendations 9 and 10 above be charged against the between-Budget-contingency established as part of Budget 2024;
14. **note** that funding available in the between-Budget contingency for 2024/25 has been fully exhausted; however, funding remains across the rest of the forecast period;
15. **note** that the Chief Executives of State claims agencies supported by the Crown Response Office Functional Chief Executive will report back to the Ministers responsible for State claims agencies and myself by the end of 2024 with options for the better integration of the existing claims processes to be funded from baselines, to help provide survivors with a more joined-up redress experience;
16. **note** that, at this stage, I am not proposing any other interim changes to the current claims approach, with claims agencies continuing to offer their current redress, including using full and final settlements that note that Cabinet has yet to make decisions on access to future redress pathways; and
17. **note** that, if agreed, the Prime Minister will speak to the decisions in this paper at the national apology on Tuesday 12 November 2024.

Authorised for lodgement

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



Cabinet

Minute of Decision

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

Redress for Survivors of Abuse in Care: Work on an Improved Redress Pathway and Interim Enhancements to Current Processes

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

On 11 November 2024, Cabinet:

Work on the design of an improved redress pathway

- 1 **noted** that the Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-based Institutions (the Royal Commission) made a number of wide ranging and complex recommendations regarding the future redress system for abuse in care, including integrating State and non-State processes;
- 2 **noted** that in June 2024, Cabinet endorsed work on redress as part of an overall phased Royal Commission response work programme, and agreed to the development of redress options to be assessed against the following four core redress objectives:
 - 2.1 delivers accountability for survivors, including apologies and financial payments that serve to acknowledge the harm survivors experienced and further obligations to prevent future abuse in care;
 - 2.2 supports improved outcomes for survivors – which could, depending on a survivor's circumstances and preference, encompass improved quality of life, and the ability to more fully participate in all aspects of community, social, cultural, and economic life;
 - 2.3 manages affordability, risks, and liability, including avoiding significant unintended consequences and helping to ensure the sustainability of redress for as long as it is needed;
 - 2.4 contributes to reducing the negative social, cultural and economic costs arising from the poor outcomes experienced by survivors as a result of the injury and trauma caused by abuse;

[CBC-24-MIN-0050]

- 3 **noted** that work on the design of an improved redress pathway for survivors of abuse in State care is being advanced as a priority, with decisions to be sought across 2025 on a future redress pathway;
- 4 **noted** that further work will be undertaken in 2025 to explore with non-State institutions the potential for an integrated redress pathway that covers both State and non-State care;

Addressing capacity constraints pending future decisions

- 5 **noted** that current State claims processes operated by the Ministry of Education, Ministry of Health, Ministry of Social Development, and Oranga Tamariki are receiving high numbers of claims, beyond the levels they are currently funded to respond to;
- 6 **noted** that in light of the current demands on current State claims processes, and with decisions on a future redress pathway being taken over 2025, interim investment is recommended to increase capacity in the current system;
- 7 **agreed** to increase the capacity of the four current State claims processes operated by the Ministry of Education, Ministry of Health, Ministry of Social Development, and Oranga Tamariki to respond to the volume of claims they are receiving, to be able to more rapidly engage with survivors who have been waiting the longest;
- 8 **noted** that the additional funding will cover both the redress survivors receive and the operating costs for case management and administration, as outlined in paragraphs 39 and 40 of the paper under CAB-24-SUB-0434;

Proactively released under the commitment to open government

Financial implications

- 9 **approved** the following changes to appropriations to allow the Ministry of Education, Ministry of Health, and Oranga Tamariki to process an additional 356 abuse claims (in total) across the 2024/25 and 2025/26 years, with a corresponding impact on the operating balance and net core Crown debt:

	\$m – increase/(decrease)				
	2024/25	2025/26	2026/27	2027/28	2028/29 & Outyears
Vote Education Minister of Education Multi-Category Expenses and Capital Expenditure: Outcomes for Target Student Groups MCA Departmental Output Expense: Interventions for Target Student Groups (funded by revenue Crown)	3.500	7.920	–	–	–
Vote Health Minister of Health Non-Departmental Other Expense: Legal Expenses	0.150	0.300	–	–	–
Vote Oranga Tamariki Minister for Children Multi-Category Expenses and Capital Expenditure: Investing in Children and Young People MCA Departmental Output Expense: Statutory Intervention and Transition (funded by revenue Crown)	1.280	2.050	–	–	–
Total Operating	4.930	10.270	–	–	–

- 10 **approved** the following change to an appropriation to allow the Ministry of Social Development to process an additional 390 abuse claims (in total) across the 2024/25 and 2025/26 years, with a corresponding impact on the operating balance and net core Crown debt:

	\$m – increase/(decrease)		
	2024/25 to 2026/27	2027/28	2028/29 & Outyears
Vote Social Development Minister for Social Development and Employment Departmental Output Expense: Historic Claims (funded by revenue Crown)	17.324	–	–

- 11 **noted** that the indicative spending profile for the change to the multi-year appropriation described in paragraph 10 above is as follows:

Indicative annual spending profile	\$m – increase/(decrease)				
	2024/25	2025/26	2026/27	2027/28	2028/29 & Outyears
	4.435	12.889	–	–	–

- 12 **agreed** that the changes to appropriations for 2024/25 in paragraphs 9 and 10 above be included in the 2024/25 Supplementary Estimates and that, in the interim, the increases and any expenses incurred be met from Imprest Supply;
- 13 **agreed** that the expenses incurred under paragraphs 9 and 10 above be charged against the between-Budget contingency established as part of Budget 2024;
- 14 **noted** that funding available in the between-Budget contingency for 2024/25 has been fully exhausted, however funding remains across the rest of the forecast period;
- 15 **noted** that the Chief Executives of State claims agencies, supported by the Crown Response Office Functional Chief Executive, will report back to the Ministers responsible for State claims agencies and 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 (the Minister) by the end of 2024 with options for the better integration of the existing claims processes to be funded from baselines, to help provide survivors with a more joined-up redress experience;
- 16 **noted** that, at this stage, the Minister is not proposing any other interim changes to the current claims approach, with claims agencies continuing to offer their current redress, including using full and final settlements that note that Cabinet has yet to make decisions on access to future redress pathways;
- 17 **noted** that the above decisions will be communicated as part of the national apology process, on Tuesday 12 November 2024.

Rachel Hayward
Secretary of the Cabinet