



# Governance Paper

Paper number: GP-23-147

**To:** Te Riu  
**DCE Sponsor:** Phil Grady, DCE System Leadership

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*Signature*

**Approval for submission:** Phil Grady, DCE System Leadership  
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**Date prepared:** 15 November 2023  
**Security level:** In-Confidence

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## Seeking Te Riu feedback on proposed changes to 2023/24 appropriation measures

### Purpose

1. This paper seeks feedback from Te Riu on proposed changes to the Ministry's 2023/24 appropriation measures before they are finalised and submitted to the Minister for approval. The proposed changes are to remove 6 measures; amend 11 measures; and keep 19 measures unchanged.

### Recommendations

2. It is recommended that you:
  - a) **provide feedback** on the proposed changes to the appropriation measures (Appendix A), which were developed in consultation with business groups.
  - b) **note** the Treasury and Audit NZ were consulted and support the proposed changes.
  - c) **note** the Performance Hub team will work with business groups to incorporate any further feedback before reporting back to Te Riu for final approval in February 2024.
  - d) **note** feedback was sought from the Risk and Assurance Committee at their meeting on 30 November 2023 and we will provide a verbal update to Te Riu on this feedback

**Oranga Tamariki use appropriation measures to help articulate its performance in accountability reporting**

3. The Ministry is funded to invest in and deliver a range of services through appropriations within Vote Oranga Tamariki<sup>1</sup>. Performance measures and agreed standards against these appropriations are published in the Annual Estimates of Appropriations on Budget Day – these measures may be amended through the supplementary estimates process undertaken in April each year.
4. The Ministry reports year-end results against agreed standards in our Annual Report, as required under the Public Finance Act 1989. In the Oranga Tamariki 2022/23 Annual Report, we achieved 26 of our 36 measures (72 percent) compared to 24 of our 38 measures (63 percent) in 2021/22.
5. Historically, we have relied on appropriation measures to describe our performance. In the 2022/23 Annual Report, we introduced new impact measures to provide a more comprehensive picture of our performance – the Treasury and Audit NZ provided positive feedback on these.
6. The Ministry has reported mostly the same appropriation measures for the past five years, with a few exceptions where specific projects or work programmes have progressed. When we submitted the 2022/23 Annual Report to the Minister in October, we indicated that we would amend some measures through the supplementary estimates process for our 2023/24 Annual Report.

**We consulted extensively to review our appropriation measures and have proposed changes for Te Riu to consider**

7. This is the first year the Performance Hub team has led a review of the appropriation measures, and we are establishing a process to do this annually with the Strategic Finance team. We have worked with tier three measure owners and subject matter experts on the proposed changes in Appendix A.
8. We consulted the following teams on appropriation measure changes:

Service Delivery

- Intercountry and Domestic Adoption Services
- Business Operations
- Operational Performance
- Transition Support Services
- Youth Justice Services Support

Quality Practice and Experiences

- Quality Systems and Analysis
- Quality
- Safety of Children in Care (SOCIC)
- Reviews and Recommendations

Office of the Chief Executive

CPMO – Crown Secretariat

Māori, Partnerships and Communities

- Office of the DCE
- Voices of Children and Young People
- National Operations
- Regional Operations
- Quality

System Leadership

- Life Course and System Analytics
- Analytics and Insights
- Crown Response Unit
- Policy

People, Culture and Enabling Services

- Strategic Finance

9. We understand DCEs have individually reviewed the measures for which they are responsible, but Te Riu haven't had the opportunity to collectively review the suite of proposed changes.
10. We have sought feedback from the Risk and Assurance Committee at their meeting on 30 November 2023 and will verbally update Te Riu on this feedback. We also engaged the Treasury and Audit NZ throughout our measures review process and their feedback is outlined below.

**This review has addressed previous feedback from the Treasury and Audit NZ, but there is opportunity for further improvements**

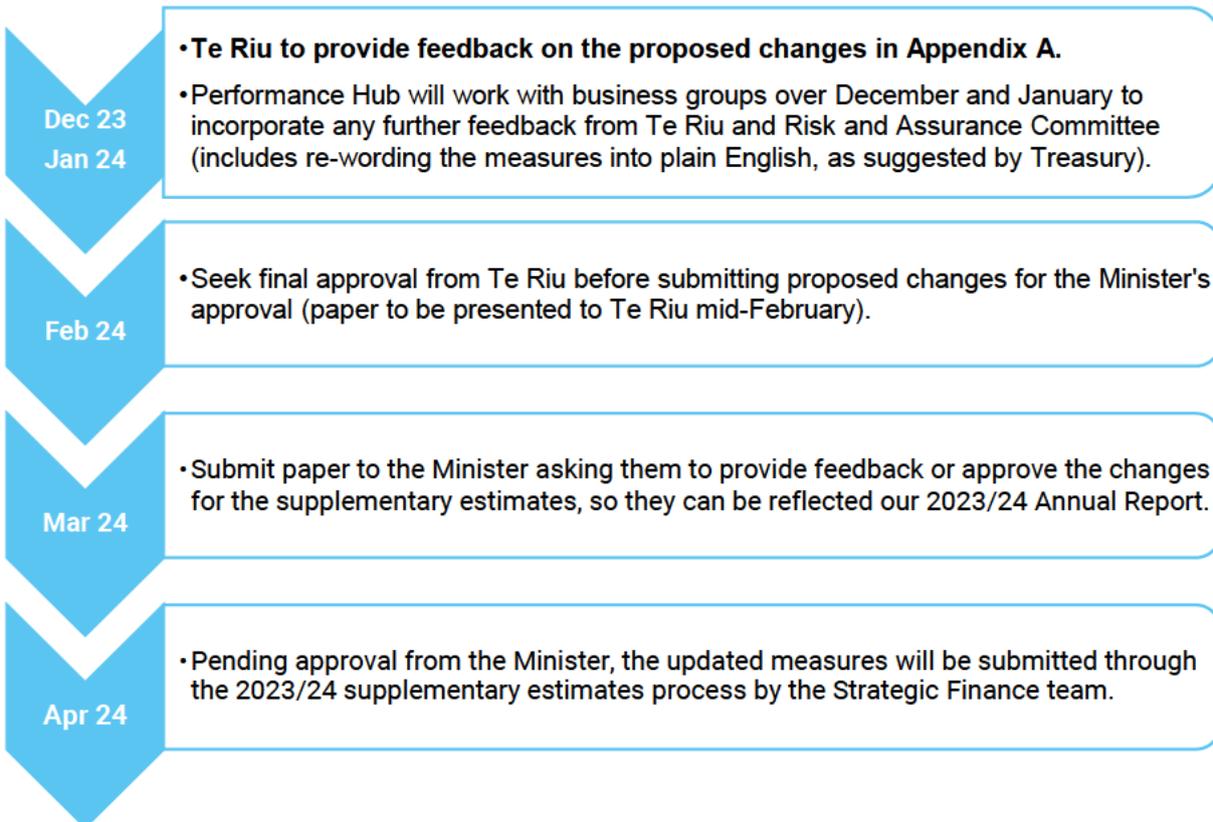
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<sup>1</sup> Vote Oranga Tamariki Estimates 2023/24 <https://budget.govt.nz/budget/pdfs/estimates/v9/est23-v9-oratam.pdf>

11. Treasury and Audit NZ suggested improvements to our measures in previous years, for example, to replace measures where we “report on” progress (with no specific standard). They are comfortable with the proposed changes and are satisfied their previous feedback has been addressed.
12. Treasury’s main feedback on our proposed changes was to re-word the measures so they are easier for the public to understand and framed in the positive. They suggested attaching explanatory notes rather than trying to capture too many technical details in the measure. We will work with business groups on suggested re-wording, with the intent of the measures remaining the same.
13. Treasury also suggested we should be more aspirational with our targets. We indicated this was already discussed with business groups, and what has been proposed was considered a balance between aspirational and realistic given current projections particularly in the youth justice space.
14. Audit NZ are comfortable with the proposed changes and are keen to support ongoing improvements to our measures. They gave specific feedback on the need to enhance our contracting measures and indicated this will be a key area of interest for audit over the next 1-2 years. We will continue working with Māori, Partnerships and Communities teams to improve these measures throughout the year.

**We recommend updating our 2023/24 appropriation measures through the supplementary estimates process in April 2024**

15. The immediate next step is for Te Riu to provide feedback on the proposed measure changes attached in Appendix A. This will allow enough time for the Performance Hub team to work with business groups to refine the measures before they’re submitted back to Te Riu for final approval.
16. The timeline and process for finalising the measures are outlined below.



## Appendix A – Proposed changes to 2023/24 appropriation measures

### Appropriation measures to remove (6 measures)

| Ref. | Responsible DCE | Appropriation measure  | 2020/21 Result | 2021/22 Result | 2022/23 Result | Rationale for removing measure   |
|------|-----------------|--|----------------|----------------|----------------|--|
| AS01 | Rachel Leota    | The number of requests from adults seeking identifying information on birth parents will be between <b>150-250</b> | 189            | 143            | 118            | <p>This measure is driven by requests for information when open adoptions were legalised. A reduction in adopted adults seeking identifying information is not necessarily negative – this reflects changes in adoption practices and improvements in resources available.</p> <p>We want to rationalise our measures and given proportionality of funding for this appropriation category (\$10m), our preference is to remove this and keep the more meaningful measure below (ref. AS02, refer page 7) for Adoption Services.</p> |

Out of scope

<sup>2</sup> Refers to External Reporting Board's (XRB) Public benefit entity financial reporting standard 48 Service performance reporting [PBE FRS 48 Jan22 \(xrb.govt.nz\)](#). Under the Public Finance Act 1989, all agencies have external reporting obligations that must apply XRB standards.

Out of scope



Out of scope



**Appropriation measures to keep unchanged (19 measures)**

| Ref. | Responsible DCE | Appropriation measure  | 2020/21 Result | 2021/22 Result | 2022/23 Result | Rationale for keeping measure   |
|------|-----------------|--|----------------|----------------|----------------|---|
| AS02 | Rachel Leota    | The percentage of assessments of suitability to adopt that are completed within 3 months will be no less than <b>90%</b> | 94%            | 98%            | 98%            | This measure is still relevant to the Adoption Services appropriation and demonstrates how efficiently we handle adoption assessments to ensure the process quick, while still being thorough. This is important as awaiting the outcome of an assessment can cause stress and uncertainty for people. Oranga Tamariki can minimise this stress by operating in a timely way. |

Out of scope



Out of scope

