Independent review commissioned by Ministry of Social Development

Security Response Programme Final Review

2 August 2017

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Contents

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[1] This is a factual findings review and not a review in accordance with External Reporting Board Standard RS-1, which relates to reviews of historical financial statements.

Part 1 – Executive summary

1.1 Background

Following the tragic deaths of two Ministry staff members (and serious injury to another) at the Ashburton Work and Income Office on 1 September 2014, the Ministry's Chief Executive commissioned an independent review of the physical security environment (the Review). A Phase One report from the Review was publicly released on 26 September 2014 and a Phase Two report was released on 10 February 2015.

The Ministry set up a Security Response Programme to respond to recommendations made as a result of the Review (the Review Recommendations) and implement any changes as a result of the Review, and other formal review processes, such as the WorkSafe investigation.

The Security Response Programme forms a single point of coordination and management of the response to the Review and inquiries following the Ashburton tragedy. The primary aim is to consider and implement changes based on the Review Recommendations, and from the WorkSafe investigation and coroner's inquest. The Security Response Programme is responsible for developing and implementing any relevant business processes and solutions (with business unit input) before handing back to the relevant business units to manage on a business as usual basis.

In February 2015, the Chief Executive of the Ministry made a public commitment to the Security Response Programme delivering on all of the Review Recommendations within two years, i.e. by February 2017. In 2016, the Chief Executive asked EY to conduct an independent review to determine whether the Security Response Programme was on track to deliver in full on the Review Recommendations by February 2017. EY has now been asked to conduct a further independent review to determine whether the Security Response Programme has delivered on the Review Recommendations within the two year timeframe.

1.2 Scope of this independent review

The scope of this independent review (the EY Review) was to provide the Chief Executive with an independent report considering whether the nature of the activities completed under the Security Response Programme have been sufficient to meet the intent of the Review Recommendations.

The work involved review of Security Response Programme documentation, observations and conducting interviews with the Security Response Programme team, Operational Leadership Group, the former Security Response Programme Board, the Health Safety and Security Governance Committee, Ministry of Social Development Leadership Team, and Reference Group members.

1.3 Restrictions and limitations

We draw attention to the limitations inherent in this Report.

► Within the context of this specific engagement we were not required to, and did not undertake an audit in accordance with International Standards of Auditing (ISA (NZ). Consequently, no assurance has been expressed.

► The EY Review covered the period March 2016 to 1 March 2017 (the Period). Any events or transactions that occurred outside the Period, to the extent that they are referred to in this Report, have been included for information purposes only.

► The scope of our work was limited to a review of documentation and information made available to us and specific enquiries undertaken to pursue our mandate. As we were not engaged to perform an audit, we have not verified the authenticity or validity of the documentation made available to us. Unless expressly stated, we have not sought to verify whether all information provided to us

verbally is credible or truthful. Interviews have not been conducted under oath.

1.4   Summary of findings and observations

The following provides a summary of our findings and observations.

Does the nature of activities delivered meet the intent of the Review Recommendations?

Overall, as at the date of this report, we consider the nature of the activities delivered meets (and, in some cases, exceeds) the intent of the Review Recommendations.

The Review and the Review Recommendations which led to the Security Response Programme were released on 17 December 2014. Now, more than two years later, the progress that the Ministry has made in its health safety and security journey is evident. The Recommendations clearly mark a period in time and a snapshot of the health, safety and security culture of the Ministry. The Ministry has now moved beyond that.

We note that at no stage did the Security Response Programme view the Recommendations as a "tick box" exercise. For this reason, in some cases, the work performed by the Security Response Programme interprets the Recommendations in a particular way or, where appropriate, resource has been spent exploring solutions that go beyond or do not sit squarely within the Recommendations. We consider that the Security Response Programme has embraced the intent of the Recommendations, as well as the specific wording.

The more general context in which the Ministry operates has also moved on during the two year period. As we write this Report, Ministry for Vulnerable Children Oranga Tamariki has just split formally from the Ministry on 1 April 2017. This has resulted in a significant change (and a significant challenge) to the way in which the Security Response Programme outcomes are required to operate in practice. On the regulatory front, while contemplated in the Review Recommendations, the Health and Safety at Work Act came into effect on 1 April 2016 and has changed the health and safety landscape in New Zealand. The WorkSafe prosecution process followed a very similar timeframe to the Security Response Programme and the final decisions were released by the District Court in December 2016. The prosecution process has had a material effect on the Security Response Programme, including delaying a number of initiatives to ensure that they were consistent with the Court's findings, the most notable being the wider rollout of the Future State Office Environment.

The Security Response Programme was not without its challenges. Some initiatives (most notably, the predictive risk modelling) did not achieve the result hoped for. The project associated with Health and Safety at Work Act compliance (governed by the Security Response Programme, although falling outside of the Security Response Programme remit) was met with timing, resourcing and capability issues. The rollout of the Mobile Duress Alarms and the Future State Office Environment work has been delayed.

The Review and, consequently, the Review Recommendations, were borne out of the events that occurred at Ashburton in September 2014. As such, the Review Recommendations, although expressed more generally, were focused on the Service Delivery part of the Ministry's business and the specific risks faced by those working in Service Delivery. During the course of the Security Response Programme (and more particularly in the second half of the Security Response Programme timeframe) and as the Ministry has matured in its health, safety and security journey, it has become apparent that workers face significant risks in other parts of the Ministry's business that are not covered squarely by the Recommendations. Where relevant, however, we do note these risks and we also acknowledge the work that the Ministry has performed and has planned to eliminate or minimise these risks to date.

The Ministry will face further health, safety and security challenges following the close out of the Security Response Programme. The Ministry will need to ensure that the transition to a business as usual environment in the new Health, Safety and Security Operating Model is successful. The specific needs of the Ministry for Vulnerable Children Oranga Tamariki will need to be served under the shared services agreement. Specific risks within the Ministry for Vulnerable Children Oranga Tamariki (particularly within the Youth Justice, and Care and Protection Residences) will need to be managed. The Ministry will need to ensure that it leverages off and builds on the work that has been done, which is considerable.

Overall, the work of the Security Response Programme has been transformational. It has changed the way that the Ministry looks at health, safety and security risk. It has changed attitudes to health, safety and security, from a Leadership Team level through to a case manager and social worker level. It has assisted

the Ministry to have the difficult conversations about safety and how to best keep its people safe. It has provided the Ministry with a better trained and more risk aware workforce. It has delivered premises and equipment that are fit for purpose. Most importantly, the health, safety and security environment at the Ministry is fundamentally different from that which existed in September 2014; an important legacy.

We have set out below, a summary of our assessment of the Ministry's progress made against each of the Recommendations.

1. Confirmation of risk appetite and tolerance (Recommendation One[2]):

   ► We consider that the current work around the confirmation of the Ministry's risk appetite and tolerance, together with the operating model work, achieved the intent of this Recommendation.

   ► The Ministry undertook an exercise of developing and articulating the Ministry's health, safety and security risk appetite and tolerance. Following this, the Ministry confirmed its risk appetite and tolerance for use in a business as usual environment going forward. The SRP made excellent progress in getting staff to think about and talk about risk tolerance, most noticeably in Service Delivery.

2. Development of Health, Safety and Security Operating Model (Recommendations One and Two):

   ► These Recommendations have been achieved. The Ministry has developed a logical and robust operating model that reflects its broader HSS strategy. This has resulted in a noticeable increase in health, safety and security specialist resourcing including, in particular, resourcing at regional levels.

   ► There will be a significant challenge going forward in ensuring that the operating model adequately serves the Ministry for Vulnerable Children Oranga Tamariki and its particular needs as the new working environment develops. The Ministry (and the Ministry for Vulnerable Children Oranga Tamariki) may need to explore alternative or additional resourcing solutions as the Ministry for Vulnerable Children Oranga Tamariki's needs evolve.

3. Health and Safety at Work Act (HSWA) compliance work (Recommendation Three):

   ► This Recommendation (an assessment of the potential and likely impacts of the Health and Safety Reform Bill on the Ministry's operations, including relationships with third party providers and non-Governmental organisations) has been achieved.

   ► The resulting implementation work (which was not directly managed by the Security Response Programme nor a requirement of the Recommendations) resulted in some resourcing and timing issues, with policy, process and governance work continuing past the 4 April 2016 enactment of the Health and Safety at Work Act 2015. This work is ongoing and it is appropriate that this work continues to be undertaken diligently.

4. Integrating health safety and security into current change initiatives (Recommendation Four):

   ► The Security Response Programme has incorporated a number of elements that have integrated with other Ministry change initiatives, such as Simplification. In respect of current change initiatives, we consider that this Recommendation has been met. However, we note that the Recommendation is forward looking and that health, safety and security by design needs to be built into the way that the Ministry does business.

   ► The formation of the Ministry for Vulnerable Children Oranga Tamariki and the establishment of its operations from 1 April 2017, and the way that information sharing is dealt with (both within the Ministry and between the Ministry and other Government agencies) are likely to be the next challenges in terms of building health, safety and security into the way in which change initiatives are designed and managed.

5. Providing services that may raise tension in non-face-to-face ways (Recommendation Five):

   ► A number of initiatives are already in place within the Ministry for the provision of services through alternative (non-face-to-face) means, such as the Remote Client Unit, the Advocacy Services and

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[2] Reference to Recommendations is a direct reference to the recommendations made in the Independent Reviews completed following the Ashburton tragedy.

Simplification. During the timeframe of the Security Response Programme, the uptake of Simplification has increased markedly and the Ministry is now looking at ways in which other tasks can be administered through Simplification in a non-face-to-face manner in line with the Recommendation.

► The review of the face-to-face services provided and the work around the Model of Intentional Risk of Violence regarding predictive risk analysis have met the intent of this Recommendation.

6. Review of safety and security policies (Recommendation Six):

► As part of the SRP, the Ministry has reviewed its previous policy framework. In this regard, the Review Recommendation has been fulfilled. However, out of this review has developed a large number of policy initiatives, many of which are ongoing and will extend beyond the timeframe of the Security Response Programme.

► Initiatives include finalising a new Ministry Health and Safety Policy and Ministry Business Partners and Contractors Health and Safety Policy, developing an HSS Policy Management Framework to assist in the implementation, management and review of health, safety and security policies across the Ministry on a business as usual basis, developing other related frameworks (including an Accountability Framework and a Reporting Framework), developing critical risk registers for different areas of the business, establishing an annual on-site security questionnaire process, reviewing and amending off-site security processes (including a new framework, policies and procedures, a new process for conducting risk assessments of off-site visit locations, a new process for providing information about where employees are going, consideration of the use of mobile duress alarms (discussed further below) and specific off-site training) and progress around information sharing.

► Going forward, the focus should be on improved policies (and resourcing), ensuring that all policy documentation is simple, user friendly and accessible, and reassessing the implementation of the off-site policies to ensure that they are being embedded into business as usual. While the Recommendation has been achieved, this is an area of continuous improvement.

7. Development of training programme (Recommendation Seven):

► This has been an area where the work has exceeded the Recommendations. A comprehensive training programme has been implemented by the Security Response Programme, including situational awareness training, Ministry-wide web-based security training, practice drills providing practical experience of a security situation and additional role-based training. A manager training programme was implemented in the latter part of the Security Response Programme timeline. The training initiatives have been integral to promoting the Security Response Programme's brand and increasing visibility within the Ministry and in effecting a move (from a cultural perspective) to a more risk adverse environment.

► It would have been helpful for manager training to have taken place earlier in the Security Response Programme timeframe to allow managers to then promote and embed the other work of the Security Response Programme, although we appreciate that this needed to follow the Operating Model work and the development of the Accountability Framework. The recent work in this area will be important on an ongoing basis, in terms of fostering a culture of accountability at a site and team manager level.

► More generally, the key moving forward will involve striking a balance between providing sufficient ongoing training to retain the visibility of health, safety and security issues and managing training fatigue. Tailoring training to meet the needs of both the Ministry and the Ministry for Vulnerable Children Oranga Tamariki will also be important.

8. Consistent site standards (Recommendations Eight and Eleven):

► The Security Response Programme's work in this regard has gone beyond the intent of the Recommendations. In addition to conducting a comprehensive site questionnaire and up-grade project combined with the development of a standard site risk matrix, the Security Response Programme has looked at a design based solution to on-site security risk.

► The site questionnaire has now been conducted twice and will be conducted annually. It has transitioned well to business as usual and has encouraged site-risk-based health, safety and security conversations.

> ► The development of two trial Service Delivery sites where new fit out has been designed to pick up on the Protective Security Requirements has been an example of the proactive approach to continuous improvement. Unfortunately, the wider implementation of these changes has been delayed by the WorkSafe hearings, but now that these judgments have been released, this should be prioritised.

9. Reporting and analysis of incidents and risk information (Recommendation Nine):

> ► Significant work has been done around categorising and getting a better understanding of the risk and incident information that is collected by the Ministry. Work has also been done to standardise risk definitions, amend business processes and develop a framework for proactive risk and incident reporting and build incident analysis into governance structures. In our view, this Recommendation has been achieved.

> ► The MIRV work was explored, but was not taken any further after the preliminary results indicated that at this point predictive risk analysis was not going to assist the Ministry in providing reliable information about the likelihood of violence in individual clients. The client risk profile work included development of consistent trespass processes, developing an Interim Threat Assessment Process for the health, safety and security team to provide reports from a range of Ministry data, and developing information sharing arrangements with the Police and non-Governmental organisations.

> ► Going forward, further work needs to be done to address the limitations within the Security and Occupational Safety and Health Incidents (SOSHI)[3] tool (to enable easier reporting and better analytics) in the medium term.

10. Review of security guards (Recommendation Ten):

> ► The role of security guards has been reviewed in accordance with the Recommendation. At present, a decision has been made to retain the current level of security guarding. We recommend this decision be reassessed in the future (potentially in conjunction with the Future State site roll-out) to consider whether retaining the current guarding arrangements continues to be the most effective use of Ministry resource.

11. Promotion of a more risk – aware culture (Recommendation Twelve):

> ► This Recommendation has been met and exceeded. Telling a compelling story and engaging the workforce from senior leadership through to client facing worker is one of the most difficult and illusory aspects of most health, safety and security programmes, but the security response programme managed to engender a change in risk appetite, risk tolerance and reporting very quickly.

> ► Initiatives that have been particularly effective are the comprehensive training programme (which has increased and supported health, safety and security based conversation and thinking) and the use of a manager reference group (comprising a number of frontline managers from around the country), which has made recommendations on the Security Response Programme's work and indirectly acted as champions, raising awareness and visibility around the security response programme and its objectives. The National Day of Conversations has also been highlighted as an initiative that impacted on front-line staff.

> ► While the cultural change story is largely a positive one, we have noticed (both in our site visits and interviews) that the cultural change is more embedded and has been embraced more quickly in Service Delivery than in Child, Youth and Family or Community Investment. We believe there are a number of reasons for this, including: the underlying cultures in each of these parts of the organisation (which are very different), the degree to which different parts of the organisation had put in place measures to address health, safety and security risks prior to the commencement of the Security Response Programme, that the Ashburton tragedy took place at a Service Delivery site, changes in Child, Youth and Family leadership that took place during the Security Response Programme timeframe, and the restructure resulting from the establishment of the Ministry for Vulnerable Children Oranga Tamariki in the latter part of the programme timeframe, which has affected the focus of resource and engagement on the programme of work.

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[3] The Ministry's health and safety reporting and information storage IT software