

In Confidence

Office of the Minister of Police

Chair, Cabinet Social Wellbeing Committee

## **Addressing the wellbeing harms of organised crime**

### **Proposal**

1. This paper reports back on a work programme to address organised crime as agreed in March 2019 [SWC-19-Min-0013]. I seek agreement to establish a strategic approach to addressing the social and economic harm caused by organised crime in local communities.
2. A collaborative, multi-agency work programme is proposed to support locally-led interventions in communities where organised crime and the associated methamphetamine trade is having a significant impact on wellbeing.

### **Executive Summary**

3. The Government is committed to addressing the harm from organised crime in our communities. Organised crime is an obstacle to the Government's goals of lifting wellbeing across communities. The Social Wellbeing Committee has agreed to provide oversight of a work programme to address this issue.
4. Organised crime is a particularly complex social, economic, community, and criminal issue. An effective response requires a community development, prevention focus to address the harm to wellbeing and build the resilience of affected communities combined with law enforcement activity to create an untenable operating environment for organised crime.
5. Building on the work Police and partner agencies are progressively taking, this paper proposes a strategic approach to address harm caused by organised crime. The strategic approach will ensure there is the central government mandate and support for local communities to design responses to the issues they face. The approach will ensure central and local agencies and groups bring existing work together and combine resources to deliver a coordinated response with a shared focus on improving community wellbeing.
6. One specific area where organised crime is creating significant harm in local communities is the supply of methamphetamine. Agencies are using the approach proposed in this paper to work with iwi and local groups in Tairāwhiti

and Hawkes Bay to co-design a response to the harms caused by methamphetamine.

7. I propose a work programme with two phases. The first phase, from October to December 2019, will initiate work at national and local levels and agree a strategic approach and governance. The second phase from January to June 2020 will implement the new approach with the aim of building an ongoing programme of work. I intend to report back to Cabinet on phase one in December 2019 and seek decisions on the framework and concept of the strategic approach. A further report back in June 2020 will seek decisions for ongoing work.

## **Background**

8. Addressing the harm caused by organised crime is a Government priority and part of the Coalition Agreement. The Government is committed to improving the wellbeing of New Zealanders through increasing access to education, providing better health outcomes, and developing employment opportunities. As a significant driver of social, financial, and physical harm, organised crime is an obstacle to this goal.
9. Organised crime does not describe a homogenous group. The broad term includes youth gangs, adult gangs, organised criminal groups, and transnational crime groups, such as cartels. These groups have traditionally had different structures and methods. Consistent across the groups, though, is coordinated activity by a number of people working together for financial and material gain through offending of various kinds.
10. Organised crime includes multiple crime types and affects multiple industries, commodities and services. These can include illicit drug manufacture and supply, particularly methamphetamine; money laundering; human trafficking and labour exploitation; and counterfeit goods.
11. Gangs and gang violence are the visible face of organised crime in New Zealand. Gangs are actively growing through recruitment. Between February 2016 and 31 August 2019, known gang membership in New Zealand increased from 4,303 to 6,735 (a 57% increase).
12. In March 2019, Cabinet agreed to the development of a multi-agency work programme led by Police to combat organised crime, focusing on the social harms caused and compounded by organised crime, and often affecting our most vulnerable communities [SWC-19-Min-0013]. Cabinet directed the work programme to deliver a multi-layered, multi-agency focus on organised crime, take a strengths-based approach, and align with other work underway. Cabinet directed me to report back on a work programme in September 2019.

## **Organised crime is a barrier to wellbeing**

13. If we want to achieve the outcomes set in the Coalition Agreement and Our Plan, we must reduce the harm caused by organised crime in our communities. Organised crime is a complex social, economic, criminal, and community issue. This problem is growing and evolving.
14. In our communities, organised crime feeds addiction and mental health issues through the supply of illicit drugs. Methamphetamine is a particular issue in regional communities. This further drives dishonesty offending, such as burglary and theft, to fund drug addiction, as well as violence, intimidation, 'stand-overs', 'taxings' and increasingly, the use of firearms. This creates fear and intimidation in communities, undermining social cohesion, and affecting community perceptions of safety.
15. Organised crime harms members of whānau through family harm, sexual violence, child neglect, poor health outcomes, and poor educational and employment outcomes.
16. Socio-economic settings in New Zealand can increase vulnerability to gang recruitment, particularly where there is poverty, few jobs, disaffectedness, and inadequate health and social services. Gangs can fill a void in familial and social support. We should also recognise that some long-established gangs are embedded in our communities and link with a range of social and other indicators. We cannot simply focus on their criminality, but also need to understand more widely their role in communities.
17. Compounding this, there has been an increase in the use of social and mainstream media by organised criminal groups, particularly gangs, and a shift by some gangs and some members of gangs to drive pro-social activities in their community. This has complicated the public perception by normalising gang presence. This shift can further embed gangs in communities and limit our ability to deter young people from joining gangs.

## **Government is taking significant enforcement action but this alone will not address the harm**

18. The Government has committed significant investment in operational capability in Police and other agencies to tackle organised crime, drug importation and distribution, and money laundering. This response has both a domestic and transnational focus, including enforcement action against the people making, supplying and distributing illicit drugs and those who commit serious violence, to those who direct or facilitate criminal networks.
19. An example is the cross-agency work between Inland Revenue and Police to  
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20. A cross-government agency group<sup>1</sup> is in place to understand and deter sophisticated transnational organised criminal (TNOC) groups from becoming established in New Zealand. A TNOC Strategy has been developed, targeting the international end of the supply side of organised crime. The Strategy takes a mainly offshore, investigative and enforcement approach seeking wherever possible to prevent offending from crossing the border. The Strategy will have a phased and prioritised action plan. I will bring a Cabinet paper outlining the TNOC Strategy to Cabinet External Relations and Security Committee in October.
21. We also need to ensure that our legislative and policy settings are fit for purpose. The Minister of Justice and I are considering legislative options to target the people who direct and operate organised criminal networks (both domestic and transnational), and those who enable and facilitate organised crime.
22. The enforcement and legislative frameworks are part of the response to organised crime, but these need to be combined with work to address the social and economic issues that co-exist in communities affected by organised crime. We can disrupt organised crime groups, but if we do not address at the same time the impact of organised crime in our communities, the void will likely be filled again by more organised crime. We cannot arrest our way out of this problem.

### **A collaborative approach to addressing harm is proposed**

23. There is significant work that social sector agencies, iwi, and local groups do to address the issues these communities face. Some of this work has a focus on organised crime. The majority of this work will target the same at-risk groups in our most vulnerable communities. We need to bring this work together to improve how we collaborate at a national and local level, with a shared focus on improving community wellbeing and resilience and reducing the undermining influence of organised crime.
24. By resilience, I mean providing the support and resources needed by the community to be intolerant of the harms caused by organised crime, particularly the harm from illicit drugs, and the capability to coordinate and provide support to members of the community to lift their wellbeing.

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<sup>1</sup> Agencies represented include: Police, New Zealand Customs Service, National Maritime Coordination Centre, Department of Prime Minister and Cabinet, Ministry of Business, Innovation, and Employment, Ministry of Foreign Affairs and Trade, Corrections, Inland Revenue Department, Ministry of Justice, Serious Fraud Office, New Zealand Defence Force, Ministry of Primary Industries and more recently Ministry of Defence and Department of Conservation.

25. Recent Police-led operations targeting drug dealing have combined enforcement with community wraparound initiatives to help break drug addiction and build resilience in the community. In Operation Notus, summarised in Appendix A, Police took action against the Mongrel Mob in Kawerau, where dealing and use of methamphetamine had led to increasing violence, property crime, intimidation, and social deprivation. Enforcement was combined with planned support for the people in need of referrals for addiction services, and the families and children whose lives can be significantly disrupted as a result of the operation. Police collaborated with Oranga Tamariki–Ministry for Children, Ministry of Health, iwi, and local groups to develop the response.
26. Building on the work Police and partner agencies are progressively taking, this paper proposes a step up in this approach – a strategic response to address harm caused by organised crime. Police has been directed to lead this work due to the combination of its enforcement role as well as its prevention focus and reach into affected communities to engage with vulnerable individuals and whānau; this is particularly the case for those affected by organised crime who have not engaged with social and health agencies. Police is often the first agency in contact but needs to join with partner agencies so that at-risk individuals and groups get the help they need.
27. At paragraph 46, I discuss work that has already started to respond to the harm caused by methamphetamine in Tairāwhiti and Hawkes Bay and violence in Otara. Together with planned operational work, agencies are discussing with the local community how a response may be developed.
28. The following principles would form the strategic framework. Appendix B provides a draft concept of the approach.

*Agencies and communities need a mandate from central Government*

29. The Government needs to provide the mandate to promote and sustain engagement at regional and local level where interventions will be driven. With a shared understanding across agencies and Ministers that organised crime should be seen as a social issue, not just a criminal justice issue, we can take a joint approach to preventing the harms it causes.
30. I propose we establish a governance structure to provide oversight and ensure coordination is achieved and results are delivered. Governance needs to avoid being a barrier to local innovation by facilitating local interventions and helping to address any blockages.
31. I propose that a sub-group of Ministers is established to provide Ministerial oversight of the work programme and provide any necessary levers to progress this work. The sub-group would include the Ministers of Police, Regional Economic Development, Justice, Corrections, Social Development, and Health.

32. Agencies will determine the appropriate cross-agency governance to provide a mandate for local interventions and ensure oversight of the work programme. An appropriate governance group could be the Social Wellbeing Board. The proposed December report back will confirm cross-agency governance.

*We need to identify the communities with high harm from organised crime*

33. I propose an approach that determines the locations where investment can be targeted, based on Police and agency intelligence and analysis, indicators of deprivation and harm, and by identifying the key people and groups that can deliver and own the response. There is a range of place-based and community-owned activity already underway, and my goal is that this strategy complements and enhances this work rather than being another layer imposed on existing practice.
34. I intend the central focus of the interventions to be on people with high needs due to their connections to organised crime. In particular, interventions will take a strengths-based<sup>2</sup> approach to supporting, enabling, and rehabilitating:
- 34.1. people with addiction to illicit drugs;
  - 34.2. people who turn to criminal job opportunities because skills and employment opportunities are not accessible or are not as attractive; and
  - 34.3. children and whānau of adults connected to organised crime.
35. The initiatives should use a harm minimisation approach consistent with the National Drug Policy that considers the health, social and economic impacts on individuals, their whānau and communities. Initiatives could include a focus on improving access and services to enhance mental health and treat alcohol and other drug addictions, including brief interventions and educational material for users and whānau; connecting with existing educational, skills and employment opportunities for at-risk groups; reducing family harm and sexual violence; and reducing the likelihood of young people joining gangs.

*We need to combine our resources to deliver a coordinated response*

36. There are opportunities for agencies to work together more cohesively, alongside Police, to disrupt crime and to rebuild families and communities. There will need to be close links between central governance and frontline operational staff.
37. There are already initiatives in local communities that bring together agencies and local groups to address harm and assist at-risk groups. Agencies already often have shared or similar goals working with the same at-risk groups but may be working alongside, not with each other. I propose building on existing

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<sup>2</sup> A strengths-based approach is a collaborative approach to provide support that draws on the strengths and assets of individuals and whānau.

initiatives and using local forums and governance to deliver coordinated intervention and support to a targeted number of specific locations.

*We need to be flexible and understand that communities will need different interventions and different levels of support*

38. The intervention model will be flexible to enable local communities to adapt it to fit their issues and particular context. There needs to be the right type of services available to meet demand and these services need to be coordinated. Agencies will work with local groups to understand what is in place and where there are gaps. A communications and stakeholder plan is proposed to manage this.
39. It is vital to work with local iwi and whānau and provide space for co-design and local leadership. There will be a large proportion of Māori in the potential locations. The local interventions will take a whānau-centric approach to put whānau at the centre of the response and give meaningful voice to their experience, skills, and knowledge of what works and what is needed, and to address the multiple impacts of harm through a holistic approach. This approach will need to be grounded in Te Ao Māori and kaupapa Māori to ensure the interventions are based on relevant cultural concepts that restore and strengthen whānau. Co-design with iwi and whānau is consistent with the principles of Te Titiri o Waitangi for iwi to determine responses that impact on them.

*We need to monitor interventions to understand what is working*

40. Learning from the lessons of previous place-based approaches, this approach will need to ensure there is good communication and transparency in how the interventions are set up, enough time to consult the wider community, and avoid duplication.
41. There needs to be clear indicators at a local level to measure the impact of interventions. These need to be sensitive enough to measure change as well as align with national data/indicators. A monitoring framework is proposed as part of implementation to provide the evidence that interventions are working.

**There is an opportunity to use the Gang Intelligence Centre to drive the analysis**

42. Reducing the harms from organised crime requires collaborating to build a shared intelligence picture. The Gang Intelligence Centre<sup>3</sup> (GIC) was established in 2016 as a multi-agency 'fusion' centre to provide a combined intelligence picture of gang activity, inform decision-making on preventative, investigative,

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<sup>3</sup> The agencies that are part of the GIC are Police, Accident Compensation Corporation, Department of Corrections, Department of Internal Affairs, Housing New Zealand, Inland Revenue Department, New Zealand Customs Service, Oranga Tamariki–Ministry for Children, and the Ministries of Business, Innovation and Employment, Education, Health, and Social Development.

and enforcement interventions, and identify vulnerable children, youth and gang family members for social service support.

43. I would like to see the GIC play a larger role in driving the analysis to support the proposed approach. The GIC could lead work across agencies to take a strategic role in identifying locations by providing the analysis of intelligence and indicators of harm and deprivation caused by organised crime. The GIC could also conduct regular analysis on the impact of gangs and organised crime on social wellbeing that supports interagency collaboration and decision-making.
44. To enable the GIC to do this will require a resourcing commitment and to address any barriers to accessing partner agency intelligence. Significant resource would be required to provide the analysis needed for each potential location. An Approved Information Sharing Agreement is in place to safely and effectively share but the actual sharing of intelligence could be improved and resourcing should reflect the need. I propose that Police work with the represented agencies to provide options on the resource and capability needed to drive the analysis on potential locations and at-risk groups connected to organised crime for Cabinet consideration in December 2019.
45. This advice will also consider the alignment of this potential role for the GIC with a proposal from the Minister of Social Development to use the Social Investment Agency to provide strategic advice on social issues across agencies and sectors. The Minister of Social Development intends to take a paper on Social Sector Leadership and Support to SWC on 25 September.

### **Work has started to address harm from organised crime**

46. Agencies have started work on specific locations where organised crime is having a significant impact. A Deputy Chief Executives group<sup>4</sup> and agency working group was established in August to drive this work. Current work in Tairāwhiti/Hawkes Bay and South Auckland is discussed below. Further locations will be identified by agencies during the development of the strategic approach and an update provided in the proposed December report back.
47. The supply of methamphetamine is creating significant harm in local communities. Recent Police investigations, and work with partner agencies focused on harm reduction, demonstrate that gangs operating in rural areas are selling methamphetamine into their communities for profit.
48. The complexity of addiction, and related issues such as mental illness and lack of or unsuitable housing, means that intervention needs to be tailored to target the specific needs of individuals. In regional communities, both the shortage of local

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<sup>4</sup> The group includes representatives from Police, the Ministries of Social Development, Business, Innovation and Employment, Justice, Health, and the Department of Corrections.



treatment services and support, and more limited employment opportunities, makes sustainable recovery even more difficult.

49. I have discussed with the Minister of Regional Economic Development and Ministerial colleagues the opportunity to deliver targeted initiatives to address the harm of methamphetamine in the regions drawing on the Provincial Growth Fund (PGF). On top of the social, health, and environmental issues, methamphetamine is a particularly significant disruptor to employers in provincial New Zealand gaining permanent and reliable employees.<sup>5</sup> The PGF will be used to support economic growth to help displace illicit markets. The PGF could be used in an innovative way to fund initiatives that help get people with addictions into a space where they can then become work ready or ready to undertake skills and training.
50. I propose an initial focus on Hawkes Bay and Tairāwhiti.<sup>6</sup> This area has high methamphetamine consumption, and high harm from organised criminal activity, as well as a number of indicators of social and economic deprivation. Agencies have started engaging with the local community about the issues from the use of methamphetamine, including impacts on mental health, violence, family breakdown, child neglect, and homelessness.
51. As a first step Northland District Health Board (DHB) will discuss with Tairāwhiti and Hawkes Bay DHBs how Northland developed a coordinated response to methamphetamine harm: the Te Ara Oranga model summarised below is a joint Police, Northland DHB and community response to methamphetamine. The local DHBs could then consider how a response can be designed in their areas based on an understanding of their issues, the people and structures already in place, and what resources would be required. A key component will be the availability of treatment in the region.
52. The following step will be for agencies to support the DHBs to engage with local iwi, whānau, and local groups to hold community hui to understand the issues and design a response. Agencies would consider supporting initiatives that also addressed wider issues such as family harm and sexual violence, for example E Tū Whānau, a kaupapa Māori initiative focused on preventing family harm; housing and homelessness; child care; and education. Agencies will consider where funding could be sought through the PGF and/or the Proceeds of Crime fund (PoCF) and consider ongoing sustainability of funding.

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<sup>5</sup> Government Inquiry into Mental Health and Addiction, Oranga Tāngata, Oranga Whānau. 2019. 9.2 What needs to happen: 9.2.1 Issues. Wellington; Inter-Agency Committee on Drugs. 2015. *National Drug Policy 2015 to 2020*. Wellington: Ministry of Health.

<sup>6</sup> While the initial focus using the PGF is on Tairāwhiti and Hawkes Bay, all places eligible for PGF funding can apply, including the other surge regions of Northland, Bay of Plenty, and Manawatu-Whanganui.

### **Case study – Te Ara Oranga**

A joint initiative based in Northland between Northland District Health Board, Police, iwi and community groups. The initiative provides more accessible pathways into treatment, additional treatment services, and comprehensive wraparound support for users of methamphetamine and their whānau that connects them with services (through pou whānau navigators) and suitable employment (through employment navigators).

Key to the initiative is that interventions happen earlier in the addiction cycle for users. A large number of new clinical roles including a specific methamphetamine-focused doctor are in place. New education and counselling programmes have been developed and implemented throughout Northland. Three new detox beds have been established to support high level users.

The initiative has seen positive results in engaging users and providing services. Many of these have stopped or reduced their methamphetamine usage, with some in employment. The Police team's work involving the supply of methamphetamine has resulted in a large number of search warrants being conducted, arrests, firearms seized and reports of concern made.

53. There has been a number of serious crime events including homicides in Otara during the last six months. Some of these events are gang related but not all. This issue was raised by Ministers in late August following community concerns. The South Auckland Social Wellbeing Board<sup>7</sup> met on 13 September and committed to agencies being part of the Otara Leadership Group, which is made up of key agencies and local community groups, who will look at developing a multi-faceted response. Police will continue with prevention and enforcement activities across Tāmaki Makaurau.
54. I note the environment in Otara is different to Tairāwhiti or Hawkes Bay, but the fundamental purpose of the work to address the harm from organised crime is similar.

### **I propose a broad work programme**

55. The first phase from October to December 2019 will initiate work across both central and local levels and agree a strategic approach and governance. The second phase from January to June 2020 will implement the new approach. Police will report back to Cabinet on phase one in December 2019 and seek

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<sup>7</sup> The South Auckland Social Wellbeing Board is an interagency multi-sector group set up to improve health and social outcomes for children and whānau in South Auckland. It brings together local decision-makers to make more effective decisions based on local and national intelligence, evidence and community insights.

decisions on the framework and concept. A report back in June 2020 will seek decisions for ongoing work. Phase 3 will see the delivery of that ongoing work.

56. Appendix C shows the relationship between the SWC work programme, work on TNOC, and agency operational work, using methamphetamine as an example.

<b>Phase One – Initiation (October to December 2019)</b>	
<b>Action</b>	<b>Description</b>
Agree a strategic framework across government agencies to direct and focus work	<ul style="list-style-type: none"> <li>• Provide direction from central government but be flexible enough to be adapted in local areas.</li> </ul>
Develop an intervention model to provide a high level concept for local areas to adapt	<ul style="list-style-type: none"> <li>• Reviewing and learning from place-based initiatives.</li> <li>• Developing a process for involving decision-making by local groups.</li> <li>• Determine a model for implementation teams that is flexible to enable different scaled interventions.</li> </ul>
Develop a monitoring framework to measure the impact of interventions	<ul style="list-style-type: none"> <li>• Determine national and local outcomes and measures and detail barriers/issues and opportunities.</li> <li>• Data could include a combination of objective indicators such as 'number of referrals for treatment' and 'participation in skills and training', and subjective indicators such as 'residents' perception of safety'.</li> </ul>
Develop applications for additional funding	<ul style="list-style-type: none"> <li>• Develop a process to support local areas to make applications through the Provincial Growth Fund and Proceeds of Crime Fund.</li> </ul>
Begin rolling out targeted approaches	<ul style="list-style-type: none"> <li>• Proposed intervention in Tairāwhiti and Hawkes Bay.</li> <li>• Use framework to determine further locations.</li> </ul>
Agree governance to provide oversight of the work programme	<ul style="list-style-type: none"> <li>• Establish governance at a central and local level to ensure direction of work, manage communication, monitor progress, and deal with obstacles.</li> </ul>
Communication and stakeholder management plans	<ul style="list-style-type: none"> <li>• Ensure clear communication between central and local levels, both ways, and manage multiple audiences.</li> <li>• Key internal and external messages and materials.</li> <li>• Develop a process for managing multiple relationships at a central and local level.</li> </ul>
Risk management	<ul style="list-style-type: none"> <li>• Develop a framework to manage risks that may arise (e.g. resource and funding, timing, mixed communication).</li> </ul>
<b>Phase Two – Implementation (January to June 2020)</b>	
<b>Action</b>	<b>Description</b>
Continue to roll out approach in local communities	<ul style="list-style-type: none"> <li>• Potential locations in South Auckland and Bay of Plenty.</li> </ul>
Develop lessons learned / best practice	<ul style="list-style-type: none"> <li>• Promote innovation.</li> <li>• Monitor and understand what is working using the monitoring framework.</li> </ul>
Policy and legislative changes	<ul style="list-style-type: none"> <li>• Identify any policy or legislative changes arising from the work programme.</li> </ul>

Determine sustainability / transition strategy	<ul style="list-style-type: none"> <li>• Ensure sustained funding and commitment.</li> <li>• Plan to build and maintain community resilience.</li> </ul>
<b>Phase Three – Ongoing work (July 2020 onwards)</b>	
<b>Action</b>	<b>Description</b>
Ongoing work following Cabinet decisions	<ul style="list-style-type: none"> <li>• Ongoing work, including identifying further locations for interventions.</li> </ul>

### **The work programme will link with existing work**

57. The Government has a wide programme of work that supports this work programme. This includes:
- 57.1. Hapāitua te Oranga Tangata;
  - 57.2. the Government response to the Inquiry into Mental Health and Addiction;
  - 57.3. the Child Wellbeing Strategy and the Oranga Tamariki Action Plan;
  - 57.4. the Department of Corrections' Hōkai Rangi Ara Poutama Aotearoa Strategy including initiatives involving skills and employment development;
  - 57.5. work led by the Ministry of Social Development on social inclusion; and
  - 57.6. State Sector reforms that seek to ensure stronger collaboration at central and local level, particularly to tackle complex social issues.

### **Consultation**

58. The following agencies were consulted in the development of this paper: Ministry of Business, Innovation, and Employment, Ministry of Social Development, Department of Corrections, Ministry of Health, Ministry of Justice, Oranga Tamariki–Ministry for Children, Ministry of Education, Te Puni Kokiri, Ministry for Pacific Peoples, Te Arawhiti, New Zealand Customs Service, Inland Revenue Department, Ministry of Housing and Urban Development, Department of Internal Affairs, Accident Compensation Corporation, Ministry for Primary Industries, State Services Commission, Ministry for Women, Statistics New Zealand, the Department of Prime Minister and Cabinet (Policy Advisory Group), the Treasury.

### **Financial Implications**

59. There are no direct financial implications resulting from this paper. The interventions developed through the approach proposed in this paper could be funded through a combination of agency baselines, existing initiatives, initiatives funded through Budget 2019, and initiatives to be funded through applications to the PGF and PoCF.
60. Costs associated with leading the work and developing the strategic and monitoring framework will be met within agency baselines. Police is seeking funding through the PoCF to fund a role to coordinate work across agencies and

support implementation, as part of a broader cross-agency bid focussing on corruption, organised crime, and related issues.

61. This paper discusses the opportunity to use the Gang Intelligence Centre to provide analysis of harms from organised crime in local communities but does not seek agreement for this role. Further resourcing would be needed for this role and the proposed advice to Cabinet will include costings and options for Cabinet's consideration.
62. The Minister of Regional Economic Development is seeking a second funding allocation of \$55 million through the Te Ara Mahi investment within the PGF through Cabinet Economic Development Committee on 25 September. The Minister is seeking at least \$25 million and up to \$40 million of funding to support initiatives that address the harm of methamphetamine. Funding through the PGF will require co-contributions from agencies, such as in-kind resources or supporting funding through the PoCF.
63. The scope of the PoCF has been broadened to include initiatives that address crime-related harm to communities and improve community wellbeing and initiatives to fight organised criminal groups dealing in methamphetamine and other drugs (at least one third of the fund for fighting organised criminal groups).
64. Both the PGF and PoCF typically fund initiatives for 1-2 years. Ensuring long-term funding for initiatives will require cross-agency funding bids through the Budget cycle. There is the potential to use the PGF and PoCF for initial funding injections, provided projects meet fund criteria, with long-term funding sought through Budgets 2020 or 2021.

### **Legislative Implications**

65. No changes are proposed to regulations or legislation.

### **Impact Analysis**

66. A Regulatory Impact Assessment is not required.

### **Human Rights**

67. The proposals in this paper are consistent with the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993.

### **Gender Implications**

68. The approach proposed in this paper would have a positive impact on women who are connected to gangs, by addressing issues such as family harm, improving health outcomes, boosting skills and employment opportunities, and connecting women with the wider community.

## Disability Perspective

69. Connecting at-risk groups to social and health services will improve the wellbeing of those individuals with disabilities. It is likely that communities with high social and economic deprivation will have a disproportionate presence of disabilities, including learning disabilities, fetal alcohol spectrum disorder, and mental illness. Identifying at-risk people in target locations will indicate where support is needed.

## Publicity

70. No publicity is proposed for this paper.

## Proactive Release

71. I propose to proactively release this paper within 30 business days of decisions by Cabinet. The released paper will be subject to redaction as appropriate under the Official Information Act 1982.

## Recommendations

The Minister of Police recommends that the Committee:

1. **note** that on 6 March 2019, Cabinet agreed to the development of a multi-layered, multi-agency work programme on organised crime, taking a strengths-based approach, and aligning with other work underway [SWC-19-Min-0013];
2. **note** that organised crime is a barrier to the Government's wellbeing goals as it is a significant driver of social, financial, and physical harm;
3. **agree** that addressing the harms from organised crime is a social issue requiring a coordinated response across government agencies that combines a community development, prevention approach with law enforcement;
4. **agree** that Police lead work on a strategic, evidence-based approach to address harm caused by organised crime that:
  - 4.1. provides central government direction and support for local communities to design responses to the issues they face and builds community resilience;
  - 4.2. determines the locations where investment can be targeted; and
  - 4.3. ensures a whole of government approach to addressing the harms;
5. **agree** that a sub-group of Ministers including the Ministers of Police, Regional Economic Development, Justice, Corrections, Social Development, Health, Children, and Customs, is established to oversee the work programme;
6. **note** that cross-agency governance will be determined to provide a national mandate for local interventions and ensure oversight of the work programme;

7. **direct** Police and partner agencies, including the Ministries of Social Development, Health, Housing and Urban Development, and Oranga Tamariki, to collaborate with iwi, whānau, and local groups to co-design responses to the harms caused to local communities from organised crime;
8. **note** that one specific area where organised crime is creating significant harm in local communities is the supply of methamphetamine;
9. **agree** that Police lead work with national and local government agencies, iwi, and local groups on initiatives in Tairāwhiti and Hawkes Bay to address the harm from methamphetamine within this work programme;
10. **note** there is an opportunity to deliver targeted initiatives to address the harm of methamphetamine in the regions using the Provincial Growth Fund;
11. **note** that the Minister of Regional Economic Development is seeking Cabinet approval to a second funding allocation of \$55 million through the Te Ara Mahi investment within the Provincial Growth Fund with at least \$25 million and up to \$40 million of funding to support initiatives that address the harm of methamphetamine;
12. **note** there is an opportunity to use the Gang Intelligence Centre to drive the analysis on potential locations and at-risk groups connected to organised crime;
13. **invite** the Minister of Police to report to the Cabinet Social Wellbeing Committee in December 2019 on:
  - 13.1. a strategic framework and monitoring framework;
  - 13.2. an intervention model that can be adapted by local communities;
  - 13.3. further locations where agencies propose to intervene;
  - 13.4. cross-agency governance for the work programme; and
  - 13.5. options for Cabinet's consideration on providing the resource and capability for the Gang Intelligence Centre to drive the analysis on potential locations and at-risk groups connected to organised crime;
14. **invite** the Minister of Police to report to the Cabinet Social Wellbeing Committee in June 2020 to seek decisions on ongoing work.

Authorised for lodgement

Hon Stuart Nash

Minister of Police

## Appendix A: Operation Notus

1. In March 2018, Police terminated a large-scale operation across Kawerau in the Bay of Plenty. Operation Notus was developed in response to the Mongrel Mob who, through their distribution of methamphetamine, had a significant negative impact on the town. The Kawerau community was experiencing increased volumes of drug use, violence, intimidation, and social deprivation across the community, including children going without food, adequate clothing and school supplies as household incomes were being used to fund methamphetamine use.
2. Police found a high proportion of local residents were affected by methamphetamine, including a significant portion of Kawerau's Māori population. Over the course of the six months prior to the operation, methamphetamine worth more than \$2 million was sold to the small Kawerau community. Local Police had insufficient resources to address the size and scale of the gang and methamphetamine problems.
3. Early engagement and genuine partnership with agencies, local iwi and community leaders was key to the operation's success. A collaborative plan was developed to understand and manage the operation's impact on the community, both during and after termination. Police placed a special emphasis on engaging with Ngāi Tūhoe, Ngāti Tūwharetoa and community leaders, who were sensitive to Police actions as a consequence of Police's actions in Operation 8.
4. Partnering with iwi before the termination of the operation was important to ensure affected communities would have immediate support. It enabled Tūhoe to operate holistic services in a whānau-centric manner that focused on the wellbeing of community members, particularly women and children connected to those targeted in the operation.
5. As a result of the investigation, 42 people were arrested and approximately \$3 million of assets were restrained, including residential properties, vehicles, and boats. Thirty nine firearms were located as well as quantities of methamphetamine and other drugs. The Mongrel Mob's drug dealing activities were substantially curtailed. There was a 31% reduction in overall crime compared to the three months prior, as well as increased community resilience and intolerance of methamphetamine.
6. There were no arrests made solely for drug use or possession. Officers encouraged users of methamphetamine to engage with support and treatment services. An increase in referrals (predominantly self-referrals) indicated a strong willingness by users to seek help and break their cycle of addiction. Bulk text and pamphlet drops post-termination created another opportunity for residents to seek help. Sustaining positive outcomes over the longer-term requires coordinated input from a range of agencies, including capacity in addiction services and job opportunities.