



Cabinet Social Outcomes Committee

Minute of Decision

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Strengthening the Oversight of the Oranga Tamariki System: Next Steps

Portfolio Social Development and Employment

On 24 July 2024, the Cabinet Social Outcomes Committee:

Background

- 1 **noted** that in April 2024, the Cabinet Social Outcomes Committee (SOU):
 - 1.1 agreed in-principle to strengthen independent monitoring by shifting the Independent Children's Monitor (the Monitor) to an independent Crown entity, which is part of the National-ACT Coalition Agreement; and
 - 1.2 noted the intention to change the Children and Young People's Commission (the Commission) from an independent Crown entity with a multi-member board to a corporation sole independent Crown entity;

[SOU-24-MIN-0025]

- 2 **noted** that the Strengthening the Oversight of the Oranga Tamariki System Omnibus Bill (the Bill) holds a category five priority on the 2024 Legislation Programme and will progress amendments to the Oversight of the Oranga Tamariki System Act 2022 (Oversight Act) and the Children and Young People's Commission Act 2022 (Commission Act);

Changes relating to the Monitor

- 3 **agreed** that the Monitor will become an independent Crown entity;
- 4 **agreed** that the Monitor will be governed by a board s 9(2)(f)(iv)
- 5 s 9(2)(f)(iv)
- 6 **agreed** that the Bill will not specify appointment provisions in addition to those provided in the Crown Entities Act 2004 for the Monitor's board members;
- 7 s 9(2)(f)(iv)

Funding arrangements for the Monitor

- 8 § 9(2)(f)(iv) [Redacted]
- 9 **noted** that the Commission will need some of the tagged contingency fund to support it to continue to function and to achieve its strategic objectives;
- 10 **noted** that transfers of funding between Vote Education Review Office and Vote Social Development will be required to provide for the Monitor once the Bill has passed, including the establishment of a new appropriation within Vote Social Development;
- 11 **authorised** the Minister of Finance, Minister for Social Development and Employment and Minister of Education to jointly agree to establish a new appropriation for the Monitor within Vote Social Development, and to transfer funding between Votes with no impact on the operating balance and/or net debt across the forecast period;
- 12 **noted** that the financial implications associated with establishing a new independent Crown entity are estimated to include:
 - 12.1 one-off transition costs of approximately \$160,000;
 - 12.2 the transfer of existing funding, assets, and liabilities;
 - 12.3 ongoing corporate costs of approximately \$60,000;
 - 12.4 § 9(2)(f)(iv) [Redacted]

Changes relating to the Commission

- 13 **agreed** that the Bill provide for disestablishing the Commission and establishing a new corporation sole independent Crown entity, which is governed by a Children’s Commissioner;
- 14 **agreed** to retain the advocacy mandate outlined in the Commission Act for the sole Commissioner;
- 15 § 9(2)(f)(iv) [Redacted]
- 16 § 9(2)(f)(iv) [Redacted]
- 17 § 9(2)(f)(iv) [Redacted]

Legislative process for changes to the Monitor and the Commission

- 18 **invited** the Minister for Social Development and Employment to issue drafting instructions to the Parliamentary Counsel Office to give effect to the decisions under SOU-24-MIN-0077, and any associated changes required for the Bill;

- 19 **agreed** to the commencement date of s 9(2)(f)(iv) for the Bill;
- 20 **authorised** the Minister for Social Development and Employment to make any necessary decisions on minor and technical matters that may arise during the drafting process for the Bill that are consistent with policy decisions under SOU-24-MIN-0077;
- 21 **authorised** the Minister for Social Development and Employment to work with the Minister for the Public Service and the Minister of Education on any consequential and transitional arrangements associated with the changes to the Monitor and the Commission to inform the drafting instructions for the Bill;
- 22 **noted** that the Minister for Social Development and Employment will report back to the Cabinet Legislation Committee s 9(2)(f)(iv) with a draft Bill, and on any agreed consequential and transitional arrangements, including giving due consideration to the response to the Royal Commission of Inquiry into Abuse in State and Faith-based Care;

Independent review of the Oversight Act and Commission Act

- 23 **noted** that officials undertook targeted engagement with the Monitor, Commission, and Ombudsman, and key external stakeholders, on a draft Terms of Reference for an independent review of the Oversight Act and the Commission Act (the independent review);
- 24 **noted** that a summary of key findings from targeted engagement will be publicly released;
- 25 **approved** the Terms of Reference, attached as Appendix one to the submission under SOU-24-SUB-0077, for the independent review;
- 26 **noted** that following approval of the Terms of Reference, MSD will begin the procurement process for an independent reviewer;
- 27 **noted** that the Minister for Social Development and Employment will report to SOU in 2025 on the independent review.

Jenny Vickers
Committee Secretary

Present:

Hon David Seymour
Hon Nicola Willis (Chair)
Hon Dr Shane Reti
Hon Erica Stanford
Hon Paul Goldsmith
Hon Louise Upston
Hon Mark Mitchell
Hon Tama Potaka
Hon Matt Doocey
Hon Nicole McKee
Hon Casey Costello
Hon Penny Simmonds
Hon Karen Chhour
Hon Nicola Grigg

Officials present from:

Office of the Prime Minister
Officials Committee for SOU
Office of the Minister for Social Development and Employment
Office of the Minister for Tertiary Education and Skills