

Common Payment Framework

Overview and key details



Common Payment Framework

Overview and key details – Training Toolkit - slides

What we will cover

- What is the Common Payment Framework
- Why it was developed
- Who it applies to
- Key principles
- Payment categories and definitions
- In practice

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- Why it was developed
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- In practice

Introduction to the Common Payment Framework



Section heading - Introduction to the Common Payment Framework

What is the Common Payment Framework?

- A tool that guides consistent, transparent payment decisions for abuse in state care redress.
- Applied by agencies after assessing a claim to determine settlement offers.
- Covers abuse types including physical, sexual, emotional/psychological abuse and neglect.
- Ensures payments reflect both the severity and frequency of abuse.
- Has clearly defined levels that assist survivors in understanding how their experience relates to the payment they have been offered.
- It is not compensation – it is a form of redress that acknowledges harm experienced by survivors.

What is the Common Payment Framework?

- The Common Payment Framework is a structured tool designed to guide consistent, transparent decision-making regarding settlement payments for survivors of abuse in state care.
- It is applied by government agencies after the assessment of a survivor's claim to determine an appropriate payment offer.
- It covers various types of abuse including physical, sexual, emotional/psychological abuse, and neglect in care settings.
- The framework ensures that payments are based on the severity and frequency of abuse rather than the number of allegations, promoting fairness and equity across different agencies.
- Has clearly defined levels that assist survivors in understanding how their experience relates to the payment they have been offered. These are fixed payments – differs to current agency processes.
- The Common Payment Framework is not a compensation scheme but a form of redress that acknowledges the harm experienced by survivors.

Why was the Common Payment Framework developed?

- To address inconsistencies in payments across agencies.
- To ensure fairness, equity, and transparency for survivors.

What have Ministers agreed to?

- Approved the development of the Common Payment Framework (which incorporates the increased \$30k average).
- To streamline assessment processes by removing the requirement to assess and respond to allegations of practice failures not linked to abuse.
- Rapid Payment processes have been updated to reflect the Framework, including having an average payment of \$30,000.



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Why was the Common Payment Framework developed?

Addressing payment inconsistencies:

- Prior to its implementation, survivors received varying amounts for similar experiences of abuse, leading to perceptions of unfairness and lack of transparency.
- The Common Payment Framework was developed to address these inconsistencies in payment decisions across different government agencies.
- This ensures fairness and transparency.

What have Ministers agreed to?

- Approved the development of the Common Payment Framework.
- To streamline assessment processes by removing the requirement to assess and respond to allegations of practice failures not linked to abuse – will discuss further later in the slide presentation.
- Rapid Payment processes have been updated – will be discussed later.

Framework principles and scope



Session heading - Framework principles and scope

Key design principles

- Fairness and transparency in redress.
- Payments reflect severity and frequency, not number of allegations.
- Focus on total care experience.
- Fixed payment points for clarity and consistency.
- \$30,000 average across agencies and distribution of payments align with current payments.



Key design principles

- The Common Payment Framework is grounded in key principles that ensure fairness and transparency in redress.
- Payments are determined based on the severity and frequency of abuse, not the number of allegations.
- The Framework acknowledges the total care experience of the survivor, recognising that less severe abuse may also have occurred alongside more serious incidents. Each payment category builds upon the previous categories, so in that way it acknowledges any less severe abuse that was experienced.
- Fixed payment points are used to provide clarity and consistency, helping agencies make decisions that are transparent and justifiable, and survivors can more easily see where their experience fits. Less discretion than previous frameworks.
- Operational testing of the categories was carried out with resolved claims to help ensure the new framework resulted in a \$30k average - and distribution of payments align with current payments that are made - which is a bell curve shape (i.e., most people in the middle, who will receive the average payment (or near to), with smaller numbers below and higher than the average).

Scope and application

Agencies involved

Common Payment Framework is for all current abuse in care redress agencies, as well as Corrections and Te Puni Kōkiri (when they are integrated into the redress system by 30 June 2026).

Individualised assessments

The framework focuses on payments arising from assessments which look at the individual experience of the survivor rather than rapid payment processes.

Covered and excluded cases

Common Payment Framework covers abuse and neglect but excludes practice failures not linked to abuse and proven torture.

Considers payment only

It does not determine what allegations are considered for the purposes of making a payment offer under this Framework.



Scope and application

The Common Payment Framework applies to survivors accessing redress through:

- Ministry of Education (MoE)
- Ministry of Social Development (MSD)
- Ministry of Health (MoH)
- Oranga Tamariki, and later
- Corrections and Te Puni Kōkiri

1. It is used for individualised assessments rather than rapid payments.
2. The framework covers abuse and neglect but excludes practice failures not linked to abuse and proven torture.
3. It does not determine what allegations are considered for the purposes of making a payment offer under the Framework. That is the role of each agency's assessment process – which all have their slight variations depending on the context of their agency and care setting.

Payment categories and definitions



Session heading - Payment categories and definitions

Overview of payment categories, definitions and interpretation.

Overview of payment categories

Category	Payment range
Less severe	\$7,500 to \$20,000
More severe	\$25,000 to \$35,000
Significant severity	\$40,000 to \$50,000
Extreme severity	\$55,000 to \$65,000
Extraordinary severity	\$75,000 and over

Overview of payment categories

- Two parts to the Framework – categories and definitions.
- The Common Payment Framework includes five payment categories ranging from Less Severe to Extraordinary Severity.
- Payments range from \$7,500 to \$75,000 and above.
- Each category includes one or more payment steps that increase based on the seriousness of the abuse, whether the abuse involved a carer or non-state carer/other young person, and its frequency.
- The categories are designed to recognise the most serious abuse experienced, while also acknowledging the survivor's total care experience.
- The framework also allows for recognition of abuse by non-state carers and other young people, provided it relates to the acts or omissions of the carer and contributed to the abuse or neglect.
- Carers are agents of the state who have care and protection responsibilities for the survivor.
- The next **five slides** show the framework through the five payment categories.

Category One: Less Severe (\$7,500 to \$20,000)

Step	Characteristics of in care experience	Payment amount
1	Less severe abuse or neglect by non-state carers or other young people which was infrequent	\$7,500
2	Less severe abuse or neglect by carers which was infrequent OR Less severe abuse or neglect by non-state carers or other young people which was frequent	\$10,000
3	Less severe abuse or neglect by carers which was frequent	\$15,000
4	Less severe abuse or neglect by non-state carers or other young people which was chronic OR More severe abuse or neglect by non-state carers or other young people which was infrequent	\$20,000

Category One: Less Severe

- What do we notice?
- There are 5 categories. Each category has steps within that category that have fixed payment points. No ranges.
- Abuse severity has moved away from using terms such as “low, moderate, serious”.
- When developing these terms, redress agencies considered other sources, to use a more appropriate way to define abuse.
- There is a differentiation between “carers” and “non-state carers” – discuss later on in slides.

Category Two: **More Severe** (\$25,000 to \$35,000)

Step	Characteristics of in care experience	Payment amount
1	More severe abuse or neglect by carers which was infrequent OR More severe abuse or neglect by non-state carers or other young people which was frequent OR Less severe abuse or neglect by carers which was chronic	\$25,000
2	More severe abuse or neglect by carers which was frequent OR Significantly severe abuse or neglect by non-state carers or other young people which was infrequent	\$30,000
3	More severe abuse or neglect by non-state carers or other young people which was chronic (more than 2 and up to 4 years)	\$35,000

Category Two: More Severe

Category Three: Significant Severity (\$40,000 to \$50,000)

Step	Characteristics of in care experience	Payment amount
1	More severe level abuse or neglect by carers which was chronic (more than 2 and up to 4 years) OR Significantly severe abuse or neglect by carers which was infrequent OR More severe abuse or neglect by non-state carers or other young people which was chronic (more than 4 years) OR Significantly severe abuse or neglect by non-state carers or other young people which was frequent	\$40,000
2	More severe abuse or neglect by carers which was chronic (more than 4 years) OR Significantly severe abuse or neglect by carers which was frequent	\$45,000
3	Significantly severe abuse or neglect by non-state carers or other young people which was chronic (more than 2 and up to 4 years)	\$50,000

Category Three: Significant Severity

Category Four: Extreme Severity (\$55,000 to \$65,000)

Step	Characteristics of in care experience	Payment Amount
1	Significantly severe abuse or neglect by carers which was chronic (more than 2 and up to 4 years) OR Significantly severe abuse or neglect by non-state carers or other young people which was chronic (more than 4 and up to 5 years)	\$55,000
2	Significantly severe abuse or neglect by carers which was chronic (more than 4 and up to 5 years) OR Significantly severe abuse or neglect by non-state carers or other young people which was chronic (more than 5 years)	\$60,000
3	Significantly severe abuse or neglect by carers which was chronic (more than 5 years)	\$65,000

Category Four: Extreme Severity

Category Five: Extraordinary Severity (\$75,000 and over)

Step	Characteristics of in care experience	Payment Amount
1	<p>This category is reserved for extraordinary claims to recognise where there are clear aggravating factors and/or exceptional circumstances to the level of abuse described in category 4.</p> <p>To be placed in the category, survivors will usually have experienced consistent significantly severe and more severe abuse of 10 years or more.</p> <p>Payment is determined having regard to the individual circumstances of the claim.</p>	\$75,000 and over

Category Five: Extraordinary Severity

Definitions and interpretation

Types of abuse

The framework defines abuse types: *physical, sexual, emotional/ psychological, and neglect* - for clarity and consistency.

Severity and frequency levels

Severity ranges from less to significantly severe, while frequency includes infrequent, frequent, and chronic occurrences.

Carer definitions

Carers are agents of the state with care duties; non-state carers and other young people are not state-appointed.

Frequency matrix usage

The frequency matrix helps agencies assess how often and how long abuse incidents occurred for proper classification.



Definitions and interpretation

- The Common Payment Framework provides clear definitions to support consistent application across agencies.
- (Go to next page) - Key terms include types of abuse (physical, sexual, emotional/psychological, neglect). When developing these, all redress agencies considered the type of allegations they regularly received for their respective settings, and we incorporated these into the definitions so that it would encompass all care settings. There was also consideration of agencies current definitions.
- Severity levels (less severe, more severe, significantly severe) – as with definitions, these are broadly consistent with current agency severity definitions. MSD especially will notice some similarities.
- (Go to matrix) - Frequency (infrequent, frequent, chronic). These are new frequency definitions, and you will see that these are presented in a matrix which allows for recognition of both how often it occurred in the placement and how long the placement was for.
- Carers are defined as agents of the state with care responsibilities, such as staff or caregivers, or staff of a non-government agency (NGO) or Iwi Social Service. In the MSD context, this group is formally known as ‘responsible adults’.
- Non-state carers are not formally appointed by the state (e.g., a person’s parents or a

son of a caregiver). However, for the framework to apply, there must be a link between the abuse by the non-state carer and the state (this is the same concept that MSD will know as inaction).

- These definitions help agencies classify allegations accurately and determine the appropriate payment category and step.

Example of abuse type and severity – physical abuse

Severity	A survivor has experienced
Less severe	<p>Actions which ordinarily do not cause bruising or injury. Examples can include:</p> <ul style="list-style-type: none"> • Excessive corporal punishment that is outside of policy • Misuse of physical restraint that is outside of policy • Slapping/hitting with an open hand, shoving/pushing, hair pulling, ear pulling, tripping, kicking, harsh physical punishment (e.g. being forced to eat soap) • A staff member/carer directing another survivor to physically assault another survivor • Inappropriate use of medical treatment (e.g. over medication in psychiatric facilities)
More severe	<p>Actions which ordinarily cause bruising or physical injury such as cuts, welts and blisters. They demonstrate an increased level of violence or force from less severe physical abuse and can involve the use of objects and weapons. Examples can include:</p> <ul style="list-style-type: none"> • Striking, closed fist punching, whipping, stomping/kicking, blows to the head or body • Being slammed against a wall • Being held forcefully by the neck or throat
Significantly severe	<p>Physical assaults which result in injuries that would typically require, or should have required, more intensive medical treatment or hospitalisation. Examples can include beatings, punches and assaults which can cause:</p> <ul style="list-style-type: none"> • A loss of consciousness • Broken bones and dislocated joints • Serious burns • Internal injuries including brain damage <p>The use of medical treatment where it was administered in circumstances contrary to established medical practice and results in severe pain (e.g. unmodified electroconvulsive therapy - ECT)</p>

Example of abuse type and severity

Definition: Actions that result in, or could result in, physical harm or injury to a survivor.

Frequency matrix

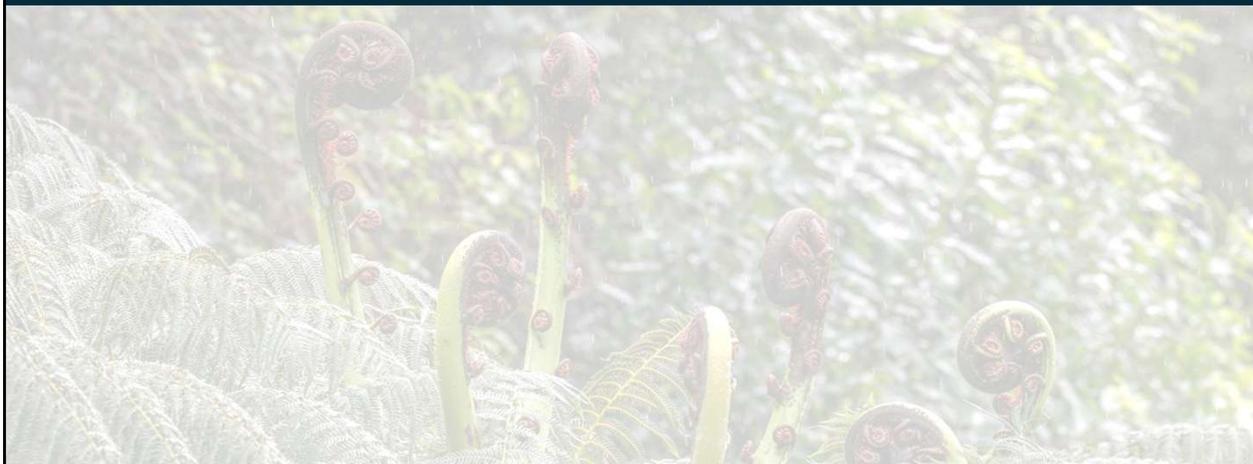
How often?					
Once	Infrequent	N/A			
Sometimes (eg "occasionally", "at times")	Infrequent	Infrequent	Infrequent	Infrequent	Frequent
Often (eg "a lot", "every week", "regularly")	Infrequent	Infrequent	Frequent	Frequent	Chronic
All the time (eg "every day", "always")	Infrequent	Frequent	Frequent	Chronic	Chronic
	0 to 6 months	More than 6 months and up to 1 year	More than 1 year and up to 2 years	More than 2 years and up to 4	More than 4 years



Frequency matrix

The following table will be applied by agencies to consider both how often and how long (duration) the abuse or neglect was experienced to identify the abuse or neglect frequency – **infrequent, frequent or chronic** – which then links to the Payment categories.

Applying the framework



Session heading - Applying the framework

Three steps

Allegations supported under agency assessment process

All allegations relate to a 2.5 year period at a school

- Sexual assault (touching over clothing) on more than one occasion by a staff member.
- Regular physical assaults (including physical restraint) by staff members. No injury indicated.
- Excessive timeout for extended periods of time and inconsistent with policy guidelines.

Step	Action	Example (MR T)
1. Classify	Identify type, severity, frequency, and abuser for each allegation.	Sexual abuse = more severe, infrequent, carer; Physical abuse = less severe, frequent, carer; Emotional abuse = less severe, infrequent, carer.
2. Map	Determine highest category and step.	Most serious = more severe sexual abuse, infrequent, carer → Category 2, Step 1.
3. Finalise and record	Document rationale and communicate.	"The most serious abuse was more severe sexual abuse by a carer, infrequent. Category 2, Step 1: \$25,000."



Three steps

The Common Payment Framework application process involves **three main steps**.

1. First, agencies **classify each acknowledged allegation** using Common Payment Framework definitions, including type of abuse, severity, frequency, and who carried it out.
2. Second, they **map the allegations to the correct payment category and step**, identifying the most serious allegation. Each payment category builds upon the previous categories so in that way it acknowledges any less severe abuse that was experienced.
3. Third, they **finalise, record, and communicate** the offer with a clear rationale, explaining how the decision was made.

- This process ensures transparency and consistency in payment decisions.

Trainer to work through example relating to a school during discussion.

Other things changing

Rapid payment frameworks being updated to align with new Framework

Approach to Bill of Rights

Approach to inappropriate detention

Focus of assessments on abuse allegations only

Discretionary payments



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Other things changing

- Rapid Payments have been updated – discuss on next slide.
- MSD's payment framework previously provided separate recognition for potential Bill of Rights Act (BORA) breaches and inappropriate detention (such as being held in secure care not in accordance with policy). These are no longer being separately provided for but have been incorporated into the payment categories. Detention allegations are now specifically included as an example of abuse in the Framework (come under emotional/psychological abuse). Also, the increased payment amounts should now provide an effective remedy for most claims that include potential BORA breaches.
- This approach of incorporating BORA and detention aligns with the Framework's intent to provide consistency for everyone, no matter when a survivor was in care.
- Focus of assessments on abuse allegations only – discuss on later slide
- Discretionary payments will be available for rare claims where the category amount does not adequately reflect the abuse. This includes claims that fall into the top category of \$75,000 or more, unusual claims which are not anticipated by the categories, or claims where there are clear legal breaches, where the category amount is not sufficient to remedy the breach.
- Guidelines are being created that will require cross-agency collaboration to ensure that agencies are making consistent decisions on discretionary payments.

Rapid payment changes

- Individual agency rapid payment processes have been adjusted to align with the Framework, including having an average payment of \$30,000.
- Ministry of Education's rapid payments process for Waimokoia residential school will be amended by applying an increase of 50% to each of the existing standard payments.
- The involvement period under MSD's rapid payments is being amended as follows. To align with the Framework, there are no longer separate BORA and inappropriate detention payments. The \$5,000 NGO bush programme payment is remaining.

From	To
Under 5 years = \$10,000	Under 3 years = \$15,000
5 – 15 years = \$20,000	3 – 14 years = \$30,000
Over 15 years = \$25,000	Over 14 years = \$40,000



Rapid payment changes

- Individual agency rapid payment processes have been adjusted to align with the Framework, including having an average payment of \$30,000.
- The involvement period under MSD's rapid payments is being amended as follows:

From	To
Under 5 years = \$10,000	Under 3 years = \$15,000
5 – 15 years = \$20,000	3 – 14 years = \$30,000
Over 15 years = \$25,000	Over 14 years = \$40,000

There have needed to be some adjustments to the involvement period to ensure a \$30,000 average.

- There are no longer separate BORA and inappropriate detention payments. This aligns with the position in the Framework.
- Ministry of Education's rapid payments process for Waimokoia residential school will be amended by applying an increase of 50% to each of the existing standard payments.

Focusing assessment on abuse allegations



Redress
New Zealand

Ministers have agreed to remove the requirement to assess and respond to allegations of practice failures not linked to abuse.



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Focusing assessment on abuse allegations

- Removing the requirement to assess and respond to allegations of practice failures that are not linked to abuse.
- Focuses claims processes on abuse, which is what they were established to do.
- Will also streamline assessment processes, enabling agencies to complete more claims.
- Operational testing by MSD confirmed that there would be efficiencies in doing so.
- The testing also confirmed that the removal generally does not impact upon payment in a claim.

Survivor communications



Survivors with current offers

Survivors can wait to see the Framework before deciding on whether to accept their current offer or request an offer under it. Once they request an offer under the Framework, the previous offer is no longer available for acceptance.

Staff will be equipped to have discussions with survivors about how their claim is impacted by the Framework. This ensures informed decision-making.

Transparent communication

New offers will have standardised wording that discusses the Framework and how their payment has been determined under it.

Resources

Redress NZ website material and discussions with agency staff will assist survivors in understanding their options and the rationale behind payment decisions.

FAQs and training material have been developed to support staff in answering survivor queries and ensuring a consistent approach.



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Survivor communications

- Survivors with current offers have the option to wait for the Common Payment Framework before accepting offers, and agencies must clearly explain the differences between previous frameworks and the Common Payment Framework - *because once an offer is requested under the Framework, the previous offer is no longer available for acceptance.*
- Resources have been developed to support a consistent approach to communication including:
 - FAQs to assist staff when talking to survivors about the Framework and their options.
 - Draft messaging to support email communications with survivors about their options.
 - Updated information on the Redress NZ website.

Next steps



- Specific agency training taking place over upcoming days
- Go live is 27 January
- Being published on the Redress NZ website
- Ways of working collaboratively have been created
- Further work progressing on discretionary payment guidelines and assurance processes



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Next steps

- Specific agency training taking place over upcoming days.
- Go live is 27 January.
- Being published on the Redress NZ website.
- Ways of working collaboratively have been created, to enable agencies to check with each other about application of the framework. E.g., tricky claims where it's not clear which definition/frequency the abuse falls under. This ensures consistency of application of the Framework.
- Further work progressing on discretionary payment guidelines and more formal cross-agency assurance processes.

Questions?



Questions?

Thank you

Thank you