

The Treasury

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In preparing this Information Release, the Treasury has considered the public interest considerations in section 9(1) of the Official Information Act.

CHILDREN'S ACTION PLAN: PAPER 1 – PROGRESS REPORT

Proposal

1. This paper is the first of three papers on the Children's Action Plan and provides an overview of progress to implement the Vulnerable Children's package. Further detail is provided in the other two papers, which are:
 - Paper 2: Sharing information to improve results for vulnerable children.
 - Paper 3: Vulnerable Children Act 2014: Regulations to implement standard safety checking.
2. The latter part of this paper also fulfils the Cabinet request for a report back on:
 - Any changes to the Children's Action Plan funding pool in 2014/15.
 - Work on new arrangements to be implemented from Budget 2015 that provide the Vulnerable Children's Board (VCB) with greater control over the allocation of funds appropriated for the Children's Action Plan [CBC Min (14) 1/5 refers].
3. The Budget 2015 process will address the Cabinet report back requesting a comprehensive bid for remaining implementation costs for the Vulnerable Children's package, including the Children's Action Plan and Vulnerable Children Act 2014.

Executive Summary

4. The Children's Action Plan has provided us with a fresh opportunity to systematically set in place a child-focused, early intervention approach that will get better results for vulnerable children and their families/whānau both now and in the longer term.
5. Children's Teams establish a powerful new way of working that brings together a range of existing government investments to provide a tailored response to each child and their family/whānau based on their needs.¹ This addresses their immediate issues and reduces the likelihood of future escalation.
6. Children's Teams respond to concerns that do not require a statutory response. This reduces the immediate demand pressure and associated costs on Child, Youth and Family (CYF) as well as the likely future costs for a range of social, health, education and justice services.
7. The new way of working across agencies requires people to think, act and work differently. This is not easy and it will take some time to embed the shifts we are seeking.

¹ 'Vulnerable children' means children of the kind or kinds (that may be or, as the case requires, have been and are currently) identified as vulnerable in the setting of Government priorities under section 7 Vulnerable Children Act 2014 sections 5 and 7. The Vulnerable Children White Paper 2012 defines 'vulnerable children' as children who are at significant risk of harm to their wellbeing now and into the future as a consequence of the environment in which they are being raised and, in some cases, due to their own complex needs. Environmental factors that influence child vulnerability include not having their basic emotional, physical, social, developmental and/or cultural needs met at home or in their wider community.

8. We have fully operational Children's Teams in Rotorua and Whangarei, as well as Horowhenua/Ōtaki and Marlborough. We are now establishing new teams in Clendon/Manurewa/Papakura, Hamilton, Whanganui, Tairāwhiti (Gisborne), Eastern Bay of Plenty (Whakatane) and Christchurch [CBC Min (14) 1/5 and CBC Min (14) 16/15]. These communities have been strongly engaged in preparations for their new Children's Teams.
9. This year, we will focus particularly on the new Children's Team in Hamilton as our first opportunity to go to scale. At the same time, I want to take a safe, considered, and iterative approach to the new systems designed to support Children's Teams. Hamilton provides us with an opportunity to investigate how to improve the effective operation of Children's Teams through an Approved Information Sharing Agreement (AISA), Vulnerable Kids Information System (ViKI) and The Hub (which receives and processes notifications). [11]
10. I am proposing to undertake a formative evaluation of the Hamilton Children's Team as part of a wider proof of concept exploring how a Children's Team can best cater for large numbers of vulnerable children. The Children's Action Plan Directorate is also working with Superu on a wider evaluation strategy for the Children's Action Plan.
11. In order to reach all vulnerable children across New Zealand, I intend to establish two further new sites per year from 2016/17 so there is one Children's Team Director for each of the 20 District Health Board (DHB) regions by 2021. This will provide leadership within each DHB region. Appendix Three provides a map of vulnerable children across the DHB regions.
12. Although good progress has been made, there are still some challenges to achieve great results for vulnerable children. These include:
 - Introducing an effective information sharing framework.
 - Building ViKI to incorporate a wide variety of information and user requirements.
 - Balancing the need for sufficient numbers of Lead Professionals with the costs to agencies of maintaining service provision.
 - Identifying and addressing service gaps and duplication.
 - Safety checking the 282,000 children's workers by the end of 2019.
 - Achieving the necessary changes in work practices and capability to get better results for vulnerable children and their families/whānau.
13. Paper 2 addresses the information sharing framework and Paper 3 focuses on safety checking regulations to support the Vulnerable Children Act 2014.

The role of the Children's Action Plan in the social sector

The most vulnerable children

14. Government's focus is on early investment in children and their families/whānau at risk of poor outcomes. This is because we know that early investment works best to get good results now and to reduce future costs.²

² Heckman, J.J. (2006). 'Skill Formation and the Economics of Investing in Disadvantaged Children', Science, Vol. 312 www.sciencemag.org Also Organisation for Economic Cooperation and Development. (2011). Doing Better for Families. The Organisation for Economic Cooperation and Development (OECD) has estimated that the cost of child abuse is about 1 per

15. There is a considerable body of work completed and underway across the social sector that seeks to better understand the vulnerability of children in our community. Definitions of this group differ depending on the focus or source of vulnerability, but there is a large overlap. This is because the impact of vulnerability, from whatever source, affects many aspects of a child's life.
16. The worst life outcomes tend to be for children who have experiences in childhood that adversely affect their brain development.³ These experiences are largely due to abuse or neglect, and their impact on a child tends to affect all areas of their lives with intergenerational consequences. The vulnerable children at the centre of the Children's Action Plan can therefore be seen to be the most vulnerable of all next to those whose situation is so serious it requires a statutory response by Child, Youth and Family (CYF).
17. The early investment approach for vulnerable children through the Children's Teams supports the Social Sector Ministers' Priorities by intervening when and where the investment is likely to make the most difference to current and future outcomes.⁴ For example, 68 per cent of adults with children referred to the Whangarei Children's Team present with drug and alcohol issues and 75 per cent have indicated family violence.
18. Children's Teams are becoming a part of the CYF Modernisation approach by addressing the needs of vulnerable children whose issues do not require statutory intervention, leaving CYF to focus on the highest needs group. As at the end of February 2015, 53 per cent of the 346 children referred to the Children's Teams have come from CYF.

Addressing vulnerability

19. In Budget 2014, Ministers approved \$16.350 million in Budget 2014 for the Children's Action Plan operating model [CAB Min (14) 13/8 (30)]. Funding for 2015/16 and outyears will be decided as part of the Budget 2015 process.
20. The Children's Action Plan is setting in place a locally-led, nationally supported approach to identify and assist at risk and vulnerable children whose situation does not require a statutory response by CYF. Children's Teams are building resilience in these families/whānau which enables them to manage issues before they escalate further. This joined-up, early intervention approach is now becoming increasingly well regarded, with communities showing a growing desire to develop their own Children's Teams and change current practices to get better results for their vulnerable children, families and whānau.
21. Children's Teams have identified areas of service gaps and duplication at the local level. This information will help to inform our future investments and priorities for service provision so we get better value for money. For example, a fourteen year old boy was engaged with four separate counselling service providers all dealing with the same issues and all providing (for the most part) similar advice and support. This local knowledge will be invaluable to ensure that government, communities, children and their families/whānau get the most from our social sector investments.
22. We are not establishing new services. We are using existing services and resources in a different way to get better results. For example, vulnerable children and their

cent of a nation's Gross Domestic Product – for New Zealand this amounts to about \$2.1 billion annually. This includes the short and longer term costs to a range of social services required to address the effects of abuse.

³ Gluckman, P. (2011). Improving the Transition - Reducing Social and Psychological Morbidity During Adolescence. <http://www.pmcsa.org.nz/wp-content/uploads/Improving-the-Transition-report.pdf>

⁴ Ibid.

families/whānau tend to engage with different service providers when a need is present and then disengage when their immediate needs are met. Currently, each service deals with the immediate need, not necessarily knowing who else is involved with the child and their family/whānau and with no common plan. Having a Lead Professional (who coordinates the services required to support a vulnerable child and their family/whānau) helps to identify the underlying issues for the child and their family/whānau and ensures these needs are met more effectively.

23. This way of working requires people to think and act quite differently, which as we know takes time. All partner agencies, including Social Development, Education, Health, Police, Justice, and Te Puni Kōkiri are undertaking significant work to contribute to implementing the necessary changes in practices and processes.
24. We are also fielding increasing demand from communities to set up more Children's Teams and experiencing an increasing desire to participate. For example, three recent hui attended by a range of government agency and non-government organisation representatives clearly demonstrated enthusiasm to progress establishing a Children's Team in Clendon/Manurewa/Papakura, with a number of senior managers wanting to be involved in the next step to plan the approach to establish a Children's Team.

Multiple benefits

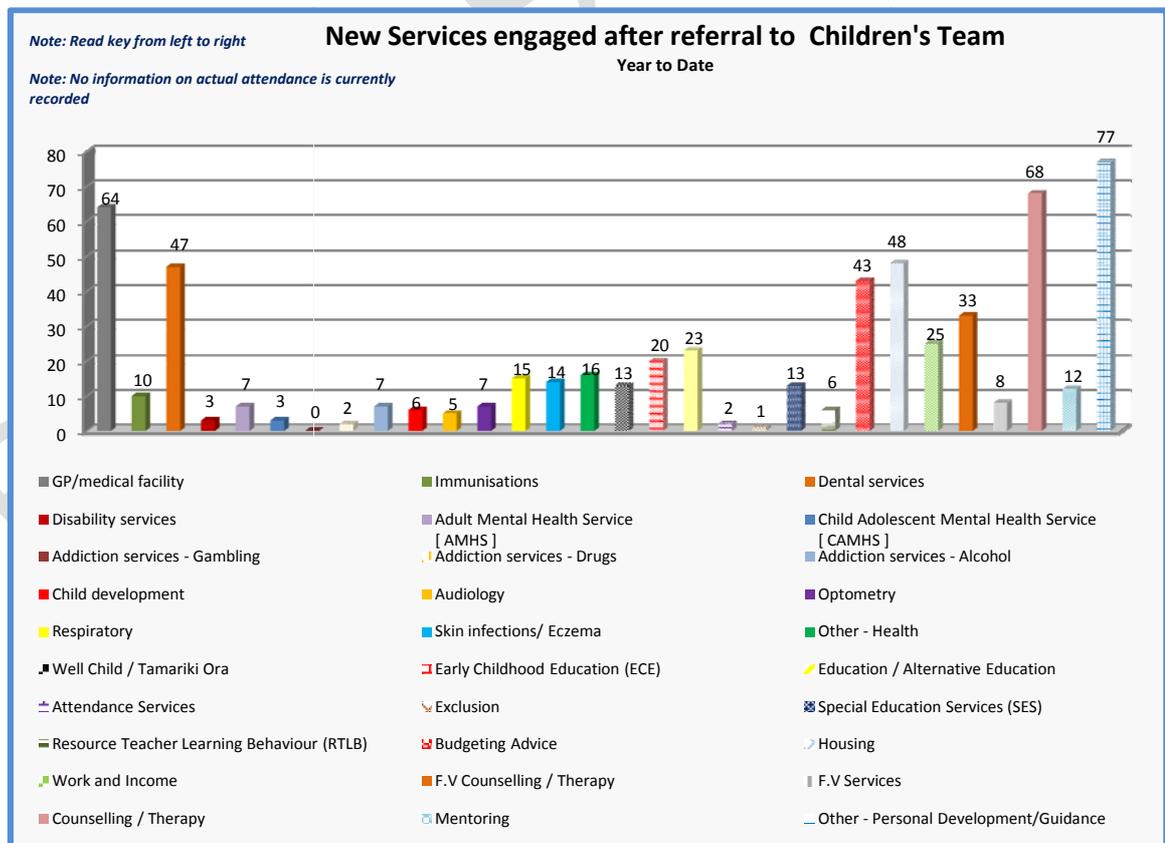
25. Children's Teams focus on getting the right services to vulnerable children and their families/whānau. This has multiple benefits for the child, their family/whānau and contributes to a range of Better Public Service goals by targeting priority groups. For example, by accessing help with early health problems (such as glue ear) Children's Teams can transform a vulnerable child's early learning, behaviour and increase their success at school. Children's Teams are supporting vulnerable families/whānau to enrol their children in early learning services or get their school aged child back to school.
26. The Children's Action Plan interagency service model supports other social sector initiatives. For example, navigators for Whānau Ora are using the wide-ranging local connections of Children's Teams to quickly access the right support and services for vulnerable children in the family/whānau with which they are working. The co-location of Children's Teams and Social Sector Trials⁵ provides an opportunity to explore how these initiatives can work together to get better results for their communities as well.

Current Children's Teams

27. The Children's Teams in Rotorua and Whangarei have been fully operational since mid-2013 and Horowhenua/Ōtaki and Marlborough were established late last year. At the end of February 2015 a total of 346 children had been referred to the Children's Teams since they started operating as follows:
 - Rotorua Children's Team - started in July 2013 and has had 130 referrals.
 - Whangarei Children's Team - started in October 2013 and has had 146 referrals.
 - Horowhenua/Ōtaki Children's Team – started in September 2014 and has had 58 referrals.
 - Marlborough Children's Team - started in November 2014 and has had 12 referrals.

⁵ We have two operational Children's Teams in areas with Social Sector Trials (Rotorua and Horowhenua/Ōtaki) and are developing new Children's Teams in other areas with Social Sector Trials, including Whakatane, Gisborne, Waikato District and South Waikato trials (Hamilton Children's Team) and South Taranaki trial (Wanganui Children's Team).

28. Of the Children's Teams referrals:
- 57 per cent were boys.
 - 43 per cent were girls.
 - 39 per cent were aged 0-5 years.
 - 31 per cent were aged 5-10 years.
 - 71 per cent were Māori.
 - 18 per cent were New Zealand European.
 - 11 per cent were other ethnicities.
29. The ability of Children's Teams to accept referrals and get results for vulnerable children depends on having sufficient Lead Professionals and appropriate services. Lead Professionals draw on other skilled professionals and practitioners within government agencies (for example, DHBs or Special Education) and non-government organisations, such as iwi and other Māori social service providers, to tailor and coordinate the most appropriate services to meet a child's needs.
30. To date, Lead Professionals have been selected from 27 different agencies and non-government organisations. These Lead Professionals have arranged over 554 services for children and their families/whānau, of which 38 per cent are health services. Overall, the most common types of services include primary care (doctors), counselling, budgeting advice, housing and oral health.
31. The range of services that Children's Teams have engaged with to date is set out in the graph below:



32. Being a Lead Professional is not a paid role and requires the person and their organisation to refocus their current work so they can take on the new responsibilities. Non-government organisations have expressed concern that releasing staff to be Lead Professionals reduces their capacity to deliver other contracted services in their communities. This is an issue for government agencies as well. This can create a reluctance to take on the Lead Professional role.
33. To date, there has been an overall shortage of Lead Professionals, which is likely to be heightened with increased numbers of referrals. The Whangarei Children's Team for example, has had to introduce a managed intake process to ensure that demand does not exceed capacity or capability. [8]
34. Providing Lead Professionals without disrupting core services is the biggest challenge for Health, for example, in universal health services such as Well Child / Tamariki Ora. Agencies are currently modelling the impact of the Lead Professional role on existing services, including the cost to backfill Lead Professionals so that actual service delivery is not compromised. While Education is able to support the Lead Professional role when appropriate, the additional work load involved in the multi-agency service brokerage function could adversely impact on service delivery to children outside of the Children's Team criteria.
35. As the Children's Team referrals increase, more evidence is emerging of a lack of appropriate services in some areas. Information from the ten Children's Teams will provide us with a better understanding of where there are gaps and where there may be duplication or unnecessary provision. [8]

Scale and trajectory

36. We are currently working to have ten operational Children's Teams by December 2015. The establishment of new teams is underway in Clendon/Manurewa/Papakura, Hamilton, Whanganui, Tairāwhiti (Gisborne), Eastern Bay of Plenty (Whakatane) and Christchurch [CBC Min (14) 16/15 and CBC Min (14) 1/5].
37. This year, I want to focus particularly on the new Children's Team in Hamilton as our opportunity to understand how to go to scale and improve the effective operation of Children's Teams. We will use the Hamilton Children's Team to test how an Approved Information Sharing Agreement (AISA), Vulnerable Kids Information System (ViKI), The Hub and Predictive Modelling can support the effective operation of a large Children's Team. The Hamilton Children's Team Director was appointed on Monday 2 February 2015 and is working with stakeholders to develop their operating model.
38. The communities of the six further Children's Teams are underway with preparations. Both Tairāwhiti (Gisborne) and Christchurch are ready to appoint their Children's Team Directors. All of the six approved sites will be receiving referrals by the end of 2015. These new sites will cover about 26 per cent of all at risk children in New Zealand.
39. In order to reach vulnerable children right across New Zealand, I intend to establish two further new sites per year from 2016/17 so that there is one Children's Team Director for each of the 20 DHB regions by 2021. This will provide national leadership within each DHB region. Locations for the ten new Children's Teams would be

prioritised according to need, risk, readiness and size. Appendix Three sets out the estimated number of 'at risk' children in the DHB regions.

40. I also want to achieve scale as soon as possible to maximise access to Children's Teams for our vulnerable children. Even when we have coverage of all DHB regions, one team located in a region will not enable nationwide coverage or equitable access for all 20,000 vulnerable children across New Zealand. Over time, the Children's Team Directors will need to set up other arrangements to ensure access across the region. These arrangements might be satellite sites, outreach models, or the development of networks of services led by the Children's Team Director. The cost of this will be addressed in future Budgets.

Workforce

41. On 30 June 2014, the Vulnerable Children Act 2014 (the Act) received the Royal Assent. Part 2 of the Act creates a requirement for government funded providers of children's services to have child protection policies in place that support the identification of, and response to, suspected abuse or neglect. Part 3 of the Act creates a new requirement for standard safety checking of government funded children's workers. Paper 3 seeks your agreement to issue drafting instructions to Parliamentary Counsel for regulations to prescribe the requirements for children's workforce safety checking.
42. Each agency is working with their workforce to bring about the necessary changes. The Children's Action Plan Directorate is managing the inter-agency work to implement the consistent regulatory framework for children's services. The Directorate is also supporting local communities, agencies, and children's workers through resources to help them work together more effectively. These resources were agreed by Cabinet [CAB Min (12) 34/9] and include:
 - A shared core competency framework.
 - A code of practice to guide children's workers.

Safety checking 282,000 children's workers

43. The total estimated size of the paid government-funded children's workforce is 282,000 persons.⁶ The Vulnerable Children Act 2014 requires all of these people to be safety checked by their employers by mid-2019 unless they are employed by local government, which must complete the safety checking by mid-2021. This is a very large undertaking.⁷ The Children's Action Plan Directorate is managing this work programme, providing support for best practice and ensuring that government can monitor and report on progress and results.
44. There are significant penalties in law for failure to comply with the new requirements. Management of this work by the Directorate reduces the risk of inadequate or incomplete safety checking exposing the Crown to liability, or that providers are unable to deliver services. Paper 2 discusses new regulations to support the implementation of the safety checking requirements.

⁶ Government-funded services engage an estimated 90,000 volunteers. These volunteers will not need to be safety checked but will be supported by child protection policies developed by the organisations that engage them.

⁷ It is expected that less than 10 per cent of the workforce will have been safety checked by 1 July 2016 and approximately 33 per cent by 1 July 2017. This central management will therefore need to continue as the requirements phase in over a number of years.

Vulnerable Kids Information System (ViKI)

45. I want to stop vulnerable children falling through the cracks of the systems set up to protect them. In 2012, Cabinet agreed to new information and tools to support Children's Teams get results for their vulnerable children [CAB Min (12) 34/9].
46. The Vulnerable Kids Information System (ViKI) is an information technology tool that will help the Children's Teams access, record and report information about vulnerable children and their families/whānau.
47. An effective information sharing framework will be essential for ViKI to succeed. Paper 3 discusses progress with the information sharing framework and my proposal to develop a local AISA for Hamilton while at the same time progressing work on a longer term legislative solution.
48. The majority of Children's Teams' activity, information exchange, planning, document management and reporting is manual. This is inefficient, ineffective and presents a data quality risk. It will also make it difficult for Children's Teams to go to scale.
49. Current constraints include:
 - Vulnerable children's information is not centrally recorded or consistently accessible.
 - Frontline practitioners and professionals do not have effective tools to enable information sharing to plan and deliver their work.
 - Lack of consistent and quality information to keep Teams and families/whānau informed, or to report on results.
 - Inability to match Children's Team cross-sector activities to national data analytics.
 - Inadequate security and lack of secure electronic information sharing

Staged implementation of ViKI

50. The Treasury's Risk Profile Assessment process identified that a fully implemented ViKI was high risk. I have reduced the risk by implementing ViKI incrementally, initially with the core functionality needed for the Hamilton Children's Team and then introducing additional functionality and sophistication over time. This approach will be evaluated as part of a wider proof of concept focused on Hamilton. This iterative approach provides on and off ramps at every stage and is supported by the Government Chief Information Officer.
51. This approach permits us to deliver the core set of ViKI functionalities and operational reporting on day one with minimal cost and risk. Day one functionality will include case management, information sharing and document exchange, as well as reporting on individual case details. At this stage, the expansion of ViKI to other sites beyond Hamilton will be informed by the outcome of the Hamilton trial.
52. ViKI will give us basic results to begin with but over time will build from basic case results to providing data to a data analytics tool. ViKI will not develop its own complex data analytics capabilities. Instead, information from ViKI can be extracted to existing national data analysis tools and databases, for example, the Integrated Data Infrastructure (IDI) for social-sector identification, assessment and prioritisation of services.

53. The planning, design, and development of ViKI is overseen by an advisory group of Chief Information Officers from participating agencies (Health, Education, Police and Social Development). My expectation is that ViKI will become an important contributor to outcomes for Social Sector Priority Ministers, and will leverage existing data analysis infrastructure rather than creating new.

54. [11]

The Hub

55. Work is well underway to establish The Hub as the point of contact for receiving and processing enquiries or concerns relating to vulnerable children. Professionals and practitioners in The Hub will undertake an initial assessment of their likely needs and decide whether a child's needs are best met by CYF, Children's Teams or other services (e.g. Barnados, Family Works). I intend to trial The Hub for Hamilton to inform a wider roll-out nationally.

56. Rather than develop new infrastructure, I have directed that The Hub should leverage existing CYF infrastructure and capabilities. This will help build towards the CYF Modernisation and the Ministry of Social Development simplification goals.

Predictive Modelling

57. Predictive Modelling⁸ was identified as having the potential to help professionals to better identify and assess the potential risk of abuse or neglect of children referred to them [CAB Min (12) 34/9]. Predictive Modelling is about to be tested within the CYF contact centre, with a focus on enhancing decision-making at intake for children with concerns raised about them. Results will be available shortly.

Community responsibility

58. In 2014, funding of \$2.233 million was allocated for a national public awareness campaign to raise expectations that people will take action to address concerns about the wellbeing of children in their communities. Preparatory work was started, but further work on the campaign was deferred until enough Children's Teams were established to respond to the call to action that the campaign would generate.

59. Raising national awareness in this way will increase demand. I therefore propose that we continue to defer the campaign until we have fully operational Children's Teams across the country able to meet increased demand. [14]

A large national campaign with a similar impact to the "It's not OK" campaign would require additional funding – approximately \$15 million over four years. I propose that Cabinet reconsiders the need for, and appropriateness of, a public awareness campaign in 2017, when more than ten Children's Teams will be operational, and that funding for the campaign be sought at that time.

⁸ Predictive modelling is the use of automated risk stratification tools to help identify people at risk of certain adverse outcomes early enough to allow for effective intervention. It relies on the combination of historical data around individuals and the application of modelling techniques to help understand their potential level of risk and need for services.

Evaluation

60. As it moves through the initial development phase, the Children's Action Plan is operating on a continual improvement model, with a review from Deloitte and evaluation by Superu informing the implementation. Our experiences in Rotorua, Whangarei, Horowhenua/Ōtaki and Marlborough are also informing the roll out of further Children's Teams. ViKI will be an important tool to enable us to report results in a robust way.
61. The formative evaluation of the Hamilton Children's Team will be part of a wider proof of concept beginning in April 2015. The evaluation will:
- Identify what it takes to get good results from the work of a Children's Team.
 - Provide insights into current challenges such as balancing local management and national support.
 - Identify how the supporting initiatives (ViKI, The Hub, AISA) can best assist the Children's Teams' work.
 - Enable us to use this knowledge to improve the effectiveness of current and future Children's Teams.

Interagency approach

62. Under section 8 of the Vulnerable Children Act 2014, Chief Executives of children's agencies, including the Ministries of Social Development, Education, Health, Justice as well as the Police and Te Puni Kōkiri, are required to work together to:
- Develop a draft vulnerable children's plan.
 - Submit it to the responsible Minister for approval.
63. [8]
- This will build on the knowledge and experience from the first round of Children's Teams to set new actions and milestones that get better results for vulnerable children, their families/whānau and communities. This new plan will reflect the decisions from this suite of papers.
64. To date, the Children's Action Plan has supplemented new Crown funding with financial and in-kind contributions from partner agencies.⁹ For example, at a national level, agencies have contributed around 16 FTEs in 2014/15 (total value of over \$1.5 million) to undertake the central coordination, support, and policy development work necessary to implement the Children's Action Plan.
65. The Budget proposal for 2015 relies on the continuation and expansion of this cross agency support and resourcing at both the national level in the Directorate and on the ground in Children's Teams.
66. In addition, there will be an underspend from 2014/15 due to rebalancing the implementation to focus first on consolidation. I will be proposing to transfer this underspend to offset the Children's Action Plan bid in Budget 2015.

⁹ Section 4 of the Vulnerable Children Act 2014 requires children's agencies to work together to improve the well-being of vulnerable children.

Report back – Funding arrangements for the Children’s Action Plan

67. Successful cross-agency work requires sustainable funding with an efficient and effective funding mechanism. In 2014, Ministers directed officials to report back on [CBC Min (14) 1/5 refers]:
- Any changes to the Children’s Action Plan funding pool in 2014/15.
 - New funding arrangements that provide the Vulnerable Children’s Board with greater control over the allocation of funding for the Children’s Action Plan. Ministers suggested that this include consideration of the appropriateness of a Multi Category Appropriation.
68. There have been no changes to the Children’s Action Plan funding pool in 2014/15. Officials have reviewed the current funding mechanism and consider that it provides the Vulnerable Children’s Board/Social Sector Board with sufficient oversight of implementation. Officials (including Treasury) do not consider that a Multi Category Appropriation is more appropriate or would provide the Vulnerable Children’s Board/Social Sector Board with any greater oversight of implementation than the current approach.¹⁰
69. To date, the Children’s Action Plan implementation has used a centrally determined funding mechanism (whereby Ministers decide the amount of funding to be provided to the Lead Agency) supplemented by pooled funding (from agency baselines and in-kind resources).
70. At their meeting on 16 December 2014, the Vulnerable Children’s Board/Social Sector Board agreed that a centrally determined funding mechanism is most appropriate for the Children’s Action Plan.¹¹ Centrally determined funding can be new money and/or funding from agency baselines. This mechanism is appropriate because of the stage of the initiative (effectively in the piloting phase) and because it is too soon to understand how the benefits will be distributed across the contributing agencies.

Consultation

71. The Children’s Action Plan Directorate prepared this paper in consultation with the Ministries of Education, Health, Social Development, Justice, and Pacific Island Affairs as well as the Treasury, New Zealand Police, Te Puni Kōkiri, and State Services Commission. The Department of the Prime Minister and Cabinet has also been informed. The Government Chief Information Officer and Department of Internal Affairs have been consulted on the ViKI proposal.

Treasury comment

72. Subject to funding being available, Treasury would support scaled funding for the four existing Children’s Team sites, Hamilton and one additional site, rather than the proposed ten. Treasury is aware that this recommendation does undercut previous decisions by Cabinet; however, this would enable the Children’s Team model to be tested and evaluated in a large centre (Hamilton) before being rolled out more widely. Because of the early stage of roll out, there is currently limited evidence on the impact of Children’s Teams on the outcomes of vulnerable children. Treasury would expect future decisions about funding additional Children’s Teams to be informed by

¹⁰ Multi Category Appropriations are suitable when there is a range of different outputs, other expenses, and non-departmental capital expenditure contributing to a single overarching purpose. This is not the case for the Children’s Action Plan.

¹¹ The cross-agency funding framework approved by Cabinet in 2014 includes two options that might be appropriate for the Children’s Action Plan [SEC Min (14) 16/2]. These are: Pooled funding – a small group of agencies pool funds from their baselines to share the cost of an initiative to achieve a common goal. Centrally determined funding – Ministers decide how much of the required funding is sourced from mandatory baseline contributions and/or new Crown funding. <http://www.treasury.govt.nz/statesector/betterpublicservices/crossagencyfunding>

evaluative evidence on the impact of Children's Teams and fit with the CYF Modernisation work. Given the pressures on the 2015 Budget allocation and the potential benefits to agencies of Children's Teams, further consideration needs to be given to options for funding this within existing departmental baselines.

73. Treasury considers that ViKI is important as an enabler for the effective operation of Children's Teams, and that the phased approach is pragmatic and prudent. Treasury supports the activity and considers this should not be deferred. However, as per advice on the overall funding for the Children's Action Plan, given the pressures on the 2015 Budget allocation and the potential benefits to agencies of Children's Teams, further consideration needs to be given to options for funding this within existing departmental baselines. [11]

Financial implications

74. No funding has been approved for the Children's Action Plan after 30 June 2015. The financial implications of the proposed work programme will be considered in the Budget 2015 process. If no new funding or only partial new funding is agreed, then the funding to implement the Children's Action Plan will need to come from agency baselines. This would have implications for the resourcing of current service delivery.

75. [11]

Human rights implications

76. The proposals are consistent with the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993. They will help to increase New Zealand's alignment with the United Nations Convention on the Rights of the Child (UNCROC).

Legislative implications

77. The Vulnerable Children Act 2014, the Children, Young Persons, and Their Families (Vulnerable Children) Amendment Act 2014, and the KiwiSaver (Vulnerable Children) Amendment Act 2014 received Royal Assent on 30 June 2014. A number of provisions are yet to come into force. Paper 2 in this suite requests Cabinet's agreement to issue drafting instructions to Parliamentary Council for new safety checking.

Regulatory impact and compliance cost statement

78. This paper does not require a regulatory impact and compliance cost statement.

Gender implications

79. This paper does not have any gender implications.

Disability perspective

80. This paper does not have any implications for people with disabilities.

Publicity

81. No publicity is proposed in relation to this paper.

Recommendations

It is recommended that the Committee:

1. **Note** that in Budget 2014, Ministers approved \$16.350 million in Budget 2014 for the CAP operating model, which included a transfer of \$1.500 million of unspent funding from 2013/14 [CAB Min (14) 13/8 (30)];
2. **Note** that no funding has been agreed beyond 2014/15;
3. **Note** that funding decisions and appropriation arrangements for the future of the Children's Action Plan will be finalised as part of the Budget 2015 process;

Children's Teams

4. **Note** that Children's Teams in Rotorua and Whangarei became operational in 2013;
5. **Note** that in 2014, Cabinet [CBC Min (14) 1/5 and CBC Min (14) 15/16 refer] approved the establishment of eight new Children's Teams in:
 - i. Horowhenua/Ōtaki;
 - ii. Marlborough;
 - iii. Whanganui;
 - iv. Tairāwhiti (Gisborne);
 - v. Eastern Bay of Plenty (Whakatane);
 - vi. Hamilton;
 - vii. Clendon/Manurewa/Papakura;
 - viii. Christchurch;
6. **Note** that the new sites in Horowhenua/Ōtaki and Marlborough are now fully operational and that the other six approved communities are engaging in discussions and arrangements for establishing their new teams;

Scope and trajectory

7. **Note** that I am proposing to continue establishing the six approved Children's Teams so that they are all accepting referrals by December 2015;
8. **Note** that Hamilton has already appointed its Children's Team Director and that the appointments are pending in Tairāwhiti (Gisborne) and Christchurch;
9. **Note** that I intend to use the Hamilton Children's Team to test how an Approved Information Sharing Agreement (AISA), Vulnerable Kids Information System (ViKI) and The Hub can support the effective operation of a large Children's Team;
10. **Note** that I intend to establish two further Children's Teams in new sites from 2016/17, to a total of 20 - one for each District Health Board region by 2021;
11. **Agree in principle**, subject to Budget decisions, to establish the remaining six approved Children's Teams as set out in Recommendation 4 (c) - (h) by December 2015;
12. [8]
13. [8]

Workforce

14. **Agree in principle**, subject to Budget 2015 decisions, that the Children's Action Plan Directorate continues to manage, monitor and report on the implementation of Parts 2 and 3 of the Vulnerable Children Act 2014, on behalf of the Social Sector Board/Vulnerable Children's Board, including implementing safety checking and child protection policies;
15. **Agree in principle**, subject to Budget 2015 decisions, that the Children's Action Plan Directorate continues to manage, monitor and report on children's workers' capability development as agreed by Cabinet [CAB Min (12) 34/9] through the implementation of:
 - i. A shared core competency framework;
 - ii. A code of practice to guide children's workers;

Vulnerable Kids Information System (ViKI)

16. **Note** that I intend to support the Children's Teams with new information and other tools as agreed by Cabinet in 2012 [CAB Min (12) 34/9] and to trial these in Hamilton as follows: An Approved Information Sharing Agreement (AISA), a Vulnerable Kids Information System (ViKI) and The Hub;
17. **Agree in principle** that ViKI is essential to the successful roll-out and scaling of Children's Teams as well as monitoring the results;
18. **Note** that ViKI will be piloted in Hamilton and then implemented in stages to reduce the risk and that this is consistent with advice from the Chief Information Officers from Health, Education, Police and Social Development and the Government Chief Information Officer;
19. [11]

Public awareness campaign

20. **Note** that funding for a public awareness campaign was allocated in Budget 2014, but that this has been deferred until sufficient Children's Teams are in place to cater for potential referrals;
21. **Agree** to reconsider the need for, and appropriateness of, a public awareness campaign in 2017 when ten Children's Teams will be operational, and that funding for the campaign be sought at that time;

Funding mechanism

22. **Note** that on 31 March 2014, Cabinet Social Policy Committee requested a report back on:
 - i. Any changes to the Children's Action Plan funding pool in 2014/15;
 - ii. Work on new arrangements to be implemented from Budget 2015 that provide the Vulnerable Children's Board with greater control over the allocation of funds appropriated for the Children's Action Plan;
 - iii. A comprehensive bid for remaining implementation costs for the Vulnerable Children's package, including the Children's Action Plan and Vulnerable Children Act 2014 [CBC Min (14) 1/5 refers];

Budget Sensitive

23. **Note** that there were no changes to the Children's Action Plan funding pool in 2014/15 and that officials consider that the current funding arrangements provide the Vulnerable Children's Board/Social Sector Board with sufficient control over the allocation of funds appropriated for the Children's Action Plan;
24. **Note** that as part of the Budget 2015 process, I will be proposing to transfer the Children's Action Plan underspend from 2014/15 to offset the Children's Action Plan bid;
25. **Note** that on 16 December 2014, the Vulnerable Children's Board/Social Sector Board agreed that a centrally determined funding model was their preferred funding mechanism for the Children's Action Plan;
26. **Note** that this can be new money or redistributed from agencies' baselines, or a combination of both, and that partner agencies still need to fund their own work programmes from their own Votes;
27. **Agree** that from Budget 2015 onwards, the Children's Action Plan work programme will be funded through a centrally determined funding mechanism; and
28. **Agree in principle** that in addition to any new funding decided by Ministers, partner agencies will continue to support the implementation of the Children's Action Plan by contributing resources, both financial and in kind, as subject to the Budget 2015 process.

Hon Anne Tolley

Minister for Social Development

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