

Hon Kelvin Davis

Minister for Māori Crown Relations: Te Arawhiti

Proactive release – Establishment of the Office for Māori Crown Relations - Te Arawhiti

Date of issue: 6 May 2020

The following documents have been proactively released in accordance with Cabinet Office Circular CO (18) 4.

Some information has been withheld on the basis that it would not, if requested under the Official Information Act 1982 (OIA), be released. Where that is the case, the relevant section of the OIA has been noted and no public interest has been identified that would outweigh the reasons for withholding it.

No.	Document	Comments
1	Establishment of the Office for Māori Crown Relations - Te Arawhiti Cabinet Paper The Office for Māori Crown Relations – Te Arawhiti 6 November 2018	Some information has been withheld in accordance with: <ul style="list-style-type: none">section 9(2)(f)(iv) of the OIA – to protect the confidentiality of advice tendered by Ministers of the Crown and officials
2	Establishment of the Office for Māori Crown Relations - Te Arawhiti <i>Cabinet Committee minute GOV-18-MIN-0083</i> 6 November 2018	This paper is to be released in its entirety.

In Confidence

Office of the Minister for Māori Crown Relations: Te Arawhiti
Office of the Minister for Treaty of Waitangi Negotiations

Chair, Cabinet Government Administration and Expenditure Review Committee

Establishment of the Office for Māori Crown Relations: Te Arawhiti

Purpose

1. This paper responds to Cabinet's decision in September 2018 to establish, in principle, the Office for the Maori Crown Relations: Te Arawhiti as a Departmental Agency (the Agency). This paper outlines the due diligence process undertaken by the Secretary for Justice to enable Cabinet to make informed decisions on the establishment of the Agency.

Summary

2. The Secretary for Justice has completed the due diligence process. This included consultation with the Treasury, the State Services Commission, and Te Puni Kōkiri on the development of the strategic case for change, assessment of any financial implications, and consideration of governance and accountability arrangements in relation to establishment of the Agency.
3. This paper builds on the public engagement process and establishment of the new Māori Crown Relations: Te Arawhiti portfolio. It outlines the strategic case for strengthening the Māori Crown relationship, including development of drivers for change, current and future demand for functions, other complementary functions, and how overall success will be demonstrated.
4. The establishment of the Agency and the delivery of the Māori Crown Relations: Te Arawhiti portfolio responsibilities have financial implications. These include one-off establishment costs of \$0.799 million for 2018/19 funded from within existing baselines, and ongoing establishment and new operating costs of \$26.965 million per annum being sought through Budget 2019 for delivery of Māori Crown Relations: Te Arawhiti portfolio responsibilities.
5. For the purpose of transparency, the paper also outlines new funding to be sought for Vote Treaty Negotiations through Budget 2019. This includes new operating costs of \$11.667 million per annum being sought through Budget 2019 for Relativity Mechanism arbitration and to address the scheduled decrease in funding for the current Treaty settlement work programme.
6. The establishment of the Agency requires new governance and accountability arrangements. This paper outlines the responsibilities of the Agency chief executive and attaches the position description which Cabinet is asked to confirm as the basis for the appointment. The paper also outlines the proposed content of the Departmental Agency Agreement that will be jointly developed by the Secretary for Justice and the Agency chief executive, once appointed.
7. Based on the due diligence process outlined above, the Secretary for Justice's view is that all reasonable implications of establishing of the Agency have been considered, with ongoing funding requirements for 2019/20 to be further evaluated through Budget 2019. Therefore, final Cabinet agreement is sought to establish the Agency as a Departmental Agency hosted by the Ministry of Justice from 1 January 2019, with the 'launch' scheduled for 17 December 2018.

Background

8. The establishment of the Crown/Māori Relations Portfolio in October 2017 recognised the need to shift the relationship between Māori and the Crown from one focussed on historical grievance to one focussed on partnerships. In March 2018, Cabinet agreed to the initial scope of the Crown/Māori Relations Portfolio [CAB-18-MIN-0456 Minute]. The Minister for Crown/Māori Relations informed Cabinet that he would engage with Māori and the wider public to discuss the initial scope and priorities before seeking final decisions.
9. In April and May 2018, the Minister for Crown/Māori Relations led an engagement process which included over 30 hui attended by over 1600 people and around 230 written submissions. Specific feedback largely endorsed the priority areas included in the new scope. A strong message throughout the feedback was that the portfolio needs its own agency and proper standing or mana.
10. In response to the overall feedback, the Minister for Crown/Māori Relations sought Cabinet agreement to a final scope of the portfolio and proposed the establishment of a new Departmental Agency hosted by the Ministry of Justice, consolidating the Office of Treaty Settlements, the Settlements Commitments Unit, the Marine and Coastal Area Unit and the Crown/Māori Relations Unit.
11. On 17 September 2018 Cabinet [CAB-18-MIN-0078 Minute]:
 - a. authorised the Minister for Crown/Māori Relations to seek agreement from the Prime Minister on the responsibilities of the final scope of the portfolio;
 - b. authorised the Prime Minister, the Deputy Prime Minister and the Minister for Crown/Māori Relations to have Power to Act to take decisions on a revised name for the portfolio and the name of the office in light of their decision in relation to the name of the portfolio;
 - c. agreed in principle, subject to due diligence, to the establishment of a Departmental Agency, hosted within the Ministry of Justice;
 - d. invited the Minister for Crown/Māori Relations to:
 - i. consult with the Prime Minister, Minister of Finance, Minister of State Services, the Minister of Justice, the Minister for Treaty of Waitangi Negotiations and the Minister for Māori Development on the establishment of a Departmental Agency to be hosted by the Ministry of Justice; and
 - ii. report back with a business case to seek decisions required to establish a Departmental Agency to be hosted by the Ministry of Justice, taking into account any matters raised by the due diligence process; and
 - e. directed the Secretary for Justice to undertake the due diligence required to establish the Office as a Departmental Agency, to be hosted by the Ministry of Justice.
12. On 19 September 2018, the Prime Minister confirmed:
 - a. the responsibilities of the final scope of the Crown/Māori Relations portfolio; and
 - b. the name of portfolio is the Māori Crown Relations: Te Arawhiti portfolio and the Minister's name is the Minister for Māori Crown Relations: Te Arawhiti.

Drivers for change

13. The rationale, drivers and urgency for establishing the Agency as a Departmental Agency have been clearly articulated. The recent Cabinet paper on the final scope of the Māori Crown Relations: Te Arawhiti portfolio outlined the need to rethink the future relationship between Māori Crown beyond the historical settlement process.
14. There is an opportunity to consolidate and build on the progress being made. With all historical Treaty claims lodged and the settlement process drawing towards a close, the Crown needs to demonstrate commitment and champion an ongoing and sustainable relationship that started through this process with a view towards true and practical Māori Crown partnerships.
15. Establishing an operationally autonomous Crown function will provide greater focus, coherence and prominence to the relationship and will build on the progress already made. This is an opportunity to consolidate similar Crown functions and to provide the independence and mana required to successfully spearhead and sustain momentum of the change.
16. There is a need to strengthen overall Crown capability to engage meaningfully with Māori. This requires strong leadership and collaboration with other government agencies, and includes creating healthy tension across the public sector to drive a stronger emphasis, accountability and consistency to improve the way the whole of the public sector engages with Māori.

Functional model

17. Before reporting to Cabinet in September, the Minister for Crown/Māori Relations considered what structural adjustments might be required to achieve the desired change. The Minister for Crown/Māori Relations considered both the Branded Business Unit and Departmental Agency models before recommending the establishment of a Departmental Agency to Cabinet.
18. The functions of the Office for Māori Crown Relations: Te Arawhiti already substantially exist in the relevant business units within the Ministry of Justice. The desired drivers for change, including a separate identity, visible chief executive and organisational branding, could have been met through either a Branded Business Unit or a Departmental Agency.
19. Within a Branded Business Unit, the decisions about what to delegate and the extent of any separate identity would remain the legal responsibility of the Secretary for Justice. A Departmental Agency hard-wires its separate identity by having a chief executive responsible to the State Services Commissioner and relevant Ministers for the running of the Agency.

Purpose and functions

20. Strong future aspirations bring new responsibilities and a sharper focus on existing functions. The Agency will have a leadership role in strengthening public sector capability in addition to continuing to support the Crown to negotiate, implement, and administer historical Treaty settlements as well as administering of the Marine and Coastal Area (Takutai Moana) Act 2011.
21. The Agency functions were agreed by Cabinet on 17 September and are summarised below:
 - a. providing strategic and independent advice to Ministers on the health of the Māori Crown relationship across the public service; the risks and opportunities in the Crown Māori relationship; co-ordinating significant events and any other matters for which the Minister has an interest, such as constitutional and institutional arrangements;
 - b. providing leadership to strengthen public sector capability to meaningfully engage and partner with Māori, including developing engagement, co-design and partnership principles; and providing strategic leadership and advice on contemporary issues and brokering solutions to challenging relationship issues with Māori; and

- c. bringing Treaty settlements to a close by 2021 and ensuring the Crown meets its ongoing settlement commitments, and administering the Marine and Coastal Area (Takutai Moana) Act 2011 to ensure the protection of legitimate interests of all New Zealanders in the marine and coastal area of New Zealand.

Complementary functions

22. The Agency functions are complementary to existing government functions. Specifically, Te Puni Kōkiri who are responsible for policy, investment, regional relationships and monitoring that supports and promotes Māori development and outcomes; and the State Services Commission who have responsibilities for building overall public sector capability.
23. To ensure ongoing clarity of responsibilities, a Memorandum of Understanding (MOU) is being developed to articulate the complementary roles and responsibilities of Te Puni Kōkiri, the State Services Commission and the Office for Māori Crown Relations: Te Arawhiti. The MOU will be developed by respective chief executives and will be finalised in early 2019.
24. The Agency will also need to work alongside other agencies to achieve its aspirations and make sustainable change. While the existing and new functions are distinct from other agencies, delivering them effectively will require strong cross government collaboration to embed and build on complementary functions – working together and adding value along the way.

Delivering change

25. The new Agency will have a leadership role on advising on the Māori Crown relationship in addition to leading the Treaty settlement process on behalf of the Crown and administering the Marine and Coastal Area (Takutai Moana) Act 2011. Progress has already been made since the establishment of the Māori Crown Relations: Te Arawhiti portfolio late last year. A detailed work programme based on the initial scope of the portfolio confirmed by Cabinet in March 2018 is already under way.
26. The priority areas and the key next steps are outlined below:
 - a. engagement framework and guidelines for public sector engagement with Māori were agreed by Cabinet in September 2018;
 - b. ongoing coordination of significant Crown/Māori events, including the Ratana 100 years centenary in November 2018 and Waitangi Day 2019;
 - c. advice on an approach to strengthening public sector capability will be considered by Cabinet in December 2018;
 - d. advice on brokering solutions to challenging relationship issues will be considered by Cabinet in due course (specifically Kōhanga Reo discussions); and
 - e. an independent cross Government view on the health of the Māori Crown relationship will be considered by Cabinet in due course.

Changing demand

27. In addition to the above work programme, the Government's goal is to complete historical Treaty settlements with all willing and able groups by 2021. As the process comes to a close, there will be less demand for completing settlements, however, the last settlements are expected to be complex and require intensive negotiation capability to successfully resolve.

28. There will always be a need to ensure the Crown is a fair Treaty partner and continues to meet its settlement commitments. But there is also a need for increased focus and capability to provide strategic leadership and knowledge based advice on contemporary Treaty issues and expertise in actively brokering solutions to more challenging relationship issues with Māori.
29. The administration of the Marine and Coastal Area (Takutai Moana) Act 2011 will continue. The Marine and Coastal Area Unit will build on progress and the resourcing secured through the Budget 2018 to investigate customary rights and administer the Marine and Coastal Area (Takutai Moana) Act 2011.
30. Cabinet's approval of the final scope of the Māori Crown Relations: Te Arawhiti portfolio recognised the need for new Government functions. A significant change in the way the Crown engages with Māori will require significant investment in these functions to influence a whole of government approach and establish and maintain the momentum of change over time.

Changing capability

31. A longer-term capability plan will be required for the Agency. As the Māori Crown relationship moves from the grievance process and towards genuine partnerships there will be a changing mix of capability required. This will include ensuring a transition of capabilities across key areas of work, the institutional knowledge acquired in the negotiation processes is retained, and source new capabilities where required.
32. Building trust and confidence as a strategic advisor will require a step change. Broader capability will need to be established early, including deep strategic policy and analytical capability to translate concepts within real world environments; and strong stakeholder and change management capability to engage effectively with Māori and the Crown.
33. The way the Agency engages with Māori and Crown agencies may need to look different. There will be a need to embed a flexible working approach and invest in developing a flexible approach to resourcing to be able to create bespoke teams which have agile working arrangements, and includes the option to engage contractors for specific skills.

Demonstrating success

34. In the short-term the Agency will work to become a trusted and influential advisor on Māori Crown relationships. When the agency is successful we will see a clear and deliberate work programme delivered, and an increase in trust and confidence from Ministers for providing strategic advice on Māori Crown issues and opportunities across government.
35. By 2040 we would have achieved the following aspirations:
 - a. the Crown will have completed all historical Treaty settlements and will be acting fairly as a Treaty partner. When the Agency is successful, we will see an increase in proactive and transparent engagements leading to a decrease in the number of complaints and/or litigation in relation to the Crown potentially not meeting its obligations;
 - b. public sector agencies will have the confidence and capability to engage effectively with Māori. When the Agency is successful, we will see an increase in the number of agencies proactively engaging with Māori groups in a meaningful way, and an increase in overall public service cultural competence, including the use of te reo Māori; and
 - c. the Māori Crown relationship will move towards genuine partnerships. When the Agency is successful, we will see an improvement in the indicators of the health of the Māori Crown relationship and an increase in Māori actively seeking engagement with the Crown on a range of social and economic aspirations.

Current expenditure

36. Funding was appropriated for 2018/19 in Budget 2018 in relation to supporting the Crown/Māori Relations portfolio, leading Treaty settlement process and administering the Marine and Coastal (Takutai Moana) Act 2011. This includes \$4.228 million to Vote Justice (in relation to Māori Crown Relations: Te Arawhiti portfolio) and \$51.100 million to Vote Treaty Negotiations.
37. Funding totalling \$4.228 million to Vote Justice, included:
 - a. \$2.684 million (departmental) for 2018/19 only for establishment and implementation of the Crown-Māori Relations portfolio work programme;
 - b. \$0.366 million (departmental) for 2018/19 only for provision of legal and ministerial services to support decision making in relation to Crown Māori relations portfolio; and
 - c. \$1.178 million for provision of advice to support decision making in relation to settlement commitments¹.
38. Funding of \$51.100 million to Vote Treaty Negotiations, included:
 - a. \$37.548 million (departmental) for negotiations, administration and implementation of the historical Treaty of Waitangi claims and the Marine and Coastal Area (Takutai Moana) Act 2011; and
 - b. \$13.552 million (non-departmental) for payment of claimant funding related to the settlement of historical Treaty of Waitangi claims and the provision of financial assistance for the investigation of customary rights under the Marine and Coastal Area (Takutai Moana) Act 2011.
39. Additional funding, totalling \$1.4 billion was appropriated in Budget 2018 for the four-year period from 2018/19 to 2021/2022 for the settlement of historical Treaty claims and redress (cash, property and interest) payments under Vote Treaty Negotiations.

Appropriation structure

40. It is envisaged that the Agency will operate with a degree of operational independence from the Ministry of Justice. For transparency of reporting on outcomes and performance, the Minister for Māori Crown Relations: Te Arawhiti intends to seek agreement to the establishment of a new Vote 'Māori Crown Relations: Te Arawhiti' through the Budget 2019 process.
41. The Minister of Finance has approved a new Multi-Category Appropriation titled "Māori Crown Relations." The single overarching purpose of this appropriation is to support the strengthening of the Māori Crown relationship. The appropriation will temporarily reside within Vote Justice, with the Minister for Māori Crown Relations: Te Arawhiti as appropriation Minister.
42. The categories for the appropriation are:
 - a. Strengthening Crown Capability (Departmental Output Expense): This category is limited to the provision of services to strengthen Crown capability in building sustainable and productive Māori Crown relationships;

¹ Not specifically outlined in Vote Justice, Estimates of Appropriations 2018

- b. Policy Advice – Māori Crown Relations (Departmental Output Expense): This category is limited to advice (including second opinion advice and contributions to policy led by other agencies) to support decision making by Ministers on government policy matters relating to Māori Crown relations; and
 - c. Services to Ministers (Departmental Output Expense): This category is limited to the provision of support, information and services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities on matters relating to the Māori Crown relationship.
43. Cabinet agreement is sought for a fiscally neutral transfer of \$2.466 million for the remainder of the 2018/19 financial year. This transfer will be made from the Multi-Category Appropriation, 'Justice Policy Advice and Related Services' to the new Multi-Category Appropriation 'Māori Crown Relations' within Vote Justice on 1 December 2018.
44. The Minister for Māori Crown Relations: Te Arawhiti will be the appropriation Minister for the new Multi-Category Appropriation and the Minister for Treaty of Waitangi Negotiations will continue to be the appropriation Minister for all appropriations currently contained within Vote Treaty Negotiations, as outlined in paragraphs 38 and 39 above.

New expenditure

45. The aspirations outlined in this paper will require investment. The first phase of building the Māori Crown relationship through the historical Treaty settlement process is coming to a close, and there now becomes an opportunity to consolidate this progress and invest in Crown capability to create and maintain momentum in building Māori Crown partnerships.
46. Some of this additional investment could be off-set by the changing demand and mix of different services across the Agency in the longer term. We expect the reducing demand for some functions, discussed in paragraphs 27-30 may provide an opportunity in the longer term for Cabinet to consider redeploying some of this funding towards new leadership and advisory capability.

One-off marginal costs

47. Based on the Departmental Agency model any establishment costs associated with creating a Departmental Agency are expected to be minimal. Cabinet agreement is sought for a fiscally neutral transfer of \$0.799 million for the remainder of 2018/19, from Vote Treaty Negotiations to the new Multi-Category Appropriation 'Māori Crown Relations' on 1 December 2018.
48. These costs are relative to other agencies' experiences in establishing similar functions, such as the Social Investment Agency and the Canterbury Earthquake Recovery Authority. The specific costs include the chief executive, second tier leadership roles, branding, information technology, signage and stationary, relocation of staff and any specialist support, if required.

Ongoing marginal costs

49. Any ongoing establishment costs incurred in outyears will be sought through the Budget 2019 process. This includes the ongoing costs for the chief executive, a minimal number of second tier roles (to be established once a chief executive is in place), and a small number of specialist and administration roles required over and above corporate services provision from the Ministry of Justice.

50. The Ministry of Justice is currently investigating overall capacity requirements at the Justice Centre, 19 Aitken Street, Wellington. For preparedness and in the event there is not sufficient space at the Justice Centre, a new premise may be required to house the new Agency. In which case additional establishment costs for property, information technology in outyears would be required.
51. Once overall capacity requirements for the Justice Centre (including for the Agency) have been confirmed and all potential options have been explored, then additional funding, if any, will be identified. Any additional relocation costs would be over and above those establishment costs outlined above and would be sought through the Budget 2019 process.

New operating costs

52. The Minister for Māori Crown Relations: Te Arawhiti intends to seek an estimated investment of \$26.965 million per annum through the Budget 2019 process. This includes the ongoing establishment costs of the establishment of the Agency, as above, and any ongoing operating costs for delivery of new Māori Crown Relations: Te Arawhiti portfolio responsibilities.
53. Investment is required to establish and build new capability to deliver new functions as agreed by Cabinet in September 2018. The specific work programme and resource requirements for providing strategic advice to Ministers and strengthening public sector capability are currently being developed and will be further refined as part of the Budget 2019 process.
54. There are also several specific initiatives being developed to support public sector capability and other portfolio responsibilities. For example, the development of a Māori capability training programme, facilitation of major Māori Crown events, partnerships projects, and funding for the improvement and ongoing maintenance of the Settlement Portal – Te Haeata.
55. For transparency purposes, the below outlines the costs that will be sought in outyears for Vote Treaty Negotiations The Minister for Treaty negotiations intends to seek an estimated investment of \$11.667 million per annum through the Budget 2019 process. This funding is required for Relativity Mechanism arbitration and to address the scheduled decrease in funding below the level required to deliver the current Treaty settlement work programme.

56.

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Governance and accountability

57. A Departmental Agency is an operationally autonomous agency within a host department. An amendment to the State Sector Act 1988 in 2013 enabled the establishment of departmental agencies. The objective of this amendment was to improve system coherence and consolidation and to reduce fragmentation and costs in the state sector.
58. The establishment requires an Order in Council to name the Office for Māori Crown Relations: Te Arawhiti as a Departmental Agency in Schedule 1A of the State Services Act 1988. It is recommended that Cabinet invite the Minister of State Services to issue drafting instructions to the Parliamentary Council Office for the Order in Council.

59. Following Cabinet decisions, the Agency will be 'launched' on the 17 December 2018. The amendment to the State Services Act 1988 will take effect from 1 January 2019 meaning the Agency will be operative from this date. A partial waiver to the gazetting notice period (the 28-day rule) will be sought to enable the changes to the State Services Act 1988 to have legal effect to by 1 January 2019.

New chief executive

60. The Agency will be headed by its own chief executive (the Agency chief executive). The Agency chief executive would be responsible to the Minister for Māori Crown Relations: Te Arawhiti and the Minister for Treaty of Waitangi Negotiations for the delivery of portfolio priorities and performance expectations for Vote Māori Crown Relations: Te Arawhiti (subject to Budget 2019 decisions) and Vote Treaty Negotiations.
61. The Agency chief executive's role and responsibilities will be established in accordance with Part 3 of the State Sector Act 1988. Under Section 35 of the Act, the Agency chief executive will be appointed by the State Services Commissioner. A position description for the role of chief executive has been prepared and is attached at Appendix 1.
62. The Minister of State Services, the Minister for Māori Crown Relations: Te Arawhiti and the Minister for Treaty of Waitangi Negotiations have advised the State Services Commissioner of matters to be taken into account in making an appointment to the position. The Committee is asked to consider the position description (attached as Appendix 1) and confirm it as the basis for recruitment.

Departmental Agency agreement

63. Once appointed, the Agency chief executive and the Secretary for Justice will jointly develop a Departmental Agency Agreement (the Agreement). For transparency of the governance arrangements associated with the departmental agency and host agency, the indicative content that might be covered in this agreement is outlined in the following sections.
64. The Agreement would be endorsed by the responsible Ministers and will be subject to regular review by the chief executives. Once the Agreement is in place it would likely be able to be reviewed at any time, but should be reviewed no later than two years from the establishment date and every two years after that point.
65. Any questions concerning the interpretation of the Agreement would be resolved between the Agency chief executive and the Secretary for Justice. If necessary advice could also be sought in consultation with the State Services Commissioner or with the Secretary to The Treasury for matters relating to the Finance Portfolio.

Responsibilities of the chief executives

66. The Departmental Agency arrangement is intended to enable operational autonomy by the Agency, within a framework of strategic, policy and resource alignment with the Ministry of Justice as the host department. The Agency chief executive would still be responsible for all matters relating to the functions of the Agency and the related responsibilities as a chief executive under the State Sector Act 1988.
67. The Agency chief executive would advise the Minister for Māori Crown Relations: Te Arawhiti and the Minister for Treaty of Waitangi Negotiations as required in respect of Parliamentary Questions and Ministerial correspondence on Agency matters, and respond directly to Agency correspondence in relation to the Official Information Act 1982.

68. The Secretary for Justice would retain overall responsibility for ensuring all requirements of the Public Finance Act 1989 are met. This would include ensuring appropriate delegations are in place, publishing strategic intentions, preparing the four-year plan covering the Agency, and providing consolidated financial statements including the Agency in its Annual Report.

Employment matters

69. The Agency chief executive will be employed by the State Services Commissioner.
70. All employees of the Agency will be employed by the Ministry of Justice. The Secretary for Justice will be deemed to have delegated to the chief executive specified rights, duties and powers of an employer in relation to the all individuals employed, including those conducting Agency business, as if they had been conferred by the State Sector Act 1988 and not by delegation.
71. In matters relating to decisions on individuals employed on 'Agency business', the Agency chief executive would act independently and will not be responsible to the appropriate Minister or to the Secretary for Justice. Both the Agency chief executive and the Secretary for Justice would need to ensure that the engagement of employees and the conduct of the employment relationship is exercised in accordance with all relevant law.
72. The Agreement would likely set out how any issues that arise, including on employment issues, will be resolved.

Corporate services

73. All existing corporate support services would continue to be provided by the Ministry of Justice. These services include, but are not limited to commercial and property, financial, people and performance, payroll, communications, legal, planning and performance, data and analytics procurement, information communications technology and Office of the Chief Executive.
74. Final costs for the provision of corporate services will finalised in the Agreement, but are currently estimated at \$9.694 million for the 2018/19 financial year. This figure is based on the current number of staff and relative overhead costs for the Office of Treaty Settlements, Marine and Coastal Area, Settlements Commitments and the Māori Crown Relations Units.

Consultation

75. The State Services Commission, the Treasury, the Ministry of Justice, and Te Puni Kōkiri have been consulted. The Department of Prime Minister and Cabinet was informed.
76. The Minister of State Services has been consulted on the approach to establishing the Agency and the position description for the chief executive, and supports the machinery of Government elements of this paper.

Financial Implications

77. The establishment of the Agency and the delivery of the Māori Crown Relations: Te Arawhiti portfolio responsibilities have financial implications. Table 1 provides a summary of the funding appropriated through Budget 2018 in relation to the Māori Crown Relations: Te Arawhiti portfolio responsibilities, one-off marginal costs, ongoing marginal costs and new operating costs of establishing the new agency and delivering the Māori Crown Relations: Te Arawhiti portfolio responsibilities, including:
- a. \$4.228 million currently appropriated for 2018/19 in Budget 2018 in relation to supporting the Māori Crown Relations: Te Arawhiti portfolio;

- b. \$0.799 million for marginal costs for the 2018/19 financial year to be funded through the proposed fiscally neutral transfer from Vote Treaty Negotiations; and
- c. \$26.965 million per annum for ongoing marginal and operating costs for 2019/20 and outyears for Māori Crown Relations: Te Arawhiti portfolio responsibilities to be sought through the Budget 2019 process.

Table 1: Summary of current Māori Crown Relations: Te Arawhiti portfolio funding and projected ongoing establishment and resourcing costs

	2018/19 \$000	2019/20 \$000	2020/21 \$000	2021/22 \$000
Total appropriated at Budget 2018	4.228	1.178	1.178	1.178
	Subject to Budget 2019 decisions			
Total new investment sought	0.799	26.965	26.545	26.545
New one-off marginal costs	0.249	0.420	-	-
Branding	0.014	-	-	-
Signage and stationary	0.013	-	-	-
Website	0.051	-	-	-
Information technology	0.008	-		
Relocation	0.040	0.020		
Specialist support	0.112	0.200		
Furniture and fittings	-	0.200		
Launch event	0.011			
New ongoing marginal costs	0.550	4.520	4.520	4.520
Chief Executive	0.100	0.200	0.200	0.200
Leadership Team	0.450	1.800	1.800	1.800
Strategic capability	-	1.800	1.800	1.800
Administration support	-	0.720	0.720	0.720
New operating costs	-	22.025	22.025	22.025
New Capability	-	9.750	9.750	9.750
Maori capability training	-	10.000	10.000	10.000
Effective partnerships	-	1.125	1.125	1.125
Settlement portal	-	0.150	0.150	0.150
Major Events	-	1.000	1.000	1.000
Total appropriated and new investment	5.027	28.143	27.723	27.723

78. Ongoing establishment and operating costs for 2019/20 and outyears will be sought and evaluated through the Budget 2019 process. The above ongoing marginal and new operating costs are the high range of the initial estimates – the Budget Bid package will include various scaled options of the initiatives for Ministers' and Cabinet consideration.

79. It is proposed that until the Budget 2019 package has been finalised, decisions that have a material impact on ongoing costs for 2019/20 and outyears will be jointly considered by the Minister of Finance, the Minister for Māori Crown Relations: Te Arawhiti and the Minister of Treaty for Waitangi Negotiations.
80. The Minister of Finance has approved a new Multi-Category Appropriation titled “Māori Crown Relations.” The single overarching purpose of this appropriation is to support the strengthening of the Māori Crown relationship. The appropriation will temporarily reside within Vote Justice, with the Minister for Māori Crown Relations: Te Arawhiti as appropriation Minister.
81. Cabinet agreement is sought for a fiscally neutral transfer of the remaining available portion of this funding, \$2.466 million for 2018/19 and \$1.178 million for 2019/20 and outyears, to the new Māori Crown Relations multi-category appropriation in Vote Justice, as outlined below:

Table 2: Fiscally Neutral Transfer to Māori Crown Relations MCA

Vote Justice	\$m - increase/(decrease)			
	2018/19 \$000	2019/20 \$000	2020/21 \$000	2021/22 \$000
Minister of Justice				
Multi-Category Expenses and Capital Expenditure:				
Justice Policy Advice and Related Services MCA				
Departmental Output Expense: Justice Policy Advice (funded by revenue Crown)	(2.466)	(1.178)	(1.178)	(1.178)
Minister for Māori Crown Relations: Te Arawhiti				
Multi-Category Expenses and Capital Expenditure:				
Māori Crown Relations MCA				
Departmental Output Expense: Strengthening Crown Capability (funded by revenue Crown)	1.480	0.707	0.707	0.707
Departmental Output Expense: Policy advice – Māori Crown Relations (funded by revenue Crown)	0.740	0.353	0.353	0.353
Departmental Output Expense: Services to Ministers (funded by revenue Crown)	0.246	0.118	0.118	0.118

82. Cabinet agreement is sought for the one-off establishment costs of \$0.799 million in 2018/19 to be met through a fiscally neutral transfer from Vote Treaty Negotiations as outlined below:

Table 3: Fiscally Neutral Transfer to Māori Crown Relations MCA

	\$m – increase/(decrease)			
	2018/19 \$000	2019/20 \$000	2020/21 \$000	2021/22 \$000
Vote Treaty Negotiations Minister for Treaty of Waitangi Negotiations Multi-Category Expenses and Capital Expenditure: Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act MCA Departmental Output Expense: Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act (funded by revenue Crown)	(0.799)	-	-	-
Vote Justice Minister for Māori Crown Relations: Te Arawhiti Multi-Category Expenses and Capital Expenditure: Māori Crown Relations MCA Departmental Output Expense: Strengthening Crown Capability (funded by revenue Crown) Departmental Output Expense: Policy advice – Māori Crown Relations (funded by revenue Crown) Departmental Output Expense: Services to Ministers (funded by revenue Crown)	0.479 0.240 0.080	- - -	- - -	- - -

83. For the purposes of transparency Table 4 provides a summary of the funding appropriated through Budget 2018 in relation to Vote Treaty Negotiations and a summary of the funding that will be sought through future budgets.

Table 4: Vote Treaty Negotiations

	2018/19 \$000	2019/20 \$000	2020/21 \$000	2021/22 \$000
Departmental funding appropriated at Budget 2018	37.548	29.026	25.428	25.428
Non-departmental funding appropriated at Budget 2018	13.552	13.102	8.102	8.102
Total new investment to be sought	-	11.667	15.667	15.667
<i>New departmental funding</i>				
End of Treaty Settlements	-	8.667	8.667	8.667
Marine and Coastal	-	-	4.000	4.000
Relativity Mechanism	-	3.000	3.000	3.000
<i>New non-departmental funding</i>				
Marine and Coastal	-	-	5.000	5.000
Total appropriated and new Investment	51.100	53.795	54.197	54.197

Human Rights

84. No human rights implications arise as a result of this paper.

Legislative Implications

85. Establishment of the Agency will require an Order in Council to add its name to Schedule 1A of the State Sector Act 1988 and to provide for any transitional matters. Cabinet and the Executive Council is scheduled to consider the Order in Council on 3 December with the legal establishment date of 1 January 2019. This paper has no other legislative implications.

Regulatory Impact Analysis

86. A Regulatory Impact Statement is not required because the proposal does not amend or affect existing regulatory arrangements.

Publicity

87. Subject to Cabinet's decisions on this paper the State Services Commission will announce the recruitment of the Agency chief executive.
88. The Ministry of Justice will support the Minister for Māori Crown Relations: Te Arawhiti and the Minister for Treaty of Waitangi Negotiations to prepare for the launch of the Agency on 17 December, including any communications and or publication requirements.

Next steps

89. Subject to Cabinet approval of the paper:
- a. the State Services Commission will commence recruitment to appoint the chief executive of the Office for Māori Crown Relations: Te Arawhiti;
 - b. the Minister of State Services will seek Cabinet and Executive approval for the Order in Council to amend Schedule 1A of the State Services Act 1998 on 3 December 2018;
 - c. the Ministry of Justice will support relevant Ministers to prepare for the launch of the Office for Māori Crown Relations: Te Arawhiti on 17 December 2018;
 - d. subject to Cabinet and Executive Council consideration of the Order in Council the Office for Māori Crown Relations: Te Arawhiti will have legal effect from 1 January 2019; and
 - e. once appointed the Agency chief executive and the Secretary for Justice will agree a Departmental Agency Agreement in writing.

Recommendations

90. The Minister for Māori Crown Relations: Te Arawhiti and the Minister for Treaty of Waitangi Negotiations recommend the Committee:
1. **note** that on 17 September 2018 Cabinet agreed that the Minister for Crown/Māori Relations seek the agreement of the Prime Minister on the responsibilities of the final scope of the Crown/Māori Relations portfolio [CAB-18-MIN-0456];
 2. **note** that that on 17 September 2018 Cabinet agreed, in principle, to the establishment of a Departmental Agency to be hosted by the Ministry of Justice, subject to the undertaking of a due diligence process by the Secretary of Justice;
 3. **note** that Cabinet invited the Minister for Crown/Māori Relations to:
 - 5.1 consult with the Prime Minister, Minister of Finance, Minister of State Services, the Minister of Justice, the Minister for Treaty of Waitangi Negotiations and the Ministry for Māori Development on the establishment of the Office as a Departmental Agency to be hosted by the Ministry of Justice; and
 - 5.2 report back to Cabinet by 30 November with a business case to seek decisions required to establish a Departmental Agency to be hosted by the Ministry of Justice, taking into account any matters raised by the due diligence process;
 4. **note** that on 17 September Cabinet directed the Secretary for Justice to undertake the due diligence required to establish a Departmental Agency to be hosted by the Ministry of Justice including consideration of:
 - a. corporate governance to establish the proposed office consistent with the protocols for change in the machinery of government;
 - b. a new vote/s and/or a new appropriation/s for the responsible Ministers;
 - c. the on-going costs of the proposed office including: information communications technology; financial management; and facility management; and

- d. memoranda of understanding including service levels for any shared services within the Ministry of Justice;
5. **note** that on 19 September 2018 the Prime Minister confirmed the responsibilities of the final scope of the Crown/Māori Relations portfolio;
6. **note** that on 19 September 2018 the Prime Minister confirmed the name of portfolio is the Māori Crown Relations: Te Arawhiti portfolio and the Minister's title is the Minister for Māori Crown Relations: Te Arawhiti;
7. **note** that the due diligence required to enable Cabinet to approve the establishment of the Office for Māori Crown Relations: Te Arawhiti as a Departmental Agency to be hosted by the Ministry of Justice has been completed;
8. **agree** to the establishment of the Office for Māori Crown Relations: Te Arawhiti as a Departmental Agency to be hosted by the Ministry of Justice;
9. **agree** the functions of the Ministry of Justice currently carried out by the Office of Treaty Settlements, the Marine and Coastal Area Unit, the Settlements Commitments Unit and the Māori Crown Relations Unit be transferred to the Office for Māori Crown Relations: Te Arawhiti;
10. **invite** the Minister of State Services to instruct the Parliamentary Counsel Office to draft an Order in Council to name the Office for Māori Crown Relations: Te Arawhiti as a Departmental Agency on Schedule 1A of the State Sector Act 1988;
11. **note** the launch of the Office for Māori Crown Relations: Te Arawhiti will take place on 17 December 2018;
12. **note** the Ministry of Justice is responsible for administering \$4.228 million under Vote Justice (in relation to the Māori Crown Relations: Te Arawhiti portfolio) and \$51.100 million under Vote Treaty Negotiations as appropriated at Budget 2018 for the 2018/19 financial year;
13. **note** in addition to the figure in recommendation 12, the Ministry of Justice is responsible for \$1.4 billion for the settlement of historical Treaty claims and redress;
14. **note** the Minister for Māori Crown Relations: Te Arawhiti intends to seek the establishment of a new Vote "Māori Crown Relations" through the Budget 2019 process;
15. **note** that the Minister of Finance agreed to establish a Multi-Category Appropriation "Māori Crown Relations" in Vote Justice, administered by the Ministry of Justice and with the Minister for Māori Crown Relations: Te Arawhiti as appropriation Minister;
16. **note** that the Minister of Finance has agreed that the single overarching purpose of the new Multi-Category Appropriation "Māori Crown Relations" will be 'to support the strengthening of the Māori Crown relationship';

17. **note** that the Minister of Finance and the Minister for Māori Crown Relations: Te Arawhiti have agreed the categories for the new Multi-Category Appropriation “Māori Crown Relations” to be as follows:

Title (Type)	Scope
Strengthening Crown Capability (Departmental Output Expense)	This category is limited to the provision of services to strengthen Crown capability in building sustainable and productive Māori Crown relationships.
Policy advice – Māori Crown Relations (Departmental Output Expense)	This category is limited to advice (including second opinion advice and contributions to policy led by other agencies) to support decision making by Ministers on government policy matters relating to Māori Crown relations.
Services to Ministers (Departmental Output Expense)	This category is limited to the provision of support, information and services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities on matters relating to the Māori Crown relationship.

18. **note** that \$4.228 million for 2018/19 and \$1.178 million for 2019/20 and outyears was appropriated to Vote Justice Multi-Category Appropriation “Justice Policy Advice” at Budget 2018 in relation to supporting the Māori Crown Relations: Te Arawhiti portfolio;
19. **note** that, of the funding described in recommendation 18 above, \$2.466 million for 2018/19 and \$1.178 million for 2019/20 and outyears is available to transfer to the new Multi-Category Appropriation “Māori Crown Relations”;
20. **agree** that the funding described in recommendation 19 above be transferred to the new Multi-Category Appropriation “Māori Crown Relations” to support the Māori Crown Relations: Te Arawhiti portfolio;

21. **approve** the following fiscally neutral adjustment to give effect to the decision in recommendation 20 above, with no impact on the operating balance and/or net core Crown debt:

Vote Justice	\$m - increase/(decrease)			
	2018/19 \$000	2019/20 \$000	2020/21 \$000	2021/22 \$000
Minister of Justice				
Multi-Category Expenses and Capital Expenditure:				
Justice Policy Advice and Related Services MCA				
Departmental Output Expense: Justice Policy Advice (funded by revenue Crown)	(2.466)	(1.178)	(1.178)	(1.178)
Minister for Māori Crown Relations: Te Arawhiti				
Multi-Category Expenses and Capital Expenditure:				
Māori Crown Relations MCA				
Departmental Output Expense: Strengthening Crown Capability (funded by revenue Crown)	1.480	0.707	0.707	0.707
Departmental Output Expense: Policy advice – Māori Crown Relations (funded by revenue Crown)	0.740	0.353	0.353	0.353
Departmental Output Expense: Services to Ministers (funded by revenue Crown)	0.246	0.118	0.118	0.118

22. **agree** that the proposed changes to appropriations for 2018/19 in recommendation 21 above be included in the 2018/19 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
23. **note** that the marginal costs associated with establishing the Office for Māori Crown Relations: Te Arawhiti are \$0.799 million in the 2018/19 financial year;
24. **agree** that the marginal costs described in recommendation 23 above be met through a fiscally neutral transfer from Vote Treaty Negotiations in 2018/19

25. **approve** the following changes to appropriations to give effect to the decision described in recommendation 24 above, with no impact on the operating balance and/or net core Crown debt:

	\$m – increase/(decrease)			
	2018/19 \$000	2019/20 \$000	2020/21 \$000	2021/22 \$000
Vote Treaty Negotiations Minister for Treaty of Waitangi Negotiations Multi-Category Expenses and Capital Expenditure: Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act MCA Departmental Output Expense: Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act (funded by revenue Crown)	(0.799)	-	-	-
Vote Justice Minister for Māori Crown Relations: Te Arawhiti Multi-Category Expenses and Capital Expenditure: Māori Crown Relations MCA Departmental Output Expense: Strengthening Crown Capability (funded by revenue Crown) Departmental Output Expense: Policy advice – Māori Crown Relations (funded by revenue Crown) Departmental Output Expense: Services to Ministers (funded by revenue Crown)	0.479 0.240 0.080	- - -	- - -	- - -

26. **agree** that the proposed changes to appropriations for 2018/19 in recommendation 25 above be included in the 2018/19 Supplementary Estimates and that, in the interim, the increase be met from Imprest Supply;
27. **agree** that, until the Budget 2019 package has been finalised, any decisions that have a material impact on ongoing costs for 2019/20 and outyears will require joint approval by the Minister of Finance, the Minister for Māori Crown Relations: Te Arawhiti and the Minister of Treaty for Waitangi Negotiations;
28. **note** the Minister for Māori Crown Relations: Te Arawhiti intends to seek an estimated investment of \$26.965 million per annum through the Budget 2019 process, with funding subject to final budget decisions;

29. **note** the Minister for Treaty negotiations intends to seek an estimated investment of \$11.667 million per annum through the Budget 2019 process, with funding subject to final budget decisions;
30. **note** the chief executive will be responsible to the Minister for Māori Crown Relations: Te Arawhiti and the Minister for Treaty of Waitangi Negotiations;
31. **note** the impending vacancy for the chief executive of the new Departmental Agency; and
32. **confirm** the position description for the chief executive of the Office for Māori Crown Relations: Te Arawhiti attached at Appendix 1 as the basis for selecting a suitable candidate.

Authorised for lodgement

Hon Kelvin Davis
Minister for Māori Crown Relations: Te Arawhiti

Hon Andrew Little
Minister for Treaty of Waitangi Negotiations



Cabinet Government Administration and Expenditure Review Committee

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.

Establishment of the Office for Māori Crown Relations - Te Arawhiti

Portfolio **Māori Crown Relations: Te Arawhiti / Treaty of Waitangi Negotiations**

On 6 November 2018, the Cabinet Government Administration and Expenditure Review Committee:

- 1 **noted** that on 17 September 2018 Cabinet:
 - 1.1 authorised the Prime Minister, Deputy Prime Minister and the Minister for Crown/Māori Relations to have Power to Act to take decisions on a revised name for the Crown/Māori Portfolio;
 - 1.2 authorised the Minister for Crown/Māori Relations to seek the Prime Minister's agreement on the responsibilities final scope of the Crown/Māori Relations portfolio;
 - 1.3 agreed in principle, subject to due diligence, to the establishment of a Departmental Agency to be hosted by the Ministry of Justice;
 - 1.4 directed the Secretary of Justice to undertake the required due diligence;
 - 1.5 invited the Minister for Crown/Māori Relations to consult with relevant Ministers on the establishment of the Office as a Departmental Agency to be hosted by the Ministry of Justice and report back to Cabinet by 30 November 2018 with a business case and to seek decisions required to establish a Departmental Agency to be hosted by the Ministry of Justice, taking into account any matters raised by the due diligence process;

[CAB-18-MIN-0456]
- 2 **noted** that on 19 September 2018 the Prime Minister confirmed:
 - 2.1 the name of portfolio as Māori Crown Relations: Te Arawhiti, with the responsible Minister being the Minister for Māori Crown Relations: Te Arawhiti;
 - 2.2 the responsibilities of the final scope of the Māori Crown Relations: Te Arawhiti portfolio;

- 3 **noted** that the due diligence noted in paragraph 1.3 above, to enable Cabinet to approve the establishment of the Office for Māori Crown Relations - Te Arawhiti as a Departmental Agency to be hosted by the Ministry of Justice, has been completed;
- 4 **agreed** to the establishment of the Office for Māori Crown Relations - Te Arawhiti as a Departmental Agency to be hosted by the Ministry of Justice;
- 5 **agreed** that the functions of the Ministry of Justice currently carried out by the Office of Treaty Settlements, the Marine and Coastal Area Unit, the Settlements Commitments Unit and the Māori Crown Relations Unit be transferred to the Office for Māori Crown Relations - Te Arawhiti;
- 6 **invited** the Minister of State Services to instruct the Parliamentary Counsel Office to draft an Order in Council to name the Office for Māori Crown Relations - Te Arawhiti as a Departmental Agency on Schedule 1A of the State Sector Act 1988;
- 7 **noted** that the launch of the Office for Māori Crown Relations - Te Arawhiti will take place on 17 December 2018;
- 8 **noted** that the Ministry of Justice is responsible for administering \$4.228 million under Vote Justice (in relation to the Māori Crown Relations: Te Arawhiti portfolio) and \$51.100 million under Vote Treaty Negotiations as appropriated at Budget 2018 for the 2018/19 financial year;
- 9 **noted** that in addition to the figure in paragraph 8 above, the Ministry of Justice is responsible for \$1.4 billion for the settlement of historical Treaty claims and redress;
- 10 **noted** that the Minister for Māori Crown Relations: Te Arawhiti intends to seek the establishment of a new Vote “Māori Crown Relations” through the Budget 2019 process;
- 11 **noted** that the Minister of Finance has agreed to establish a Multi-Category Appropriation “Māori Crown Relations” in Vote Justice, administered by the Ministry of Justice and with the Minister for Māori Crown Relations: Te Arawhiti as appropriation Minister;
- 12 **noted** that the Minister of Finance has agreed that the single overarching purpose of the new Multi-Category Appropriation “Māori Crown Relations” will be ‘to support the strengthening of the Māori Crown relationship’;
- 13 **noted** that the Minister of Finance and the Minister for Māori Crown Relations: Te Arawhiti have agreed the categories for the new Multi-Category Appropriation “Māori Crown Relations” are as follows:

Title (Type)	Scope
Strengthening Crown Capability (Departmental Output Expense)	This category is limited to the provision of services to strengthen Crown capability in building sustainable and productive Māori Crown relationships.
Policy advice – Māori Crown Relations (Departmental Output Expense)	This category is limited to advice (including second opinion advice and contributions to policy led by other agencies) to support decision making by Ministers on government policy matters relating to Māori Crown relations.
Services to Ministers (Departmental Output Expense)	This category is limited to the provision of support, information and services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities on matters relating to the Māori Crown relationship.

- 14 **noted** that \$4.228 million for 2018/19 and \$1.178 million for 2019/20 and outyears was appropriated to Vote Justice Multi-Category Appropriation “Justice Policy Advice” at Budget 2018 in relation to supporting the Māori Crown Relations: Te Arawhiti portfolio;
- 15 **noted** that, of the funding described in paragraph 14 above, \$2.466 million for 2018/19 and \$1.178 million for 2019/20 and outyears is available to transfer to the new Multi-Category Appropriation “Māori Crown Relations”;
- 16 **agreed** that the funding in paragraph 15 above be transferred to the new Multi-Category Appropriation “Māori Crown Relations” to support the Māori Crown Relations: Te Arawhiti portfolio;
- 17 **approved** the following fiscally neutral adjustment to give effect to the decision in paragraph 16 above, with no impact on the operating balance and/or net core Crown debt:

	\$m - increase/(decrease)			
Vote Justice	2018/19 \$000	2019/20 \$000	2020/21 \$000	2021/22 \$000
Minister of Justice				
Multi-Category Expenses and Capital Expenditure:				
Justice Policy Advice and Related Services MCA				
Departmental Output Expense: Justice Policy Advice (funded by revenue Crown)	(2.466)	(1.178)	(1.178)	(1.178)
Minister for Māori Crown Relations: Te Arawhiti				
Multi-Category Expenses and Capital Expenditure:				
Māori Crown Relations MCA				
Departmental Output Expense: Strengthening Crown Capability (funded by revenue Crown)	1.480	0.707	0.707	0.707
Departmental Output Expense: Policy advice – Māori Crown Relations (funded by revenue Crown)	0.740	0.353	0.353	0.353
Departmental Output Expense: Services to Ministers (funded by revenue Crown)	0.246	0.118	0.118	0.118

- 18 **agreed** that the changes to appropriations for 2018/19 in paragraph 17 above be included in the 2018/19 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- 19 **noted** that the marginal costs associated with establishing the Office for Māori Crown Relations - Te Arawhiti are \$0.799 million in the 2018/19 financial year;
- 20 **agreed** that the marginal costs in paragraph 19 above be met through a fiscally neutral transfer from Vote Treaty Negotiations in 2018/19;

- 21 **approved** the following changes to appropriations to give effect to the decision described in paragraph 20 above, with no impact on the operating balance and/or net core Crown debt:

	\$m – increase/(decrease)			
	2018/19 \$000	2019/20 \$000	2020/21 \$000	2021/22 \$000
Vote Treaty Negotiations Minister for Treaty of Waitangi Negotiations Multi-Category Expenses and Capital Expenditure: Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act MCA Departmental Output Expense: Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act (funded by revenue Crown)	(0.799)	-	-	-
Vote Justice Minister for Māori Crown Relations: Te Arawhiti Multi-Category Expenses and Capital Expenditure: Māori Crown Relations MCA Departmental Output Expense: Strengthening Crown Capability (funded by revenue Crown) Departmental Output Expense: Policy advice – Māori Crown Relations (funded by revenue Crown) Departmental Output Expense: Services to Ministers (funded by revenue Crown)	0.479 0.240 0.080	- - -	- - -	- - -

- 22 **agreed** that the changes to appropriations for 2018/19 in paragraph 21 above be included in the 2018/19 Supplementary Estimates and that, in the interim, the increase be met from Imprest Supply;
- 23 **agreed** that, until the Budget 2019 package has been finalised, any decisions that have a material impact on ongoing costs for 2019/20 and outyears will require joint approval by the Minister for Māori Crown Relations: Te Arawhiti, the Minister of Finance, and the Minister for Treaty of Waitangi Negotiations;
- 24 **noted** that the Minister for Māori Crown Relations: Te Arawhiti intends to seek an estimated investment of \$26.965 million per annum through the Budget 2019 process, with funding subject to final budget decisions;
- 25 **noted** that the Minister for Treaty of Waitangi Negotiations intends to seek an estimated investment of \$11.667 million per annum through the Budget 2019 process, with funding subject to final budget decisions;
- 26 **noted** the impending vacancy for the Chief Executive, Office for Māori Crown Relations - Te Arawhiti, who will be responsible to the Minister for Māori Crown Relations: Te Arawhiti and the Minister for Treaty of Waitangi Negotiations;

- 27 **confirmed** the position description for the Chief Executive, Office for Māori Crown Relations - Te Arawhiti, attached to the paper under GOV-18-SUB-0083, as the basis for selecting a suitable candidate.

Rachel Clarke
Committee Secretary

Present:

Hon Kelvin Davis
Hon Grant Robertson (Chair)
Hon Phil Twyford
Hon Chris Hipkins
Hon Stuart Nash
Hon Ron Mark
Hon Tracey Martin
Hon Shane Jones
Hon James Shaw

Officials present from:

Office of the Prime Minister
Officials Committee for GOV

Hard-copy distribution:

Minister for Māori Crown Relations Te Arawhiti
Minister of Finance
Minister of State Services
Minister for Treaty of Waitangi Negotiations