



Circular

13 September 2024

Intended for	All Ministers All Chief Executives Chief of Staff, Office of the Prime Minister Chief of Staff, Office of the Leader of the ACT Party Chief of Staff, Office of the Leader of the New Zealand First Party All Senior Private Secretaries All Private Secretaries All officials involved in service design, commissioning, and delivery; and/or policy advice relating to these activities
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Needs-based Service Provision

Purpose

- 1 This circular sets out Government expectations for how the targeting, commissioning, and design of public services should be based on the needs of all New Zealanders.
- 2 This circular gives effect to the commitment in the coalition agreements between the National Party and the ACT Party, and between the National Party and the New Zealand First Party, to “issue a Cabinet Office circular to all central government organisations that it is the Government’s expectation that public services should be prioritised on the basis of need, not race.”

Application

- 3 The expectations set out in this circular apply to public sector agencies, as defined in paragraph 3.5 of the Cabinet Manual 2023¹.
- 4 All public service chief executives and those in their agencies who undertake activities related to this circular must follow the expectations. Where Crown entities, state-owned enterprises, or other public sector agencies have roles in service design, commissioning, and delivery, they should comply with the expectations as far as possible, taking into account their legal obligations, statutory functions and duties.

Context

- 5 The Government seeks to ensure that all New Zealanders, regardless of ethnicity or personal identity, have access to public services that are appropriate and effective for them, and that services are not arbitrarily allocated on the basis of ethnicity or any other aspect of identity.

¹ <https://www.dPMC.govt.nz/our-business-units/cabinet-office/supporting-work-cabinet/cabinet-manual/>

6 The International Convention on the Elimination of All Forms of Racial Discrimination provides that:

“Special measures taken for the sole purpose of securing adequate advancement of certain racial or ethnic groups or individuals requiring such protection as may be necessary in order to ensure such groups or individuals equal enjoyment or exercise of human rights and fundamental freedoms shall not be deemed racial discrimination, provided, however, that such measures do not, as a consequence, lead to the maintenance of separate rights for different racial groups and that they shall not be continued after the objectives for which they were taken have been achieved.”²

7 The Government is concerned that in the absence of clear expectations, agencies may use ethnic identity or other forms of personal identity as a proxy for need, and therefore a justification in itself for targeted services. The requirements in this circular aim to address this concern.

What is required?

8 Consistent with this context, Cabinet expects that:

8.1 when considering proposals for services targeted to specific population groups, agencies should engage responsible Ministers early about choices or options being considered and:

8.1.1 provide a strong analytical case for targeted investment (based on empirical evidence about why such interventions are necessary, i.e. the disparity in outcomes between the target and the general population and why general services are not sufficient to address this), and an assessment of any opportunity costs in terms of the service needs of all New Zealanders; and

8.1.2 provide clear advice on how service design, funding, prioritisation, eligibility criteria, and frontline resources can be aligned with this assessment of need.

8.2 when proposing services (including those designed or delivered in a culturally specific or responsive way) agencies should provide clear analysis of the proposed service model, including:

8.2.1 why and how it is expected that such a model will improve the efficacy of the proposed service and how it will be evaluated over time;

8.2.2 how such a model will impact on competitive tendering for the service or its total cost.

8.3 where culturally specific models are used, eligibility should not be restricted to the specific population group unless there is a strong rationale (e.g. value for money).

8.4 agencies should regularly review services targeted to specific population groups to ensure they remain necessary to achieve their original objectives.

9 In making the assessment above, Cabinet expects agencies will recognise that there are many variables that can be used to identify and assess need, and that all variables should be considered before ethnic identity is automatically used to determine need.

² <https://www.ohchr.org/en/instruments-mechanisms/instruments/international-convention-elimination-all-forms-racial>

Distribution of circular and further guidance

- 10 Public Service chief executives should forward copies of this circular to the heads of relevant public sector agencies within their Ministers' portfolios.
- 11 The Social Investment Agency provides a range of [guidance](#) on the use of data and analytics in the social sector to help service agencies and providers make decisions grounded in evidence and strengthen evaluation practices. The Treasury's [Living Standards Framework](#) and [He Ara Waiora](#) provide frameworks for thinking holistically about the dimensions of need beyond (but inclusive of) financial capital.
- 12 Statistics New Zealand's [Ngā Tikanga Paihere](#) supports ethical data practice and research by providing guidance about informing or involving communities of focus, transparency of data use, and thinking about the consequences of data use for communities.

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