Terms of Reference

Aged Care Ministerial Advisory Group

Background

There have been a number of reviews of aged care in New Zealand, most recently including Health NZ's Aged Care Funding and Service Models Review, which began in July 2023. While New Zealanders generally have access to a range of aged care services that provide a good standard of care, these reviews have highlighted a number of challenges in the system, including that:

- the way services are funded is outdated, and does not support providers of aged care to sustain service levels, or to invest and build new services
- there is no cohesive and integrated aged care system that provides the care that people need at the right time and in the right place
- access to the right services can be inconsistent and inequitable across different groups of people, and in different parts of the country.

This work seeks to address these issues.

Purpose and scope

The purpose of the Ministerial Advisory Group is to provide independent advice to Ministers on the aged care system (Home and Community Support Services and Aged Residential Care), within the scope directed by Cabinet. Specifically, the group is expected to provide advice on the following:

- **What specific funding model components and mechanisms are needed to support sustainable aged care services[1], particularly a sustainable supply of standard aged care beds** in a way that:
    - enables sustainable and effective service provision across different regions of New Zealand, including rural and remote areas
    - ensures sufficient care provision, including sufficient workforce, to meet varying levels of need
    - encourages innovation in service delivery while maintaining consistent quality standards
    - considers the role of both supply and demand for different aged care services.

[1] For the purpose of this work aged care services are defined as including aged residential care (ARC) services (including respite and transitional care), and home and community support services (HCSS).

- **How the costs of providing aged care could be reasonably shared between individuals receiving care and the Government**, to support sustainability while ensuring timely access to aged care services for all of those who need them, including means testing and asset thresholds.
- **What changes are needed to contracting arrangements and regulatory settings for aged care services**, to remove red tape, support cost-effective delivery of services, support service innovation, and increase cohesion and integration between aged care services, wider health services, and Disability Support Services. This includes, for example:
    - regulatory settings that place restrictions on how services are delivered, including in the Health and Disability Services (Safety) Act 2001, the Nga Paerewa service standard, and the Residential Care and Disability Support Services Act 2018
    - contracting conditions and agreements for services that restrict how aged care providers deliver their services, including in-between travel settings
    - consistency between funding for Disability Support Services and Health NZ aged care services, including consideration of individual needs-based thresholds for eligibility rather than age-based thresholds.

Out of scope

The group is not being asked to provide Budget advice, or advise on issues outside of those listed above, including but not limited to:

- workforce requirements, training and accreditation – noting that future work and implementation may consider workforce requirements
- changes to means-tested assistance or settings that sit outside of aged care (e.g. New Zealand Superannuation, benefits, supplementary assistance, income-related rent, etc).
- disability Support Services and other government services, except where this relates to cohesion and integration with aged care services.

Accountability and reporting

The Group is accountable to and will provide reporting directly to the Minister of Health, and Associate Minister of Health with responsibility for aged care.

The Group will commence its work no later than 31 January 2026, and will conclude its work by 30 June 2026.

The Group will provide a draft report to Ministers by 17 April 2026 for feedback, and will provide a final report with its recommendations to Ministers by 31 May 2026.

The Group is responsible for the quality and timeliness of its advice.

Secretariat services and support for the group

The Group will be provided with relevant previous work undertaken by and on behalf of the Ministry of Health and Health NZ, along with findings from the Health Committee's *Inquiry into*

the aged care sector's current and future capacity to provide support services for people experiencing neurological cognitive disorders when these become available.

The Ministry of Health and Health NZ will support the Group by providing advice and information to support its work.

Secretariat staff to support the Group will be provided by the Ministry of Health. The Secretariat's role includes:

- administrative activities associated with Group business
- planning and supporting the Group meetings
- assisting the Group to produce its final report.

Membership

The Group will have a maximum of eleven members, including a Chair and the Deputy Chair (if a Deputy Chair is required). Members are appointed by the Minister of Health and Associate Minister of Health with responsibility for aged care.

Collectively, the Group will have the following expertise and attributes:

- Technical expertise on funding models.
- Subject matter expertise in aged care and primary care.
- Aged care sector representatives.
- Specialist knowledge of care needs in the aged care system, for example of geriatric medicine and dementia.

Each member is appointed on any terms and conditions (including remuneration and any travelling allowances and expenses) that Ministers determine by written notice to the member, for the term that the Group is operating for.

Any member of the Group may resign at any time by advising the Minister and the Chair in writing. The Chair may resign at any time by written notice to the Minister.

If required, members will be appointed, re-appointed, and/or replaced on the Group by the relevant Ministers.

Nominated officials from the Ministry and Health NZ shall have a standing invitation to attend all Group meetings.

Duties

Through letters of appointment, members of the Group will be advised of the term of their appointment and will be given a copy of the Terms of Reference.

Members of the Group are expected to act in good faith and integrity when performing their duties on behalf of the Group.

Members are appointed for their knowledge and expertise, not as representatives of professional organisations or groups.

Meetings

The Group will meet as required depending on the progress of the work. Group members may be expected to meet outside of formally scheduled Group meetings, for any advice with a level of urgency. The Chair may nominate an alternate member as Chair should they not be able to attend.

Conduct and behaviour

Members must conduct themselves in a respectful manner with consideration of each other's perspectives and ethical values, and must perform their duties in an objective and lawful manner. They must remain impartial, providing robust and unbiased advice.

Members are responsible for declaring any real or potential conflict of interest to the Chair, as and when conflicts arise. Members and the Chair should discuss management plans for any conflict, and these should be held on a register maintained by the Secretariat.

Liability

Members of the Group are not liable to the Ministry or agencies for any act (or failure to act) in their capacity as a member of the Committee, if they have acted in good faith, and with reasonable care, in pursuance of the role specified for the Group in accordance with this Terms of Reference.

Remuneration

The fee payable to members, Chair and Deputy Chair (if applicable) of the Group is set out in individual letters of appointment and are set in line with Cabinet Office Circular CO (22) 2: *Revised Fees framework for members appointed to bodies in which the Crown has an interest* (Fees Framework).

The daily fees for the Group are set out below:

- Chair: $1,265
- Members: $800

Payment of fees will be arranged through the Secretariat. Taxation matters depend on personal circumstances, but in general fees are classed as schedular payments for the purposes of income tax regulation and are not subject to GST.

Members will also be entitled to be reimbursed for actual and reasonable travel and other expenses incurred while carrying out their duties. Such reimbursement is to be in accordance with the Fees Framework.

All public sector employees appointed to statutory and other public bodies must be able to do their primary job unhindered and without detriment to the public interest. They must not be double paid for their job and their membership of a body covered by the Fees Framework.

Confidentiality

Members must ensure that the confidentiality of Group business is maintained. Members must not discuss the work of the Group with people that are not Group members, unless they have the permission of the Chair.

No surprises policy

There is a 'no surprises policy' with the Minister, which is a critical component of maintaining ministerial trust and confidence. To this end, the Group is required to provide early notification of any relevant issues.

Media/other information requests policy

If anyone is approached directly by the media or other organisations, they should refer them to the Chair and the Ministry in the first instance. The Ministry's Communications Manager will act on behalf of the Group to ensure that the query is addressed appropriately.

In general, any media comment on behalf of the Group will come from the Chair, unless the Chair delegates responsibility to a member. If the Chair requires media training, this should be raised at the earliest opportunity with the Secretariat.

In speaking to the media in their professional or personal capacity, members should make clear to the media that they are not speaking as a member of the Group unless this is cleared with the Chair.

Official Information Act

The Group's proceedings and advice are subject to the Official Information Act 1982 (OIA). This means that both correspondence with the Secretariat, and communication between members (on Group business) can be requested by members of the public. The Chair will be advised when OIA requests are received and of the Ministry's and/or Minister's decision to release or withhold information.