



# **MEMORANDUM OF UNDERSTANDING**

**BETWEEN**

**THE MINISTRY OF JUSTICE**

**AND**

**THE ACCIDENT COMPENSATION  
CORPORATION**

1 July 2018 – 30 June 2021

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## 1. PARTIES TO THE MEMORANDUM

1.1 This Memorandum of Understanding, effective from 1 July 2018, is

**BETWEEN** the **MINISTRY OF JUSTICE** (the "Ministry"), acting on behalf of Her Majesty the Queen in right of New Zealand (the "Crown");

**AND** the **ACCIDENT COMPENSATION CORPORATION** ("ACC") a statutory corporation continued by the Accident Compensation Act 2001.

("the Parties") who acknowledge as follows:

## 2. INTERPRETATION

2.1 In this Memorandum of Understanding, unless the context otherwise requires:

"ACC" means the Accident Compensation Corporation;

"additional funeral grant" means the additional funeral grant for families of homicide victims, funded by the Ministry of Justice. The 'additional funeral grant' is separate from ACC's existing funeral grant entitlement;

"Confidential Information" means information that:

- a. is by its nature confidential
- b. is marked by either party as "confidential", "in confidence", "restricted" or "commercial in confidence"
- c. is provided by either Party or a third party "in confidence"
- d. either Party knows or out to know is confidential, or
- e. is of a sensitive nature or commercially sensitive to either party;

"family" has the same meaning as "immediate family" as defined at section 4 of the Victims' Rights Act 2002;

"homicide" means death by murder or manslaughter;

"Memorandum of Understanding" or "Memorandum" means this Memorandum of Understanding and all documents appended to it as Schedules and Appendices;

"Minister" means the Minister of Justice

"Ministry" means the Ministry of Justice;

"Next financial year" means the financial year immediately following the relevant year;

"Objective" means a goal or aim, other than an output;

"Outcome" means a state or condition of society, the economy, or the environment; and includes a change in that state or condition;

“Outputs” means goods or services that are supplied by ACC and include goods or services that ACC has agreed or contracted to supply on a contingent basis, but that have not been supplied

“Working day” has the same meaning as that given in the Interpretation Act 1999.

- 2.2 Anything required to be done or paid on a day which is not a Working day shall be done or paid on the next Working day.

### **3. BACKGROUND**

- 3.1 On 14 September 2009, Cabinet agreed to the phased implementation of eight new entitlements and services for victims of serious crime, to be funded from offender levy revenue and funding from the disestablished Sentencing Council.

- 3.2 ACC is able to administer the additional funeral grant for families of homicide victims, on behalf of the Ministry of Justice, under section 265 of the Accident Compensation Act 2001.

- 3.3 ACC is an ‘approved agency’ for the purposes of the Sentencing (Offender Levy) Amendment Act 2009. This enables ACC to use funding from the offender levy to provide the additional funeral grant for families of homicide victims.

- 3.4 The Ministry funds the additional funeral grant for families bereaved by homicide from the Victim Services appropriation.

- 3.5 On 01 July 2011, the Parties entered into a Memorandum, which expired on 30 June 2012. The Parties then entered into renewed Memorandums, each financial year until 30 June 2018.

### **4. OBJECTIVES AND SCOPE**

- 4.1 The objectives of this Memorandum are to:

- (a) ensure that families of homicide victims have access to an additional funeral grant, over and above ACC's existing funeral grant;
- (b) provide a framework for implementing, administering and reviewing the additional funeral grant for families of homicide victims;
- (c) define the roles of each Party and to provide clear guidelines for those roles.

- 4.2 The scope of this Memorandum is as follows:

- (a) it sets out the objectives for the provision of the additional funeral grant for families of homicide victims;
- (b) it sets out the high-level roles and responsibilities of each Party;
- (c) it establishes a core agreement to which Schedules can be attached;
- (d) it establishes guidelines on consultation, communication and information sharing between the Parties; and
- (e) it provides a mechanism to manage the relationship between the Parties.

## **5. TERM**

- 5.1 The term of this Memorandum shall commence on 1 July 2018 and end on 30 June 2021 ("the Term"), unless terminated by written notice by the Ministry with 30 working days' notice to ACC.
- 5.2 If this Memorandum is not renewed or replaced from 30 June 2021, then it shall continue on a periodic basis (with 30 days' notice of termination being required from either party).

## **6. VARIATIONS**

- 6.1 This Memorandum may be varied at any time during the Term by agreement in writing between the Ministry and ACC. If any of the parties propose to vary this Memorandum, that party shall provide the other party reasonable notice of the proposed amendment and the reasons for it.

## **7. FUNDING**

- 7.1 The First Schedule sets out the funding arrangements between the Ministry and ACC.

## **8. ROLES AND RESPONSIBILITIES**

### **(a) Ministry of Justice**

#### **8.1 The Ministry's roles and responsibilities are to:**

- i. provide funding to ACC for the additional funeral grant in accordance with the requirements in the First Schedule;
- ii. manage relationships with the Minister and the Ministry's internal stakeholders;
- iii. produce information resources to applicants, families of homicide victims and the general public about the additional funeral grant;
- iv. provide accurate information to stakeholders about the additional funeral grant;
- v. review whether the amount of the additional funeral grant is appropriate (at the end of each financial year); and
- vi. monitor service delivery and keep the Minister and the Ministry's internal stakeholders appraised as required.

### **(b) Accident Compensation Corporation**

#### **8.2 ACC's roles and responsibilities are to:**

- i. administer the additional funeral grant and invoice the Ministry for these payments in accordance with the requirements in the First Schedule;
- ii. contribute to the development of the Ministry's information resources about the additional funeral grant;
- iii. manage relationships with applicants for the additional funeral grant;
- iv. provide accurate information to applicants, families of homicide victims and the general public about the additional funeral grant;

- v. provide regular reports to the Ministry in accordance with the reporting requirements in this Memorandum (including at clause 10.1).

## **9. PERFORMANCE STANDARDS AND ACCOUNTABILITY**

- 9.1 ACC will deliver its Outputs in accordance with the performance standards and measures in this Memorandum, including those specified in the First Schedule. If it becomes known to ACC that it will be unable to meet any of the performance standards or that the financial performance will be significantly different to the budgeted performance, ACC shall advise the Ministry as soon as ACC becomes aware of that possibility.
- 9.2 In the event that there are variations in service or financial performance, or non-compliance with the terms of the Memorandum, the Ministry will consider the most appropriate action, if any, that needs to be taken. ACC agrees that these actions include:
  - (a) varying this Memorandum by agreement of the Parties to reflect the new situation;
  - (b) the Ministry may with-hold remaining funds until all terms of the Memorandum are met by ACC, or in the event that all funds have been paid to ACC, requiring a repayment of the funds to the Crown.
- 9.4 The Ministry will not take any action under clause 9.2 without prior consultation with ACC. The Ministry will use its best endeavours to reach an agreement with ACC on finding an appropriate solution (or, if required, under the procedure at clause 12 of this Memorandum) before taking any action on funding under clause 9.2.

## **10. ACCOUNTABILITY FOR OUTPUTS**

### **ACC Performance Reports**

- 10.1 ACC will provide the Ministry with a report on its performance at the end of each quarter of each financial year (within ten Working days of the end of each quarter of each financial year) and will provide the following anonymised information in relation to the additional funeral grant for that period:
  - i. number of applicants for the additional grant
  - ii. number of applicants who received the grant;
  - iii. amount each applicant received;
  - iv. total amount paid out by ACC under the grant.
- 10.2 In addition to the formal reporting processes detailed in this Memorandum, ACC may keep the Ministry informed of its performance or other issues it is of the view that the Ministry should be aware of.

## 11. MUTUAL COOPERATION AND DISPUTES

### Mutual Co-operation

#### 11.1 The Parties will:

- (a) consult each other whenever it may be appropriate, but not less than four times in each financial year concerning:
  - (i) the matters covered by this Memorandum; and
  - (ii) ACC's Performance Reports (clause 10.1); and
  - (iii) other matters of common interest;
- (b) use their best endeavours to ensure that staff of, and any consultants engaged by, the Ministry or ACC involved in the delivery of services under this Memorandum:
  - (i) cooperate in good faith with one another on a "no surprises" basis; and
  - (ii) are available at all reasonable times during normal business hours to consult with and assist each other.

11.2 The Parties agree that if either one of them wishes to discuss any matters covered by this Memorandum, they will use their best endeavours to meet for that purpose.

11.3 ACC agrees to bring to the Ministry's notice, as soon as is practicable, any serious matter which may affect ACC's ability to perform its functions under this Memorandum.

11.4 ACC will notify the Ministry immediately of any matter in relation to the additional funeral grant for families of homicide victims that may result in media, public or parliamentary attention or questions.

11.5 The Ministry is responsible for responding to any media queries or any issues that arise in relation to the additional funeral grant.

### Disputes

11.6 If, despite clauses 11.1 to 11.5, any issue or dispute arises between the Ministry and ACC concerning this Memorandum, the Nominated Representatives of the Parties will meet and endeavour to resolve the dispute promptly in good faith, from receiving written notice from a party of a dispute.

11.7 Should the parties not resolve the above dispute within 20 working days from one party notifying the other of the dispute in writing as above, then the Chief Executives of the Parties shall meet and use best endeavours to resolve the dispute.

## 12. MISCELLANEOUS

### Accounts

- 12.1 ACC's accounts and invoices shall be prepared in accordance with generally accepted accounting practices.

### Confidentiality

- 12.2 The Parties shall keep confidential all Confidential Information referred to by, or provided under, this Memorandum unless:

- (a) required by law to disclose that information (e.g. pursuant to the Official Information Act 1982), Ministers or parliamentary convention;
- (b) that information is publicly available; or
- (c) (if the privacy or confidentiality of a third party is not involved) the Parties agree to the disclosure of the information.

- 12.3 The parties shall consult before complying with any legal obligation described in 12.2 above.

### Notices

- 12.4 All notices to be given under this Memorandum are to be in writing and delivered by hand, or sent by registered post, or by a reputable courier, or by email to the relevant party's Nominated Representative.

## 13. NOMINATED REPRESENTATIVES

- 13.1 The Ministry's Nominated Representative and their contact details are:

Name: Penny Hoy-Mack  
Position: Manager, Community Services, Ministry of Justice  
Address: Justice Centre, Level 3, 19 Aitken St, Wellington 6140

9(2)(a)

- 13.2 ACC's Nominated Representative and their contact details are:

Name: Cheryl Gall  
Position: Principal Advisor, Accident Compensation Corporation  
Address: Vogel Centre, 19 Aitken Street, Wellington  
PO Box 242 Wellington

9(2)(a)

- 13.3 Either party may change their Nominated Representative or contact details upon written notice to the other party, without the need to formally vary this Memorandum under clause 6.



14. EXECUTION

**Ministry of Justice**

Signed by Polly O'Brien, Group Manager (Acting), Commissioning and Service Improvement, Ministry of Justice



10/10/18

Signed

Date

**Accident Compensation Corporation**

Signed by Mike Tully, Chief Operating Officer, Accident Compensation Corporation



05/10/18.

Signed

Date

## FIRST SCHEDULE

### Additional Funeral Grant for Families of Homicide Victims

#### Background

1. Research undertaken by the Ministry indicates that the likely cost of a funeral in New Zealand is between \$6,000 and \$12,000. Where ACC provides entitlements for fatal injuries, this includes a funeral grant of up to \$6,219.44 (at 1 July 2018). In most instances, this is insufficient to cover the costs of a funeral in New Zealand, and families of homicide victims need to cover the remaining costs.
2. The Government has agreed that the Ministry will supplement the ACC funeral grant to a maximum total (comprising the funeral grant and the additional funeral grant combined) of \$10,000 for families of homicide victims.

#### Purpose

3. The aim of the additional funeral grant is to minimise the number of families of homicide victims that need to pay funeral costs for their deceased family member.
- 3a. ACC will pay approved funeral grant amounts to qualifying applicants and invoice the Ministry for reimbursement.

#### Criteria

4. ACC will administer the additional funeral grant in accordance with the following criteria.
  - (a) The applicant for the additional funeral grant must be the executor of the homicide victim's estate or the funeral director (with consent from the executor of the estate).
  - (b) The beneficiary of the additional funeral grant must be the family of a homicide victim.
  - (c) The additional funeral grant is a 'top-up' to the ACC funeral grant. It can only be claimed if the maximum ACC grant is also claimed.
  - (d) The total funeral grant (comprising the funeral grant and the additional funeral grant combined) that may be claimed by families of homicide victims is \$10,000.
  - (e) When applying for the additional funeral grant, the applicant must provide an itemised account of the actual costs of the funeral.
  - (f) The applicant for the additional funeral grant must be the same party who is applying for the ACC funeral grant.
  - (g) The application for the additional funeral grant must be submitted at the same time as the application for the ACC funeral grant.
  - (h) The funeral costs listed in the following table may be claimed.

Services and facilities	Purchases	Other costs
<ul style="list-style-type: none"> <li>• Death certificate</li> <li>• Direction of the funeral by the funeral director</li> <li>• Disposal of ashes</li> <li>• Donations to clergy and organist</li> <li>• Funeral director's attendance on the family</li> <li>• Funeral documentation</li> <li>• Hearse hire</li> <li>• Newspaper notices</li> <li>• Presentation and apparel for deceased</li> <li>• Preservation and hygiene of deceased</li> <li>• Removal of a rosary</li> <li>• Transporting the deceased to the funeral director's premises, church, cemetery or crematorium, etc</li> <li>• Transporting the deceased to their home town, whether in New Zealand or overseas</li> <li>• Use of a chapel</li> <li>• Viewing of the deceased</li> <li>• Crematorium services</li> </ul>	<ul style="list-style-type: none"> <li>• Floral tributes</li> <li>• Headstone or other memorial</li> <li>• Other items considered personal to the family, such as bereavement cards</li> <li>• Purchase of a casket</li> <li>• Purchase of burial plot</li> </ul>	<ul style="list-style-type: none"> <li>• The claim can also include any other relevant services or purchases appropriate for the claimant's religion and culture.</li> </ul>

### Eligibility

5. The families of homicide victims who have died on or after 1 November 2009 are eligible to apply for the additional funeral grant.
6. Claims for the additional funeral grant for homicide victims will not be accepted if the death occurred before 1 November 2009.

### Process to confirm eligibility

7. ACC will liaise with the New Zealand Police to confirm that the family who will benefit from the additional funeral grant has lost a family member as a result of homicide (as defined at clause 2.1 of this Memorandum, not as it is defined in the *Crimes Act 1961*).
8. If a dispute arises as to whether the death of the family member was by homicide, the final decision regarding the cause of death for the purposes of this Memorandum lies with the New Zealand Police.
9. If the additional funeral grant has already been paid to a family of a homicide victim and the New Zealand Police subsequently revise the cause of death of the family member, ACC shall not seek to retrieve the additional funeral grant from the family.

### Performance Measures

10. ACC will process each claim for the additional funeral grant within 20 Working days of receiving the claim. Payment will be made to successful applicants within seven Working days of the claim being approved.

11. Applicants for the additional funeral grant will be treated with dignity and respect, in accordance with the principles in the Victims' Rights Act 2002 and the Victims Code.

### Funding

12. The Ministry will set aside budget of \$190,000 (GST N/A) in each financial year to pay ACC for the provision of all qualifying additional funeral grants.
13. ACC is to invoice the Ministry at the end of each quarter in each year, for the total amount of grants paid out during that period. Invoices must be addressed to the Ministry's Nominated Representative. The Ministry will pay ACC before the 20th day of each month where an invoice is submitted, when due:

Period of payment	Invoice due from ACC
1 July 2018 – 30 Sept 2018	02 October 2018
1 Oct 2018 – 31 Dec 2018	09 January 2019
1 Jan 2019 – 31 Mar 2019	02 April 2019
1 April 2019 – 30 June 2019	02 July 2019
1 July 2019 – 30 Sept 2019	02 October 2019
1 Oct 2019 – 31 Dec 2019	09 January 2020
1 Jan 2020 – 31 Mar 2020	02 April 2020
1 April 2020 – 30 June 2020	02 July 2020
1 July 2020 – 30 Sept 2020	02 October 2020
1 Oct 2020 – 31 Dec 2020	11 January 2021
1 Jan 2021 – 31 Mar 2021	02 April 2021
1 April 2021 – 30 June 2021	02 July 2021

14. ACC's bank account is:

ACC  
Account No. 03 0502 0287400 00  
Westpac Wellington

15. ACC will monitor the number of claims being approved and its claims-handling expenses on a quarterly basis. ACC will inform the Ministry of any pattern of increase in the number of claims being approved at the end of each quarter.
16. The Ministry may need to seek additional funding above the \$190,000 budgeted in each year of the term of this Memorandum. Should this occur then ACC will notify the Ministry prior to 1 February of each year, or as soon as practicably possible after 1 February of each year (to meet March Baseline Update deadlines).