

Terms of Reference – Review into alleged inappropriate use of public funds appropriated for Whānau Ora

Dated: 27 Pipiri 2025

Appointment

1. The Secretary for Māori Development appoints **Doug Craig**, Director of RDC Group, as the independent reviewer to review matters relating to the alleged inappropriate use of public funds, and related matters.
2. These Terms of Reference also set out the background to the allegations, the matters in scope, out of scope, as well as the process to be followed in carrying out this Review.

Background

3. Te Puni Kōkiri received allegations from a media enquiry from the *New Zealand Herald* about Pasifika Futures Limited on 18 Pipiri 2025, and observed news media stories concerning Te Pou Matakana Limited on 25 Pipiri 2025 (**allegations**).
4. The Outcome Agreements for Whānau Ora commissioning with Te Pou Matakana Limited and Pasifika Futures Limited both expire on 30 Pipiri 2025. A rapid review is therefore required to obtain answers immediately.

Te Pou Matakana Limited

5. Te Pou Matakana Limited (**Te Pou Matakana**) is a Whānau Ora Commissioning Agency contracted by Te Puni Kōkiri under:
 - (a) an Outcome Agreement to undertake commissioning services to deliver Whānau Ora outcomes for Te Ika a Māui; and
 - (b) an Outcome Agreement - Ngā Tini Whetū to deliver Whānau Ora commissioning services for a prototype focussed on outcomes for families with children, in their first 1,000 days.
6. On 25 Pipiri 2025, Te Puni Kōkiri observed news media reports about Te Pou Matakana launching an advertising campaign encouraging Māori to enrol on the Māori Electoral Roll. The reports could raise questions as to the inappropriate use of funding under the outcomes agreements, public sector integrity (in particular political neutrality), and conflicts of interest.

Pasifika Futures

7. Pasifika Futures Limited (**Pasifika Futures**) is a Whānau Ora Commissioning Agency contracted by Te Puni Kōkiri under an Outcome Agreement to undertake commissioning services to deliver Whānau Ora outcomes across New Zealand.
8. On 18 Pipiri 2025, Te Puni Kōkiri received allegations in a media enquiry from the *New Zealand Herald* about Pasifika Futures allocating Whānau Ora

funding to a professional rugby franchise, and other conflicts of interest in contracting decisions by a senior executive.

Matters in scope

9. You will review and report on the allegations of inappropriate use of Whānau Ora funding by Te Pou Matakana and Pasifika Futures.
10. The Review will be based on interviews as appropriate conducted with Te Puni Kōkiri, Pasifika Futures, and Te Pou Matakana, and information Te Puni Kōkiri provides you in respect of Te Puni Kōkiri, Te Pou Matakana, and Pasifika Futures, including:
 - (a) the Whānau Ora Outcome Agreement with Te Pou Matakana, the Whānau Ora Outcome Agreement with Pasifika Futures, and the Ngā Tini Whetū Outcome Agreement with Te Pou Matakana;
 - (b) the Annual Investment Plans under each of the Outcome Agreements and the requirements in the plans for use of the public funding;
 - (c) information provided by Te Pou Matakana and Pasifika Futures following requests for information under the Outcome Agreements;
 - (d) best practice guidance issued by the Auditor-General and public service agencies; and
 - (e) other relevant information requested by the reviewer.
11. You will review and report on:
 - (a) the contractual requirements in the Outcome Agreements, including the use of the public funding, relevant standards of conduct, and conflicts of interest management;
 - (b) the requirements in the Annual Investment Plans for use of the public funding;
 - (c) whether Te Pou Matakana and Pasifika Futures complied with all aspects of the Outcome Agreements, the requirements in the Annual Investment Plans, and any other requirements on these organisations, which includes assessing:
 - i. the knowledge held by relevant individuals at Te Puni Kōkiri, Te Pou Matakana, and Pasifika Futures, and when that knowledge was obtained;
 - ii. the way in which the public funding from the Whānau Ora appropriation and paid under the Outcome Agreements was used, and whether it was used for purposes not associated with Whānau Ora;
 - iii. whether, consistent with the Outcome Agreements and Annual Investment Plans, the use of public funds was appropriate;

- (d) the adequacy of the contractual requirements and relevant Te Puni Kōkiri policies; and
 - (e) any recommendations, including recommended further actions by Te Puni Kōkiri, that you consider is necessary in relation to the above matters.
- 12. If the reviewer is contacted by third parties throughout the course of the review then, as appropriate, the reviewer will inform the third parties that the third parties can make a protected disclosure to the Secretary for Māori Development (or other appropriate authority).

Matters out of scope

- 13. The following are out of the scope of the Review:
 - (a) any comment on the performance or competence of any person in relation to the matters in scope of this Review, except to the extent this relates directly to contract management, or determining any disciplinary matters;
 - (b) the fitness for purpose of any Te Puni Kōkiri policies or processes not directly related to this Review; and
 - (c) contracts held with either Te Pou Matakana Limited or Pasifika Futures Limited by any other agency.

Process

- 14. The Review will commence immediately and provide a report as quickly as possible. An interim report on progress will be provided on 4 Hōngongoi 2025, and every week thereafter.
- 15. The Review will be carried out by you acting independently and using your own judgement as to a proper and appropriate process. You must act fairly and consistent with natural justice.
- 16. All relevant documents and information to assist you will be provided by Te Puni Kōkiri staff. Other assistance or logistical support will also be provided. Your key contact for the purposes of the Review is Steven Sutton, Deputy Secretary, Governance.

Report and Timing

- 17. At the conclusion of the Review, you will submit a section of a draft report on the matters set out in this Terms of Reference relevant to Te Pou Matakana, Pasifika Futures, and any relevant officials at Te Puni Kōkiri for their review and comment.
- 18. Following the natural justice step above, you will provide the Secretary for Māori Development with the draft report for review and comment before finalisation.
- 19. The Secretary for Māori Development may release the final report, or a summary of findings from the report.

Conflict of Interest

20. I record that, through the contract we have entered into:

- (a) we have discussed relevant interests that could be, or give rise to, possible conflicts;
- (b) any conflicts of interest identified to date are manageable and will not prevent them from undertaking review; and
- (c) the reviewer will raise any interests that could give rise to possible conflicts for discussion on an ongoing basis, and resolve a management plan if needed.

Terms of Reference Approved

Dave Samuels

Te Tumu Whakarae mō Te Puni Kōkiri | Secretary for Māori Development

Reviewer Profile - Doug Craig

Doug Craig is Director of RDC Group, a Wellington-based consultancy.

Following more than twenty years' experience as a senior public service leader in both New Zealand and Australia, Doug established the RDC Group Ltd to deliver consulting services in New Zealand and overseas.

Doug has extensive leadership experience, having held senior roles in large Ministries in New Zealand and Australia. His prior roles include Deputy Commissioner - State Services Commission, Deputy Chief Executive - Ministry of Social Development and Deputy Secretary Policy and Strategy & Deputy Secretary-Housing in the Department of Human Services in the Victorian Public Service. As a Deputy Commissioner within the State Services Commission, he held a key role in the oversight of the performance of chief executives and their agencies, and provided central agency support and advice on matters such as business cases, four-year plans and stakeholder management.

He has led the redesign of performance systems and the review of business units within public service departments, successfully implemented large and complex projects and programs, and led organisational wide responses to critical incidents, including organisational failure. This background and experience mean that Doug is highly skilled in advising Ministers and Chief Executives on organisational strategy and performance.

Doug holds qualifications in both law and accounting and has practiced law in both in private practice and in government and has previously been the Chief Legal Adviser of the Ministry of Social Development, leading one of the largest legal teams in government.

Assignments headed by Doug have included Reviews of Protected Disclosures, the independent review of the culture of the Civil Aviation Authority, advice on best practice support to Ministers and Chief Executives, machinery of government advice, the review of governance arrangements of a number of large agencies with regulatory responsibilities, as well as advising on organisational design and change for both central and local government clients. More recently Doug and his team have delivered reviews of allegations of the misuse of Census 2023 information for Statistics NZ and a review of Inland Revenue Department's regulatory stewardship functions.