

# The Treasury

## Budget 2011 Information Release

### Release Document

June 2011

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# Cabinet Social Policy Committee

## Minute of Decision

SOC Min (11) 5/5

Copy No: 27



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## Budget 2011: Vote Social Development Priorities

Portfolio: Social Development and Employment

On 23 March 2011, the Cabinet Social Policy Committee (SOC):

### Protecting our children

- 1 **noted** in April 2010, Cabinet established a Ring-Fenced Fund for Family Support Services of \$122.307 million over four years (including \$35.673 million per annum in outyears) [CAB Min (10) 13/4(42) initiative 6467];
- 2 **noted** that:
  - 2.1 in April 2010, Cabinet agreed that the Minister for Social Development and Employment continue to work with Social Sector Ministers on proposals to draw down on the Ring-fenced Fund [CAB Min (10) 12/12];
  - 2.2 in September 2010, SOC directed the Ministry of Social Development to work with the Ministry of Education, the Ministry of Health, and other Drivers of Crime agencies such as Te Puni Kokiri and the Ministry of Justice, to progress the development of proposals to protect the most vulnerable children in State care [SOC Min (10) 23/6];
- 3 **noted** that the Protecting Our Children package will be submitted as part of Budget 2011;
- 4 **noted** that the total cost of the Protecting Our Children proposals is \$32.237 million over four years, which is to be funded from the Ring-Fenced Fund for Family Support Services referred to in paragraph 1;
- 5 **noted** that the Ministry of Social Development, the Ministry of Health, and the Ministry of Education will jointly report to Social Sector Ministers and the Minister of Finance on what arrangements will be put in place to monitor and evaluate the Budget 2011 Protecting Our Children initiatives by 14 September 2011;
- 6 **agreed** in principle to the *Expansion of Gateway Assessments* proposal set out in the submission under SOC (11) 14, subject to funding from the Ring-fenced Fund for Family Support Services being approved as part of the final Budget package;
- 7 **agreed** in principle to the *Mental Health Services for Children in Care* proposal set out in the submission under SOC (11) 14, subject to funding from the Ring-fenced Fund for Family Support Services being approved as part of the final Budget package;

- 8 **agreed** in principle to the *Funding for Early Childhood Education for Children aged 18 months to three years old in State Care* proposal set out in the submission under SOC (11) 14, subject to being approved as part of the final Budget package;
- 9 **agreed** in principle to the *Expansion of HIPPY (Home Instruction Programme for Preschool and Youngsters)* proposal set out in the submission under SOC (11) 14, subject to being approved as part of the final Budget package;
- 10 10.1 **noted** that in October 2010, Cabinet agreed to an allocation of \$350 million for Vote Education from the operating allowance [CAB Min (10) 38/11];
- 10.2 **agreed** that the funding for Early Childhood Education for Children aged 18 months to three years old in State Care and Expansion of HIPPY (Home Instruction Programme for Preschool and Youngsters) proposals set out in the submission under SOC (11) 14 will count against the Vote Education operating allocation referred to in paragraph 10.1;
- 11 **agreed** in principle to the *Parenting Support Services for Family and Whanau carers* proposal set out in the submission under SOC (11) 14, subject to funding from the Ring-Fenced Fund for Family Support Services being approved as part of the final Budget package;

### Youth Employment Package

- 12 **noted** that a Youth Employment Package has been developed to help address some of the barriers to work faced by youth;
- 13 **agreed** that the Ministry of Social Development implement a Youth Employment Package that contains the following programmes:
- 13.1 Skills for Growth – a subsidy for employers in targeted industries to provide employment and training towards an industry-recognised qualification;
- 13.2 Job Ops with Training – a subsidy to pay for wages and training for a six month placement;
- 13.3 additional places for the Limited Service Volunteers programme;
- 13.4 [2]
- 14 **noted** that the total cost:
- 14.1 [2]
- 14.2 [2]
- 15 **agreed** that a minimum of 1,000 clients be assisted via Skills for Growth each year for the 2011/12 to 2014/15 financial years;
- 16 **agreed** in principle that \$17.2 million be allocated over four financial years for Skills for Growth be met from reprioritised Industry Partnerships funding under the Employment Assistance appropriation, subject to being approved as part of the final Budget package;
- 17 **agreed** that a minimum of 3,000 Job Ops with Training places be made available for the 2011/12 financial year;

18 **agreed** in principle that \$13 million for Job Ops with Training places for the 2011/12 financial year be met from uncommitted funds and underspends in the Employment Assistance appropriation and reprioritised Skills Investment Subsidy funding, subject to being approved as part of the final Budget package;

19 [2]

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24 **noted** that the Skills for Growth and Job Ops with Training places will become available from 1 July 2011;

25 **noted** that the Limited Service Volunteer programme already has funding from 1 July 2011 to the end of December 2011 and that further Limited Service Volunteer places will be available from 1 January 2012;

26 **authorised** the Minister of Social Development and Employment to approve operational changes to the Youth Employment Package, as well as changes required to implement the package, in keeping with the overall aims of the package;

### **Community Response Contingency**

27 **noted** that in April 2009, Cabinet:

27.1 agreed to move \$104.033 million of unallocated Pathway to Partnership funding into a Community Response Contingency to respond to urgent funding issues in the non-government organisation sector, with Cabinet to approve the policy for draw-down [CAB Min (09) 13/8(56)];

- 28 **noted** that in September 2010, SOC agreed that funding of \$10 million in total be drawn down from the Community Response Contingency to Vote Social Development to provide additional support for persons affected by the Canterbury earthquake of 4 September 2010 as follows:
- 28.1 a capped fund of \$2.5 million for trauma counselling;
  - 28.2 a Canterbury Earthquake Community Response Fund of \$7.5 million to support non-government agencies delivering critical community-based services and facing earthquake related funding pressures;
- [SOC Min (10) 21/6]
- 29 **noted** that the funding for trauma counselling and the Canterbury Earthquake Community Response Fund expires on 30 June 2011;
- 30 **noted** that on 29 November 2010, Cabinet agreed to amend the criteria for the Canterbury Earthquake Community Response Fund to allow funding to be used to support community organisations providing counselling services in response to the Pike River Mine tragedy [CAB Min (10) 43/22];
- 31 **noted** that in February 2011, Cabinet considered a paper on the welfare package to respond to the earthquake of 22 February 2011 and noted that it would receive further advice about other social support, specialist assistance, and specialist case management required to respond to the 22 February earthquake [CAB Min (11) 9/8];
- 32 **noted** that with one round remaining of the Community Response Fund, \$52.275 million of the original \$104.033 million remains in the Community Response Contingency;

### Trauma counselling

- 33 **noted** that:
- 33.1 the \$2.5 million provided in September 2010 for trauma counselling to victims of the Canterbury earthquake is sufficient to provide counselling until 30 June 2011;
  - 33.2 demand is expected to continue beyond June 2011;
- 34 [2]

### Canterbury Earthquake Community Response Fund

- 35 **noted** that the criteria for the Canterbury Earthquake Community Response Fund currently are that:
- 35.1 the Fund supports non-government organisations delivering critical community-based social services in Canterbury that are facing earthquake related service pressures [CAB Min (10) 21/6];
  - 35.2 all applications should:
    - 35.2.1 be from not-for-profit community organisations delivering critical services to families, children, young and/or older people;

- 35.2.2 respond to issues arising from the Canterbury Earthquake and the Pike River Mine tragedy which affect families, children, young people, and older people in the respective region or community;
- 35.2.3 the services for which funding is sought contribute to one or more of the following: family violence; child abuse and neglect; budget and financial advice; sexual violence; early intervention for vulnerable and at-risk children and families; families under stress; vulnerable and at-risk young people; vulnerable and at-risk older people;
- 35.2.4 acknowledge that the grant is “one-off” funding to respond to the emergency pressures associated with the earthquake or with the mine tragedy;
- 35.2.5 confirm that the proposed grant holder organisation is financially viable, but for the requested funding, and has effective governance and management;
- 35.2.6 describe how the additional funding will assist providers of critical social services to respond to social service needs resulting from the earthquake or the mine tragedy

[SOC Min (10) 21/6 and CAB Min (10) 43/22]

36 **agreed** to the following amendments to the criteria of the Canterbury Earthquake Community Response Fund to introduce greater flexibility in who the Fund can support in the delivery of earthquake-related social services:

- 36.1 the Canterbury Earthquake Community Response Fund (the Fund) supports critical social service responses to the Canterbury and Christchurch earthquakes;
- 36.2 the Fund will fund:
  - 36.2.1 applications from not-for-profit community organisations; or
  - 36.2.2 proposals from social service providers;
- 36.3 the services must be in response to critical social service issues arising from the Canterbury and/or Christchurch earthquakes or the Pike River Mine tragedy and must contribute to one or more of the following: family violence; child abuse and neglect; budget and financial advice; sexual violence; early intervention for vulnerable and at-risk children and families; families under stress; vulnerable and at-risk young people; vulnerable and at-risk older people;
- 36.4 all providers who receive funding must :
  - 36.4.1 acknowledge that the grant or contract is “one-off” funding to respond to the emergency pressures associated with the earthquakes or with the mine tragedy;
  - 36.4.2 confirm that they are financially viable and have effective governance and management;

36.4.3 describe how the additional funding will assist them to respond to social service needs resulting from the earthquakes or the mine tragedy;

37 **agreed** to extend and expand the Canterbury Earthquake Community Response Fund beyond 30 June 2011 to enable it to support:

37.1 the continuation and expansion of Canterbury Recovery Support Service coordinators and case management;

37.2 critical social service responses to the Canterbury and Christchurch earthquakes;

38 [2]

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### **Community Response Fund – funding the sixth round**

40 **noted** that:

40.1 [2]

40.2 this round closed on 25 February 2011 and applications are now being processed;

41 [2]

42 **noted** that any funding not drawn down when the Contingency ends on 30 June 2011 is returned to the Crown;

### **Impact on counselling services in response to the Pike River Mine tragedy**

43 **noted** that if Cabinet agrees to the continuation of the Canterbury Earthquake Community Response Fund into 2011/12, the Fund will continue to be available to support community organisations providing counselling services in response to the Pike River Mine tragedy [CAB Min (10) 43/22];

### **Costs of overnight stays by carers (Sleepovers)**

44 **agreed** in principle that \$2.4 million per annum to meet the future liability arising from the 'Sleepovers' case be funded as part of the savings options within the Vote Social Development budget package, subject to being approved in part of the final Budget package;

### **Employment assistance**

45 **agreed** in principle to an additional \$15 million in employment assistance for the 2011/12 financial year, [2] to be funded from savings options, subject to being approved as part of the final Budget package;

- 46 **agreed** in principle to an additional \$5 million in employment assistance for the 2011/12 financial year be dedicated toward reconstruction in Canterbury;

### Children's Action Plan

- 47 **agreed** in principle that \$0.8 million in the 2011/12 financial year and \$0.8 million in the 2012/13 financial year from savings options be used to development and implement a Children's Action Plan;

[2]

### Policy savings proposals

- 49 **noted** that the Minister of Social Development and Employment has identified a number of areas of poor quality social spending to be reprioritised in order to generate funding for other priorities:

[2]

49.2 three initiatives to get better value from Disability Allowance expenditure;

- 50 **invited** the Minister of Social Development and Employment to report to Cabinet on these by 4 April 2011, including further information on:

[2]

50.2 updated information on pharmaceuticals and alternative medical treatments covered by the Disability Allowance;

### Overall funding position

- 51 [2]

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- 53 **noted** that a final decision on the proposals set out above, including agreement to financial recommendations, will be made when the Minister of Finance presents the final Budget package to Cabinet in April 2011.



**Present:**

Hon Bill English  
Hon Tony Ryall (Chair)  
Hon Judith Collins  
Hon Anne Tolley  
Hon Georgina te Heuheu  
Hon Paula Bennett  
Hon Phil Heatley (part of item)  
Hon Kate Wilkinson  
Hon Hekia Parata  
Hon Tariana Turia

**Officials present from:**

Office of the Prime Minister  
Officials Social Policy Committee  
Office of the Minister for Social Development and  
Employment  
Ministry of Social Development