

The Treasury

Budget 2012 Information Release

Release Document

June 2012

www.treasury.govt.nz/publications/informationreleases/budget/2012

Key to sections of the Official Information Act 1982 under which information has been withheld.

Certain information in this document has been withheld under one or more of the following sections of the Official Information Act, as applicable:

- [1] 6(a) - to prevent prejudice to the security or defence of New Zealand or the international relations of the government
- [2] 6(c) - to prevent prejudice to the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial
- [3] 9(2)(a) - to protect the privacy of natural persons, including deceased people
- [4] 9(2)(b)(ii) - to protect the commercial position of the person who supplied the information or who is the subject of the information
- [5] 9(2)(d) - to avoid prejudice to the substantial economic interests of New Zealand
- [6] 9(2)(f)(iv) - to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials
- [7] 9(2)(g)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions
- [8] 9(2)(h) - to maintain legal professional privilege
- [9] 9(2)(i) - to enable the Crown to carry out commercial activities without disadvantage or prejudice
- [10] 9(2)(j) - to enable the Crown to negotiate without disadvantage or prejudice
- [11] 9(2)(k) - to prevent the disclosure of official information for improper gain or improper advantage
- [12] 9(2)(ba)(i) - to prevent prejudice to the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied.

Where information has been withheld, a numbered reference to the applicable section of the Official Information Act has been made, as listed above. For example, an [4] appearing where information has been withheld in a release document refers to section 9(2)(b)(ii).

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

Chair
Cabinet

MEASURES TO IMPROVE YOUTH MENTAL HEALTH

Proposal

1. This paper proposes a package of measures to better meet young people's mental health needs.

Executive summary

2. I am concerned that we are not doing enough for young people with mild to moderate mental health needs. There is a significant level of unmet need for these young people. I am proposing a package of measures that will help prevent mental health problems developing, and improve access to specialised treatment once they have developed.
3. This package is designed to reach young people in several significant settings: their families and communities, their schools, the health system, and the internet. The package is targeted at young people aged 12-19 years.
4. For the bulk of these proposed measures, I am satisfied that we are taking the best possible approach. In some cases, however, it is not clear from the available evidence what will work best. We are going to try some experimental approaches, but they will need to be closely monitored and evaluated. I am instructing my department to review the effectiveness of this whole package in two years' time.

Background

5. In his report *Improving the Transition*, my Chief Science Advisor, Professor Sir Peter Gluckman, highlighted the risks facing young people in New Zealand as they transition from childhood to adulthood. Sir Peter raised a number of concerns, including New Zealand's high rate of youth suicide, cannabis use and harmful alcohol use.
6. In response to this report, I directed my department to lead a cross agency project looking at improving services for young people with, or at risk of, mild to moderate mental health problems.
7. Officials have reviewed the literature on youth mental health and youth development, undertaken a stocktake of the current spend on youth mental health programmes (prevention and treatment), and identified gaps and weaknesses in our current system.

Comment

The state of our current system

8. Most young people in New Zealand are doing well and are on track to become healthy and productive adults. A significant number, however, are experiencing - or will experience - mental health problems during their adolescence. Relative to other countries, New Zealand has high rates of mental health problems and risk taking behaviour.

9. Many common mental health problems first appear during adolescence. Problems such as depression, anxiety and substance abuse can have life-long consequences. The burden of such diseases for individuals and society is large, yet New Zealand, like most OECD countries, focuses most of its spending on severe but less common mental illnesses.
10. Our current system for addressing youth mental health problems has many strengths, but it also has significant gaps:
 - it focuses on service delivery, at the expense of evaluation and monitoring. We lack information about whether services are efficient, cost effective or appropriate for the New Zealand context. There is insufficient information about programme effectiveness and particularly evidence about what works for Maori and Pacific people. We tend to focus on new interventions at the margin, rather than considering the appropriateness and efficacy of what is already in place
 - our current system has a dedicated but small existing workforce, with some capacity and capability gaps. Our system is often focused on deficits rather than strength-based skill development
 - our system is good at responding to problems and treating symptoms, but not good at preventing and addressing underlying causes. It often focuses solely on the individual (in terms of resilience building, preventative interventions, and the dissemination of information and treatment). There is an over reliance on individual medical interventions, where we need a balance with youth alternative models of care
 - our system has many barriers to access for young people and few youth specific facilities and services. Programmes and initiatives are usually developed without consulting young people. Services are not generally provided in the settings in which young people live their lives and there are few services designed and provided by and for Maori and Pacific people
 - schools vary in their response to and ownership of student health and wellbeing. Historically, our education system has often been more focused on punishing difficult behaviours, rather than teaching, encouraging and supporting social behaviours
 - our current system has considerable geographic variability in terms of service quantity and quality. It is fragmented, with agencies operating in silos and often not considering wider implications. We do not put enough focus on whole of life outcomes and costs. There is no coherent overarching framework within which policy, research and action at various levels feed into and support each other.

Cost effectiveness

11. There is strong evidence that money spent on improving mental health can be very cost effective for the State. However, there is scant evidence for the cost effectiveness of individual programmes. Where programmes have been assessed for cost effectiveness, different methodologies have been used, making it difficult to compare results. I am satisfied that the package I am proposing is in line with the little evidence for cost effectiveness available.

Overview of the package

12. We have no good evidence that any single intervention will overwhelmingly address youth mental health issues. This package is therefore designed to build on existing successful interventions and to trial new initiatives for young people in schools, the health system, their families and communities, and online.

13. This approach reflects the reality that young people access mental health support in all of those places, and in an ad hoc way. It also acknowledges that, while some broad groups of young people are at higher risk of mental health problems than others, there is no simple way for us to exclusively target an identifiable minority who are 'at risk'. Young people from all kinds of backgrounds experience mental health problems.

In schools

14. Subject to a positive second stage of its review, I propose to roll out School-Based Health Services to all decile 3 secondary schools. Over the next four years this will see extra nurses embedded in schools, giving 55,000 at risk young people access to School-Based Health Services. These nurses will improve students' access to primary health services, undertake youth development checks, and refer students presenting with mental health problems for intervention and treatment. As in the existing School-Based Health Services, these new nurses will use the HEADSS wellness check. I want to see increased uptake of this tool in the sector. The Ministry of Health will promote it to all primary care practitioners.

15. I propose to build off the evaluated and effective AIMHI model (which combined nurses and youth workers in schools), by funding youth workers in selected low decile secondary schools. This initiative will expand the existing Multi-Agency Support Services in Secondary Schools service provided in South Auckland, Flaxmere and Porirua. I intend to place youth workers in an additional 10 decile 1-3 schools in these areas over the next three years, expanding coverage to a total of 27 schools. This will leverage our expansion of School-Based Health Services to provide, along with guidance counsellors, a strong support services team in each school. These youth workers will be specifically trained in working with young people with mental health issues.

16. Some of these embedded youth workers will also help to trial a promising programme called Check and Connect, which targets young people who have disengaged - or who are at risk of disengaging - from school.

17. Schools will be expected to take more responsibility for their students' wellbeing. The Education Review Office will be contracted to develop indicators that will help school boards to plan and measure progress towards this goal. The Education Review Office will then include these indicators in its regular review cycle. Over time, school boards should be able to demonstrate improvements in the school environment, such as decreases in bullying.

18. I want to further help schools by rolling out Positive Behaviour School Wide to all secondary schools. Positive Behaviour School Wide is a universal approach that focuses on teaching positive behaviour, communicating clear behaviour expectations and creating a school culture that supports responsibility for behaviour. It is our main response to the issue of problematic behaviours in schools and is intended to bring down further the rates of suspension, stand downs and exclusions.

19. In addition to this, I propose to pilot the FRIENDS programme in ten secondary schools. FRIENDS is designed to help build students' self-esteem and resilience, in order to help them cope with depression and anxiety. Both depression and anxiety are key risk factors for suicide. This evidence-based early intervention and prevention programme does not require specialist staff and can be run by teachers in the classroom as part of the curriculum. If the pilot is successful, the Ministry of Education will promote its use in all secondary schools.

20. The Ministry of Education currently provides around \$55 million per annum to schools for guidance support. The quality of guidance support varies considerably across schools and provides little focus on youth mental health. The Ministry of Education will contract the Education Review Office to review current provision, and will then develop a work programme to address issues raised by the review. These issues are likely to include funding, quality of provision, and accountability. My intention is that this funding will remain with schools, but be better used.

In the health sector

21. Primary health care will be made more responsive to young people through a range of mechanisms. Ring-fenced primary mental health funding will be expanded, so that access can gradually be opened up to more young people in this age group. The Ministry of Health will work to ensure that the additional funding is accessible not only at General Practitioner level, but also to School-Based Health Services and Youth One Stop Shops.

22. Primary health provision in general needs to be more youth friendly. Key characteristics of youth friendly services include convenient hours and locations - including the ability to drop in without an appointment - low cost or free access, specially trained and approachable staff, youth involvement in service design, the use of culturally appropriate approaches, and the maintenance of privacy and confidentiality. Co-located multi-disciplinary teams are useful, as they reduce the need for referrals.

23. We have some provision of this type, such as the Youth One Stop Shops, which have developed in response to young people's preferences. However, this provision is fragile and struggles for funding. The Ministries of Health and Social Development will support existing effective Youth One Stop Shops while work is undertaken to develop a sustainable youth-centred model of care. This support will include time limited funding for additional youth workers.

24. There will be higher performance expectations for Child and Adolescent Mental Health Services (CAMHS), including wait time targets. I want to see better post-discharge follow up from these services, with a single provider identified to provide follow up care post treatment. I also want to see integrated case management between CAMHS, Alcohol and Other Drug Services and other NGO agencies.

In families and the community

25. Parents, families and friends of young people need better access to authoritative information on youth mental health problems. When the people who are closest to young people are concerned about them, they should be able to get timely, easy-to-understand information that helps them to differentiate between normal adolescent behaviour and mental health problems. When problems are identified, then parents, family and friends need up to date information about what sort of help is available and where it can be found. I believe we can do better at providing this information and I have invited the Minister for Social Development to advise me how we can best meet this need.

26. As a group, disengaged young people have very high rates of mild to moderate mental illness. This is compounded when they come from low decile schools. I want to ensure, therefore, that all providers who are contracted by the Ministries of Education and Social Development to locate and work with truants and disengaged young people are offered training and information on how to recognise mental health issues and where and how to access help.

27. Whanau Ora has the potential to make a very strong contribution to improving youth mental health. In a new approach, two Whanau Ora provider collectives with mental health expertise will be contracted to work with 20 Maori and Pacific 12-19 year olds and their whanau/aiga over a two year period. The young people will be referred by school-based nurses, Child Youth and Family or the Youth Court. Providers will work to address their mental health needs, within the context of building leadership and capability within the whanau/aiga.

Online

28. The internet is a second home for the current generation of teenagers and their uptake of new technologies is very fast. Facebook, twitter and smartphones are now the media by which many people expect to undertake their transactions. We need to lift our game and make use of that aptitude. We have to change the way government does business and provides support for young people and their families.

29. Agencies will overhaul the mental health related resources they produce and ensure that they are youth friendly and technologically up to date. This work will include refreshing existing websites (such as Lowdown) and online resources (such as the Family Services Directory). Agencies will look at using new technology, such as Facebook and online pop-ups.

30. I am going to institute a new Social Media Innovations Fund, administered by the Ministry of Social Development as a public-private partnership. This new fund will help providers to better use social media (such as smartphone apps and Facebook-related outreach programmes) to improve youth mental health outcomes. We want to fast track the best ideas, knowing that while not every idea will work, many will and we can foster and grow real breakthroughs in this area. The Ministry of Social Development will work with providers to shape up innovative approaches, and will then match the providers with corporate and philanthropic funders. In addition to this brokerage, the government will contribute a small amount of seed funding where needed.

31. I also propose that we start providing internet-based e-therapy for young people. This is proving to be an effective and more accessible option for those with mild mental health issues. E-therapy will be supported by a modest awareness raising campaign. I envision something along the line of John Kirwan's *Get Through* depression campaign, aimed at young people.

Cross cutting supporting work

32. New Zealand's youth mental health system is complex, with many players. Referrals among these players are currently problematic. The Ministry of Social Development will lead a cross agency review this year to look at where the referral pathways aren't working well and recommend practice changes. I anticipate that lessons learned in the Social Sector Trial sites (Kawerau, Tokoroa, Te Kuiti, Taumarunui, Levin and Gore) will be useful for this work.

33. It is important to me that young people have input into the detailed design of the new programmes and services proposed in this package as we move towards implementation. The Ministry of Youth Development will run a targeted consultation with young people, beginning in May 2012.

34. Alcohol and drugs are significant factors in youth mental illness. My Chief Science Advisor has advised me that young people are particularly vulnerable to the misuse of alcohol and drugs and that their brains are particularly vulnerable to the long term effects of this misuse. We are tightening up access to alcohol for young people through the

Alcohol Reform Bill. In addition, however, I am concerned that we may be funding education programmes to tackle teenagers' drug and alcohol misuse that are not in line with the evidence for best practice and that may actually be harmful. The Ministries of Health and Education will lead a cross agency review of government funded activity targeting this age group.

Related work

35. This package of measures will complement the Mental Health Commission's new Blueprint for the Mental Health and Addiction Sector (due in May 2012) and a new Suicide Prevention Action Plan (which Minister Dunne is likely to bring to Cabinet in July 2012). The package is also likely to complement work by the Law Commission on regulation of the news media, which is intended to help tackle online bullying and harassment.
36. Other relevant government work streams include welfare reform, the White Paper on vulnerable children and Drivers of Crime.

Monitoring and evaluation

37. According to my Chief Science Advisor, there is a large and growing body of scientific knowledge available on effective interventions in preventing and treating youth mental health problems. However, success in an international context does not always guarantee success in New Zealand. It is therefore critical that the interventions in this package are rigorously monitored and evaluated for effectiveness and cost effectiveness before wide implementation.
38. I have directed my department to report back with an outcomes framework and monitoring and evaluation plan for this package in June 2012, and to undertake a review of this package in 2014.

Implementation oversight

39. I have directed my department to report back with governance arrangements for the implementation of the package in June 2012.

Consultation

40. The following agencies have contributed to the preparation of this package: Ministry of Health, Ministry of Education, Ministry of Social Development, Te Puni Kokiri and the Treasury.
41. Officials have consulted a wide range of health, education and social development frontline practitioners and other stakeholders in working up these proposals, including youth mental health workers, youth workers, school principals, Whanau Ora providers and truancy service providers. The Chair of the Mental Health Commission has been briefed on the package.
42. My Chief Science Advisor has chaired an expert reference group which has provided quality assurance on the research summary, as well as advice on the package during its development. The members of this group are Professor Sir Mason Durie, Associate Professor Sally Merry, Dr Russell Wills and Dr Peter Watson.

Financial implications

43. The total cost for this package is \$61.901 million over 4 years.

44. The cost of the Youth Mental Health package will be fiscally neutral overall, with funding to be sourced through reprioritisation within Vote Health, Education, Social Development and Maori Affairs baselines as follows:

- \$33.205 million over 4 years from Vote Health (of which \$8.000 million has already been announced under Drivers of Crime)
- \$15.963 million over 4 years from Vote Education
- \$12.253 million over four years from Vote Social Development
- \$0.480 million over 4 years from Vote Maori Affairs

45. Details of the changes to baselines required to implement this package will be included in the Budget 2012 Cabinet paper to be considered on 16 April 2012.

46. A breakdown of these costs by initiative is provided in the tables below. An additional four initiatives will be undertaken by agencies as part of their business-as-usual activity.

	\$m – increase (decrease)				
Vote Health	2012/13	2013/14	2014/15	2015/16	Total over four years
School-Based Health Services	1.650	2.250	3.025	3.000	9.925
HEADSS wellness check	0.200	0.200	0.000	0.000	0.400
Primary Mental Health Funding	0.800	2.400	2.600	5.500	11.300
E-therapy	1.430	0.550	0.250	0.450	2.680
Youth One Stop Shops interim funding	0.200	0.300	0	0	0.500
CAMHS and AOD follow up	0.200	0.200	0	0	0.400
CAMHS access (Drivers of Crime funding)	(2.000)	(2.000)	(2.000)	(2.000)	(8.000)
Total Operating	6.480	7.900	7.875	10.950	33.205

	\$m – increase (decrease)				
Vote Education	2012/13	2013/14	2014/15	2015/16	Total over four years
Positive Behaviour School Wide	3.638	2.588	3.168	2.568	11.962
Check and Connect	0.486	0.412	0.279	0.468	1.645
FRIENDS	0.179	0.338	0.643	0.946	2.106
Education Review Office contract	0.250	0	0	0	0.250
Total Operating	4.553	3.338	4.090	3.982	15.963

	\$m – increase (decrease)				
	2012/13	2013/14	2014/15	2015/16	Total over four years
Vote Social Development					
Youth Workers in Secondary Schools	1.486	2.529	2.319	2.319	8.653
Social Media Innovation Fund	0.500	0.500	0.500	0.500	2.000
Information for parents, family and friends	0.250	0.250	0.250	0.250	1.000
Social Support for Youth One Stop Shops	0.600	0	0	0	0.600
Total Operating	2.836	3.279	3.069	3.069	12.253

	\$m – increase (decrease)				
	2012/13	2013/14	2014/15	2015/16	Total over four years
Vote Maori Affairs					
Whanau Ora for Youth Mental Health	0.240	0.240	0	0	0.480
Total Operating	0.240	0.240	0	0	0.480

Human rights implications

47. No implications have been identified for the Human Rights Act 1993, the New Zealand Bill of Rights Act 1990 or the Treaty of Waitangi.

Legislative implications

48. These proposals have no legislative implications.

Regulatory impact and business compliance cost statement

49. A regulatory impact statement is not required.

Implications for some vulnerable groups of young people

50. Some subgroups of young people are at comparatively high risk of mental health problems. These groups include Maori and Pacific young people, young people with disabilities, gay, lesbian, bisexual and transgender young people, and young refugees. Some groups of young people also have particular barriers to accessing services – these have been identified, for example, for Maori and Pacific young people.

51. In addition, mild to moderate mental health problems are experienced slightly differently between young men and young women. Young women have a greater risk of depression and anxiety, whereas conduct disorders and ADHD are more common among young men.

52. These differences will be borne in mind during the implementation of the package. Some tailoring and testing of specialised approaches will be necessary. This package assists New Zealand to meet its obligations under the United Nations Convention on the Rights of the Child.

Publicity

53. I intend to announce this package on 4 April. My office will coordinate the associated publicity, with the expectation that the responsible Ministers are prepared to engage with the media. Officials will brief key stakeholders just prior to the announcement.

Recommendations

54. I recommend that Cabinet:

1. **Note** that I am proposing a package of measures to improve the mental health of young people aged 12-19 years, with mild to moderate needs
2. **Agree** to implement the following initiatives in schools over the next four financial years:
 1. Extension of the School-Based Health Services to decile 3 schools
 2. Increasing uptake of the HEADSS wellness check
 3. Provision of youth workers to expand the Multi-Agency Support Services in Secondary Schools service provided in South Auckland, Flaxmere and Porirua to cover 27 decile 1-3 schools
 4. Pilot of the Check and Connect programme for disengaged young people
 5. Development of indicators of student wellbeing by the Education Review Office and their inclusion in schools' regular review cycle
 6. Roll out of Positive Behaviour School Wide to all secondary schools
 7. Pilot of the FRIENDS programme in 10 secondary schools to tackle depression and anxiety
 8. Review of guidance support in schools
3. **Agree** to implement the following initiatives in the health sector over the next four financial years:
 1. Expansion of the dedicated primary mental health funding to more 12-19 year olds
 2. Interim support - including additional youth workers - for effective Youth One Stop Shops while the Ministry of Health develops a sustainable youth-centred model of care
 3. Increased performance expectations for Child and Adolescent Health Services, including wait time targets, and a review of youth Alcohol and Other Drug contracts and service provision
4. **Agree** to implement the following initiatives in families and communities over the next four financial years:
 1. Provision of better information to parents, families and friends on how to recognize mental health problems and where to get help
 2. Provision of information and training on mental health to providers working with truants and disengaged young people
 3. Pilot of two Whanau Ora provider collectives to work with young people with mental health problems (identified by school-based nurses, Child, Youth and Family or the Youth Court) and their whanau/aiga

5. **Agree** to implement the following initiatives online over the next four financial years:
 1. Update of mental health resources provided by government agencies
 2. A new Social Media Innovations Fund, administered as a public-private partnership, to allow key providers to use social media better to improve youth mental health
 4. E-therapy for young people, supported by a modest awareness raising campaign
6. **Agree** to implement the following cross-cutting initiatives over the next four financial years:
 1. Review of referral pathways within the mental health system
 2. Consultation with young people on the design of new programmes and services outlined in this package
 3. Review of government funded alcohol and drug education programmes for young people
7. **Note** that the total cost for this package is \$61.901 million over 4 years
8. **Agree** that the cost of the Youth Mental Health package will be fiscally neutral overall, with funding to be sourced through reprioritisation within Vote Health, Education, Social Development and Maori Affairs baselines as follows:
 1. \$33.205 million over 4 years from Vote Health (of which \$8.000 million has already been announced under Drivers of Crime)
 2. \$15.963 million over 4 years from Vote Education
 3. \$12.253 million over four years from Vote Social Development
 4. \$0.480 million over 4 years from Vote Maori Affairs
9. **Agree** that details of the changes to baselines in Votes Health, Education, Social Development and Maori Affairs required to implement this package be included in the Budget 2012 Cabinet paper to be considered on 16 April 2012
10. **Note** that I have directed the Department of Prime Minister and Cabinet to report to the Cabinet Social Policy Committee by 27 June 2012 with an outcomes framework, monitoring and evaluation plan and governance arrangements for the package
11. **Note** that I have directed the Department of Prime Minister and Cabinet to coordinate a review of this package in 2014
12. **Note** that I intend to announce this package on 4 April 2012.

John Key
Prime Minister