

The Treasury

Budget 2013 Information Release

Release Document

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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.

From: [7]
Sent: Tuesday, 2 April 2013 3:30 p.m.
To: ^MOF: Andrew Craig
Cc: [7] Hayley Hamilton; Fiona Carter-Giddings
Subject: Additional information following MSD/MOF Budget bilateral - 4 March 2013
Attachments: Additional information following Budget bilateral (22 March 2013).docx

Hi AC,

Attached is MSD's memo they sent up to Minister Bennett following the Budget bilateral on 4 March, responding to a number of questions raised at that meeting.

In our view the information provided doesn't change the broad decisions Ministers English and Bennett made at the bilateral, and discussed at Budget Ministers Meeting 2.


We have several comments on the MSD memo, detailed below. Please note we will also continue to engage with MSD on points raised in this memo.

Comments on MSD memo:

Vulnerable children

- Working with agencies to ensure the full fiscal impact of the implementation of the Children's Action Plan is visible to Ministers
- Costs for MSD have been reduced by \$0.620m in 2013/14 – these are being met through Vote Health.

Carers receiving Unsupported Child Benefit (UCB) or Orphan's Benefit (OB):

- The appropriate mechanism for providing additional support to recipients of UCB and OB will be worked through by a reference group. We are seeking clarification from MSD on timeframes for the establishment and report back of the reference group, and the implementation strategy.[6] 

[6]

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Historic Claims process and Confidential Listening and Assistance Service

- We are clarifying with MSD the financial implications of the goal to have all claims for those in state care prior to 31 December 1992 closed by 31 December 2020 (i.e. will this mean we stop funding from this year onwards).

Growing Up in New Zealand

- MSD currently has rights to non-identifiable data from the study, as do other funders of the study. MSD will also look to strengthen data access provisions from 1 July 2013. In addition to the strengthening of access, it may also be worth the Social Policy and Evaluation Research Unit (SuPERU) working with MSD to consider ways to encourage use of this data (for example, it may be able to help inform work on data for analytics as part of the new Performance Hub).

Family Violence Response Fund

- Based on the information provided by MSD, we continue to think two-year funding of this initiative is appropriate. Reassessment of further funding beyond two years should occur in line with progress of Vulnerable Children work.

Happy to provide further clarification if necessary.

Cheers,

[7] 

[7]  Analyst | Labour Market & Welfare | **The Treasury**

[3] 

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[12]



MINISTRY OF
SOCIAL DEVELOPMENT
Te Manatū Whakahiato Ora

memo

To: [7], Private Secretary
From: Emma Speight, General Manager
Date: 22 March 2013
Security level:

Information requested at Budget meeting on 4 March 2013

Action: For Information

The Minister for Social Development and the Minister of Finance met on 4 March 2013 to discuss the Vote Social Development Budget package. This memo provides additional information to respond to a number of questions raised at the meeting on the following initiatives:

- the Children's Action Plan
- additional targeted assistance for carers receiving Unsupported Child Benefit or Orphan's Benefit
- [6]
- Resolution of Historic Claims and the Confidential Listening and Assistance Service
- Growing Up in New Zealand Study
- Family Violence Response Fund.

How much funding is being reprioritised by all agencies to contribute to implementation of the Children's Action Plan?

Agencies are fully engaged and are contributing significant in-kind resources of time and people to ensure progress in the implementation of the Children's Action Plan. A total estimate of reprioritised funding across Government is not currently available. However, if required, the Children's Action Plan Fiscal Team could produce an estimate of the costs being met from agency baselines for 2012/13 and 2013/14. This would include costs relating to policy development, implementation, staff and the demonstration sites.

Funding for implementing the Children's Action Plan in 2012/13 will be met from the \$3m that Cabinet has set aside in the Vulnerable Children's Contingency Fund and from agency baselines. Funding for the 2013/14 year is being sought in Budget 2013 (\$8m for operating costs and \$3m for capital costs) and will also be met from agency baselines. It is likely that reprioritisation of funding will be required as Children's Teams establish the needs of particular groups of children.

Agencies will be operating on the basis that as funding needs emerge and are quantified they will be met by reprioritisation. In year one we estimate Health costs will be approximately \$0.750m, rising to \$2.06m in 2014/15.

Officials are also developing a process for identifying and meeting future funding requirements. It is proposed that from July to September 2013 the Interagency Fiscal Team will undertake further work to:

- identify capital costs (for example building the Vulnerable Kids Information System), and options for addressing these costs including reprioritising projects within agencies' capital programmes, agencies collectively pooling money to fund new capital items and future Budget bids
- identify the start-up costs that will be incurred in future years (2014/15 onwards) and opportunities for reprioritisation before seeking any new funding for these costs.

It is also proposed that the Interagency Fiscal Team will provide reports on capital costs, and ongoing operating costs for 2014/15 and outyears, to the Vulnerable Children's Board and Ministerial Oversight Group in October 2013.

Is there further information about the policy proposal for targeted assistance for carers receiving Unsupported Child Benefit or Orphan's Benefit?

Policy work is underway to deliver additional targeted assistance for carers receiving Unsupported Child Benefit (UCB) or Orphan's Benefit (OB). [6]
with provision of \$5m in the first year (2013/14) and \$10m per year thereafter.

[6]

A Reference Group will be established to advise on the development of options for making additional assistance available to carers receiving OB or UCB. The Reference Group will have regard to financial constraints. The desired outcome is the development of options which are supported by Reference Group members, who will have liaised with their community contacts and memberships to determine how best to meet the financial need of OB and UCB recipients, given the funding available.

[6]

What are the timeframes and plans for the completion of the Historic Claims process and the Confidential Listening and Assistance Service?

Our goal is to have all historic claims (for those in state care prior to 31 December 1992) closed by 31 December 2020. MSD's strategy to achieve this will be in two phases.

Phase One (2013 – 2015)

From 2013 to 2015 we will be putting the key components in place to ensure that we have the most effective and efficient system to assess and manage the resolution of historic claims without compromising the integrity of the process. Key components include:

- improving our capability and capacity to more effectively and efficiently manage claim processes (eg streamlined processes, increased use of technology)
- enhancing our information system so we can accurately predict the number of likely claims brought that will need resolution by 2020
- assessing the viability of settling the outstanding 324 filed claims by way of a group settlement (we will report in December 2013 on this approach)
- developing and testing different approaches to resolution (eg settling claims by group)
- providing six-monthly progress reports to the Minister for Social Development on trends in new claims filed and claims settled, and potential barriers to achieving our goal
- working with DIA on future options for CLAS and the implications for MSD's claims. The Minister of Internal Affairs will report by December 2013 on possible options.

Phase Two (2016)

By June 2016 we will:

- confirm the number of claims likely to require resolution
- confirm a communications strategy for claimants, potential claimants and partner agencies and organisations – so “no surprises” for a four year lead in
- report no later than June 2016 with viable options to close all claims including the costs, benefits and risks with each option and recommend the most cost effective way to close all claims
- identify how exceptional cases (those claims that might be brought after 2020) might be addressed by the Crown.

Treasury has noted that it will work with MSD to ensure our commitment to the 2020 deadline.

What does the Growing Up in New Zealand Study contract specify about ownership and access to data by agencies?

Under the current agreement the University of Auckland holds the data collected by the study and owns any intellectual property rights derived from it. The Ministry of Social Development (MSD) has a perpetual and irrevocable license to exercise the intellectual property rights including access to non-identifiable data from the Study.

This agreement also provides that:

- MSD and other “significant” funders will not be required to pay for data access, but “significant” is not formally defined (“significant” has been interpreted to date as all government funding agencies)
- data access is granted to any researcher for the purpose of producing and publishing high-quality research (data access must be for a specific research proposal and will be time-limited to each proposal)
- MSD is able to make fast-track data requests on an as-needed basis.

Agencies who have not funded the Study will be required to pay for data access on a cost-recovery basis. However, because the Families Commission has funded the Study in the past, the Social Policy and Evaluation Research Unit (SuPERU) would get free access to the data.

Data access provisions will be strengthened when the next contract is negotiated (by 1 July 2013), in line with the recommendations of the recent review of the Growing Up in New Zealand Study. The review team recommended that:

- a protocol be prepared and agreed in early 2013 permitting academics, policy makers and others with a valid interest in the findings (such as SuPERU) access to the data from the Study
- the Study should seize the opportunity to link its findings with other data both acquired routinely (B4 school checks for example) and from other relevant sources
- Crown contracting agencies need to strengthen their articulation of policy intentions and make clearer the precise questions which need to be addressed by the study to ensure it generates data that valuably informs policy development.

The Crown is represented on the Study’s Data Access Committee and going forward SuPERU could act as this representative.

Advice on funding approach for Growing Up in New Zealand

Advice on funding for GUINZ has consistently signaled that:

- efforts would be made over time to source funding for the Study from external sources including contestable sources such as the Health Research Council of New Zealand, international research foundations, philanthropic trusts and private business)
- this would be facilitated by the fact that the Study would become increasingly attractive to external sources of support over time.

However, advice has also signaled that:

- a long-term funding model would likely require a mix of sources
- the long-run value of the Study is contingent on making sufficient initial investment to provide a secure foundation for the Study
- the recession may have, at least temporarily, hampered the prospects of raising funds from external sources.

Potential linkages between GUINZ, SuPERU and the Analytics Centre

The independent review recommended that:

- an agreed pooled funding stream should be channelled through a single agency which will oversee the application and impact of the research funding and possess the relevant experience and policies to manage research partnerships with policy stakeholders
- the Study is governed in partnership between the Crown and the University of Auckland by an Executive Board reporting on the Crown's interests through SuPERU.

The Minister for Social Development has previously stated that the management of GUINZ will be taken on by SuPERU. This can be formalized through the process of Statement of Intent development for the Families Commission, once SuPERU is established.

Much social research relies on ad hoc data collection, which is not always efficient or particularly effective. Over time the Study presents valuable opportunities to combine the quality and depth of the Study dataset, with administrative datasets detailing families' interactions with government agencies. This has already occurred with health sector administrative data on birth outcomes and infant development. Links with other administrative datasets will be made as the children grow and develop. These combined datasets will be powerful pieces of New Zealand's research infrastructure.

What are the resolution rates for the Family Violence Response Fund?

This fund enables more than 30 local networks made up of over 1,000 family violence prevention agencies across New Zealand to focus on improving service delivery and family violence prevention through local collaboration. The funding is not for work with individuals and families.

Family violence networks provide leadership on family violence prevention in communities, resulting in more effective services and, improved safety and accountability at a community level. Networks help to maintain collaboration and contribute towards positive changes in attitudes and behaviours to family violence