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**MINISTRY OF SOCIAL
DEVELOPMENT**
TE MANATŪ WHAKAHIATO ORA

Ministry of Social Development Budget 2014: Four-year Plan

Covering:

Votes Social Development and Senior Citizens

FINAL

8 May 2104

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MINISTRY OF SOCIAL DEVELOPMENT STRATEGIC DIRECTION SUMMARY

What we aim to achieve

A clear purpose: We help New Zealanders to help themselves to be safe, strong and independent.
A focus on results: Welfare valuation, Better Public Services targets, rebuilding Canterbury, and fiscal sustainability.

OUR STRATEGIC DIRECTION

MSD is moving to a people-centred operating model: We will move progressively towards service delivery and purchasing models that put New Zealanders at the centre and tailors support based on a richer, data-driven understanding of their needs, and consideration of who is best placed to deliver services.

How we are changing what we do to achieve our strategic direction

<p>Welfare Reform based on an Investment approach, using an actuarial valuation to segment beneficiaries and shift resources and approaches to the greatest return on investment.</p>	<p>Investing in Services for Outcomes, with a new strategic investment framework to guide purchasing decisions, streamlined contracting, and a more effective back office.</p>	<p>Children in care improvements, including better managing intake, workloads, caregivers, and transition out of care.</p>	<p>Housing needs assessment transfer, and a shift towards being an active purchaser of social housing.</p>	<p>Cross-agency models including Social Sector Trials, Children's Teams, and Better Public Services to better integrate government services for clients.</p>	<p>Fraud reform and debt recovery to better prevent and detect welfare fraud.</p>
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How we are enabling change to achieve our strategic direction

Modernising MSD's ICT platform and establishment of a Data Hub: Enabling us to share more information across agencies and develop consolidated data analytics capability to provide an integrated view of people we work with and the ability to segment, predict, and learn what works for people over time.

The Simplification Programme: Making business processes for transactional services more efficient and people-centric, to free up front line people for user-facing activities, and exploring changes to the Social Security Act (where needed) to achieve this.

Strengthening our corporate backbone: Upgrading systems and capability to manage MSD's business, ensuring the integrity and security of our systems and people, implementing Enterprise Governance, and better understanding our cost drivers and cost structure.

Building our Culture & Leadership: Embedding MSD's principles and building a more constructive culture and leadership style, and continuing to enhance our cross-agency leadership role.

Six principles of MSD people

All own what we all do	Take responsibility for what we do	Understand our role in the big picture, who can help us and who we can help	Navigate through ambiguity and the opportunity it brings to create better ways of doing things	Act with integrity, courage and transparency	Celebrate our achievements and those of the people we work with
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A. MSD is establishing the foundations for a new people-centred operating model to achieve our purpose

“We help New Zealanders to help themselves to be safe, strong and independent.”

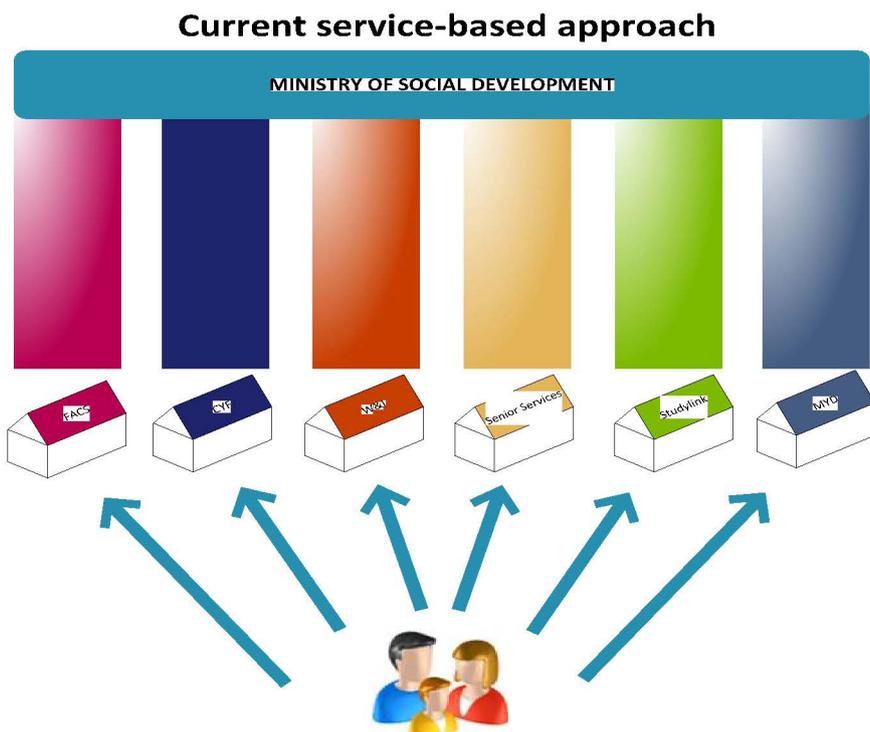
1 The environment we operate in is changing

- 1.1 New Zealand is experiencing significant changes that will require us to change the way we work in the future. New Zealand’s population is ageing and the ethnic mix is becoming more diverse. New Zealanders expect us to be more responsive and take advantage of new technology to make services more accessible and convenient for them.
- 1.2 We’ve been set challenges by the Government through Better Public Services (BPS) to be smart in targeting services with the help of cross-sector collaboration. Better technology and the changing service mix mean we know more about the people we work with, and we can use this to deliver more effective services.
- 1.3 All these factors require our workforce to develop different skills and capabilities in new areas, so we need to look at a mix of upskilling (driven by culture and leadership), new partnerships and how we contract services from other agencies. This changing environment provides us with opportunities to work differently and develop a sustainable integrated operating model.
- 1.4 In four years’ time we will have the basis for an integrated operating model that is people-centred and accessible. However, we will not be able to achieve comprehensive service delivery change alone. To achieve the best result for New Zealanders to be safe, strong and independent we will need to expand the scope of our sector collaboration to provide individuals and families with the right mix of service.
- 1.5 Putting New Zealanders at the centre of our operating model is the right thing to do. Through our investment approach we will be testing our own abilities and identifying who is best placed to deliver services. This may be another government agency, a non-government organisation (NGO) or the community. There will be more contestability in the system and this may mean that the mix of contracts among current service providers changes.
- 1.6 Joining up our services across the Ministry and using information better means that some services will no longer be offered, or will only be accessible to a few. For some people we work with this may be seen as toughening up and may lead to resistance from these people. Overall, these changes will mean that New Zealanders are getting the services that are most appropriate to their needs.

2 We currently have multiple service delivery models

- 2.1 MSD is an organisation with a strong track record of delivering a wide range of services that impact on nearly all New Zealanders. However, in the current environment of ongoing fiscal constraint we must continue to innovate if we are to be able to deliver sustained improvement in results.

- 2.2 Our current service-based approach means our interactions with New Zealanders can be siloed, with services often working in isolation from one another. Interactions with providers are also siloed and many have multiple contracts with us. As a result New Zealanders and providers have to interact with us in a range of ways to get their needs met.
- 2.3 The current approach to service delivery is based on the expansion of functions transferred in response to specific pressures over time. This historical evolution has resulted in a strong service-line focus on results, but has also led to interactions with New Zealanders often being fragmented across service lines, relying on ad-hoc information sharing processes, and/or the users having to join up services themselves. There are duplicated resources and inconsistent processes, creating inefficiencies and barriers to delivering optimal results.
- 2.4 The Ministry has undertaken significant change programmes to deliver innovations within each service line. In some cases, such as the actuarial valuation used in Welfare Reform, these innovations are world-leading. However, we need innovation that removes silos in order to create a sustainable operating model actively managing the total costs to the Crown, while delivering better results for New Zealanders.
- 2.5 Early evidence from the actuarial valuation also shows us that the people that use our services most during their lives come into contact with MSD as children – therefore we need to take a long term approach to providing the right services to them.
- 2.6 The integration of services gives us the best opportunity to provide New Zealanders with holistic services that better meet their needs and reduce the number of times they need to see us. Administrative efficiencies will be achieved through the reduction of duplicated systems and processes. For some people, this joining up may not be welcome, and we will need to manage concerns about how we use our information.



3 Now we need to seize the opportunity to address our challenges

3.1 We will be changing the Ministry's operating model to address the following challenges and deliver the best results for New Zealanders to help themselves to be safe, strong and independent:

- It is a significant challenge to manage our **costs** within existing baselines as financial pressures increase driven by population changes, operational demands and inflation. To date we have been able to manage pressures through our Value for Money (VfM) Programme. Opportunities for quickly realisable savings have all but been exhausted. Remaining options to further reduce costs are likely to lead to unacceptable operational risks. Fundamental changes to how we work are therefore required to live within our decreasing baseline. The development of comprehensive cost driver models that can be used to cost, forecast, compare and benchmark key processes is underway.
- We also need to clearly identify whole of MSD priorities and have **integrated decision making systems** that allocate and prioritise investments and resources to progress priorities.
- Current **Information and Communication Technology (ICT) tools** are made up of applications that were initially designed 20 years ago and have been modified over the years to cope with multiple changes in policy. We have duplicate systems that are not integrated across the different services that the Ministry provides. To continue the services we offer in a more effective and efficient way we need to move from a fragmented platform to one that is integrated.
- There is value in the **data** we currently hold and we have repeatedly been able to make accurate predictions about where and when our services are needed, but the quality of our data can be variable. We need to collect more reliable data and use this asset more effectively to assist us in making well-informed decisions. We will increasingly use data analytics to understand which New Zealanders will benefit from our services and target our services to achieve better results.
- The changing environment is altering the skills and capability required by our **workforce**. The people we work with want a seamless service that meets all their needs and to interact with us online where appropriate. We need to develop a more mobile and flexible workforce, less bound by traditional ways of working. We also need to consider whether we deliver services directly or through our business and community partners.

4 As a Ministry we are in a strong position to solve these challenges

4.1 We have a proven track record for delivering change. We are good at testing options for changing our operating model and implementing the right change. We are agile with a well-deserved reputation for getting the job done.

We know the New Zealanders we will be helping

4.2 The 65+ age group is forecast to increase by an average of 130,000 people every five years between 2011 and 2031. The number of **New Zealand Superannuation** (NZ Super) recipients is forecast to increase by 22,000 per annum reaching 715,000 by June 2017. As volumes increase, efficiencies in serving people will be our key strategy for reducing delivery costs.

- 4.3 The inflated and discounted estimate of the **current benefit liability** at 30 June 2013 was \$76.5 billion. The average lifetime liability for someone receiving Jobseeker Support is \$116,000. However, the average lifetime cost for someone in receipt of the young parent payment (YPP) (aged under 19 years) is \$246,000. This information is helping us to rethink our operating model to invest resources in young people at risk of moving on to the YPP.
- 4.4 We are continuing to implement Welfare Reform and manage expenditure through the Investment Approach and will increasingly use our data to target our services more effectively. With the Treasury we have estimated that over the five years to June 2017 Welfare Reform could reduce expenditure by between \$1 billion and \$1.6 billion¹.
- 4.5 In 2012 we paid **student allowances** to just over 96,900 students, and **student loans** to just over 200,000 students. Being as efficient as possible in administering services is our strategy for managing costs with policy settings determined by Inland Revenue (IR) and the Ministry of Education.
- 4.6 We fund approximately 2,400 **social sector organisations** a total of \$530 million (4,400 contracts). Investing in Services for Outcomes (ISO) has achieved a 78 per cent reduction in the number of contracts for 72 large providers (receiving more than \$1 million) by establishing one cross-MSD contract. We will continue looking to get the best results from this expenditure through ISO.
- 4.7 **Operationally** our service lines handled the following work volumes during 2012/13:
- Child, Youth and Family (CYF) received 148,209 notifications of abuse or neglect, with 63,120 needing further action, of which 21,778 represented substantiated abuse findings
 - Work and Income received around 2 million applications for assistance, conducted 1.5 million face-to-face interviews and took around 7 million phone calls
 - 148,040 Student Allowance applications and 241,319 Student Loan applications were processed
 - Support was provided to 626,000 NZ Super recipients and 58,822 new NZ Super applications were received.
- 4.8 The key work to manage the cost increases driven by this demand growth includes ongoing VfM initiatives, the Simplification Project, Fraud Reform and the Data Analytics Hub.

We have better data and information than we've ever had

- 4.9 We have reliably forecast Crown expenditure trends for Benefits or Related Expenses over the period of this plan using key macroeconomic assumptions provided by the Treasury. Forecasts incorporating the latest data trends are generally produced twice-yearly. Over the last four to five years the range of revisions has been between \$0.2 and \$1.6 billion (except during March 2009 due to

¹ At the time of writing the 2013 valuation results were not finalised.

the impact of the Global Financial Crisis). The \$1.6 billion adjustment was just over 2 per cent of the total spend at the time.

- 4.10 Data generally, and the information it provides, is one of the Ministry's most significant assets. It is available to us both from internal and external sources and interrogation of this data provides us with information to make solid decisions and investments. We are using the data to inform investment in Welfare Reform; calculate actuarial valuations; and in a predictive risk model across the sector to identify children likely to be at risk. Data links with other agencies, both those within central Government and NGOs, will be expanded over the period of this Plan.
- 4.11 Our success is reliant on public trust and confidence in our ability to manage information responsibly. We will continue to effectively and sensitively manage, use, share, protect and destroy the information we hold. Protection of confidential information is paramount to our processes.
- 4.12 We understand our cost drivers in specific service lines and have used this information to better model business processes. As part of the investment approach for working age beneficiaries we have information on the cost to serve Work and Income service users. The cost of the services and processes are known for key cohorts of beneficiaries. Over the period of this Plan this work will be extended through a cost driver project and coordinated across the whole of our operations.

We are refreshing our outcomes and have refreshed our purpose and principles to drive integration

- 4.13 Our refreshed outcomes will reflect the need for us to optimise returns for New Zealand through investing in people, so that New Zealanders help themselves to be safe, strong and independent.
- 4.14 We have refreshed our purpose and principles to ensure these reflect the culture that we need to achieve integrated operating model – a culture of action and responsibility that builds on and supports high-performing teams across the Ministry. We are actively shaping a culture that fosters high levels of motivation, collaboration and service quality.

We are ensuring services are delivered by the right provider

- 4.15 We are focussing on supporting NGOs and communities to become stronger, more adaptable and more sustainable to make sure services make a real difference to individuals, families and communities. We are introducing a Strategic Investment Framework to support sector sustainability that recognises the intrinsic value of NGO providers as part of ISO.
- 4.16 Stronger NGO contracting and delivery over the next four years will support vulnerable people to be better equipped to help themselves.

5 We have identified the key components that will underpin a new MSD operating model

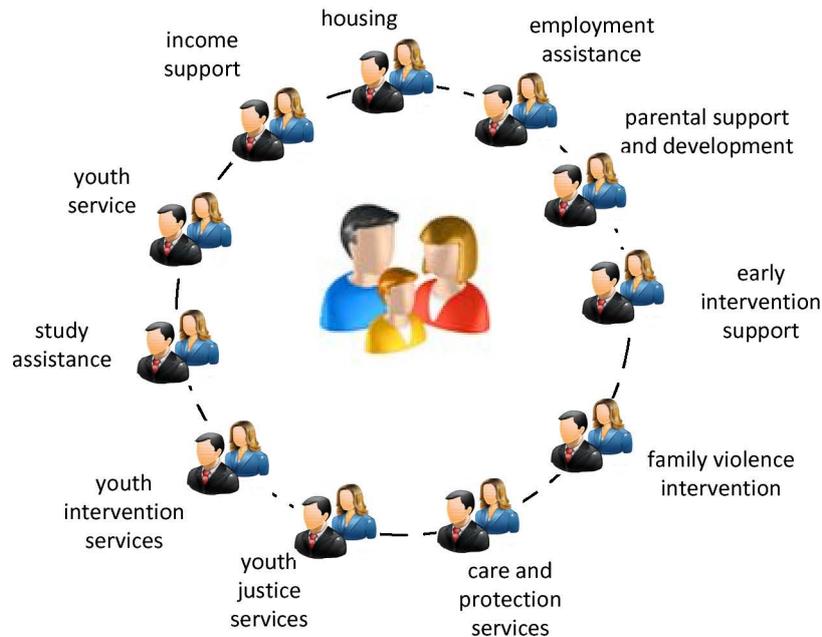
- 5.1 The key components we need to invest in to provide the foundation for an integrated operating model are:
- strengthening our culture and leadership capability

- developing a flexible, agile workforce
 - enhanced technology and improved data quality
 - business processes that are designed from the user's perspective.
- 5.2 These components will build on what we have learnt from driving innovation and improving service delivery in our current operating models.
- 5.3 We will use our **common purpose, values and culture** as drivers to move operating models from being in silos by function or service, to having New Zealanders at the centre. This will allow us to provide a seamless service, collect information once, better coordinate services and give people greater flexibility in how and when they access services tailored to their needs.
- 5.4 **Leadership capability** is critical in achieving an integrated operating model. It is the single most critical driver of successful change and is instrumental in effecting the desired shifts in our culture. Good governance at all levels will be required. We are relying on our managers and leaders to drive and champion change at all levels of the organisation to enable us to move forward with increased productivity, innovation and agility to achieve our desired outcomes.
- 5.5 The Ministry needs the flexibility to shift resources to where they will make the most difference. In order to deliver our new operating model we will need a **flexible agile workforce** (including our specialist skills) that can be deployed to different parts of the business to respond to changing demands. We will also need to identify where alternative providers deliver better results for New Zealanders. Aligning transactional processing across all service lines will allow us to have a central processing and data analytics workforce supporting frontline colleagues.
- 5.6 To deliver a people-centred model we will increasingly rely on **enhanced technology, data and information**. The future configuration will be driven by an integrated view of New Zealanders, services and products. Reliable data and technology that improves the inputs to predictive analytical tools will support us to make better informed decisions. Effective targeting of services to people will better address their needs and create efficiencies. Protection of confidential information will be paramount in our processes.
- 5.7 We will review current **business processes** for transactional services (eg providing superannuation) and design them from the perspective of both people we work with and staff. The Simplification Project will involve standardisation of common business processes, centralisation of common administration, automated processing from application to completion where appropriate, and greater use of self-service. All work will be a clearly aligned and prioritised to the delivery of outcomes, and relationships with service providers will be changed to reflect this.
- 5.8 We will also build our corporate governance systems to support **integrated decision making** across the Ministry.
- 5.9 **Social Sector agencies** support and protect New Zealand communities. Each agency plays an individual role in delivering on core services and areas of expertise. However these core services are provided to many of the same individuals and we know that addressing complex social issues require a joined-up response. We want to take the opportunity to work with other social sector agencies where this will make the biggest difference for our shared service users. Governance arrangements need

to move to the next level of collaboration reflecting a new paradigm that goes further than what we've done before. As the Ministry integrates the services we deliver, the effectiveness of our contribution to the collective impact of the social sector will also improve.

6 All this work provides the foundations for the future MSD

Proposed future: people-centred approach

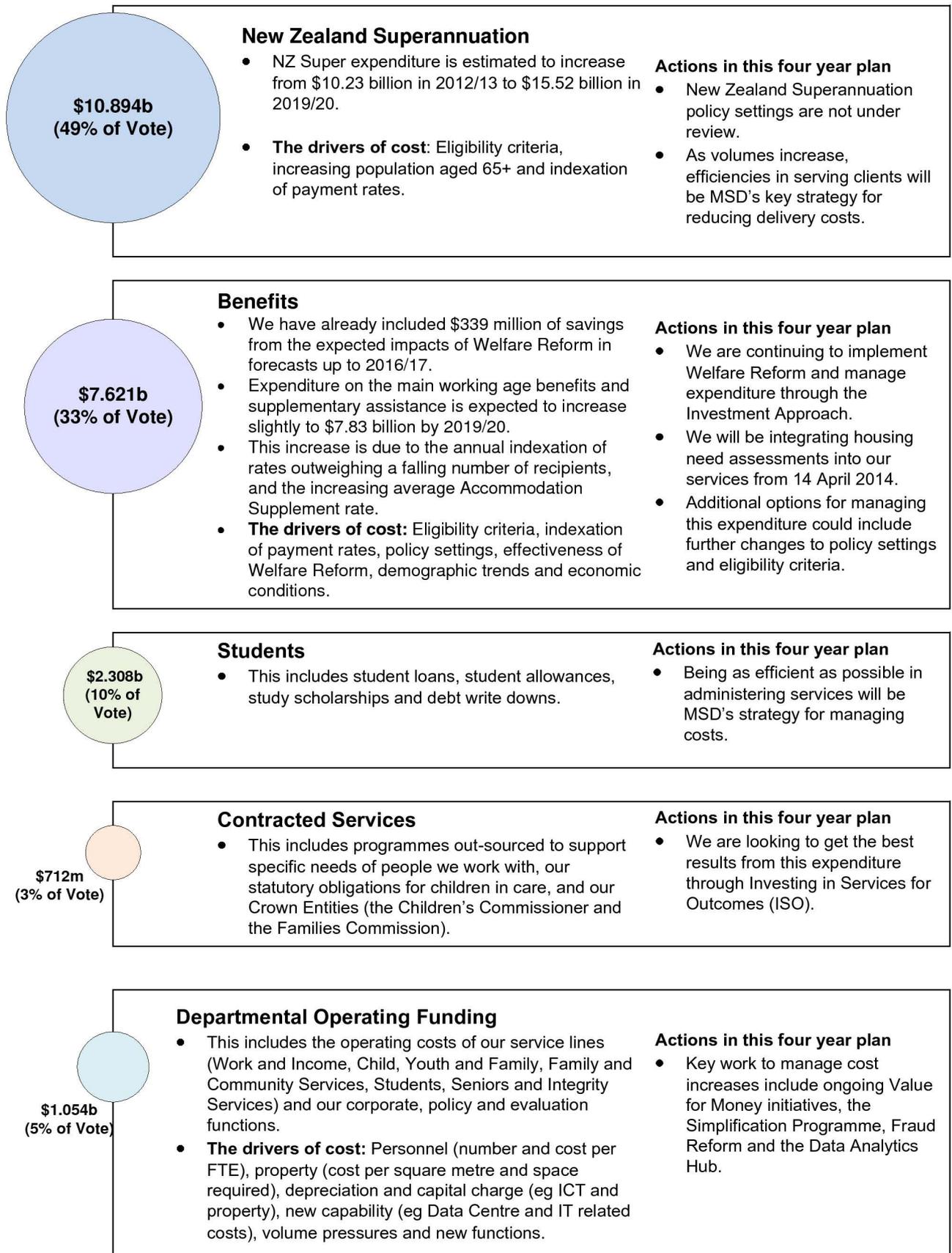


- 6.1 All our work will be people-centred and accessible for New Zealanders. There will be a single Ministry view of needs and services, and for those requiring our help there will be no wrong door by which to access services provided. There will be clear evidence of better outcomes in the community.
- 6.2 The availability of reliable data will allow us to make informed decisions to provide the right set of services to the right person at the right time. Segmentation of individual populations will be supported by the actuarial valuations of the benefit system. Resources will be deployed to best address the complexity of a person's needs and we will still have face-to-face services. Those people requiring lower level services will be able to self-serve where appropriate. Investment approaches will be applied throughout our work.
- 6.3 Operating systems will support an integrated view of an individual and allow flexible referrals across systems using profiling evidence. Incentives and strategies will be user focused. They will be organised by delivery functions supporting low intensity (self-service transactional services), high intensity (intensive case management), cross-agency and provider services, and support services.
- 6.4 Internally there will be a strong culture of openness and of working jointly together, in a collaborative manner. We know we cannot provide complete wrap-round services to people we work with, and we need to work closely with other sector agencies, to fully support people we are working with. The integrated people-centred Ministry will be better placed to share the complete picture of people's needs with our sector colleagues, thus improving the service given.

- 6.5 Services will continue to be delivered robustly with clear accountability for integrated delivery.
- 6.6 While we have a clear vision for what we want to achieve together, how we will get there will evolve over the next four years as we work together with the New Zealanders we help, the community, partner agencies and government to transform our services.

B. As we build our future operating model we will continue to:

1 Administer over \$20 billion in government expenditure (13/14)



2 Provide services and assistance

2.1 We provide services and assistance annually to more than 1.1 million New Zealanders and 110,000 New Zealand families. Our business includes the provision of:

- the statutory care and protection of children and young people, youth justice services, adoption services and funding to community service providers
- family services, by providing support, information and advice to families and communities
- employment and income support services, NZ Super and the administration of New Zealand's international welfare portability arrangements
- access to affordable health care for older people, families and lower-income New Zealanders
- access to concessions and discounts for senior citizens and people with low incomes
- student allowances and student loans
- campaigns that challenge antisocial attitudes and behaviour
- services to uphold the integrity of the welfare system and minimise the debt levels of those we interact with
- leadership across the social sector.

3 Contribute to achieving outcomes

- more people get into work and out of welfare dependency (BPS Result One)
- fewer children are vulnerable (BPS Result Four)
- more young children are in education, training or work (contributes to BPS Results Five and Six)
- more young children contribute positively to their communities
- fewer children and young people commit crime (contributes to BPS Result Seven)
- fewer people commit fraud and the system is fair and sustainable
- more efficient and effective allocation of government resources to meet community needs
- more people interact with the Ministry in a digital environment (contributes to BPS Result 10).

C. We are already working differently to improve outcomes for New Zealanders and will continue to do so by:

1 Delivering Better Public Services results

- 1.1 We have a programme of actions to achieve BPS targets. The Social Sector Forum (SSF) provides a multi-layered governance structure to lead social sector efforts. We provide leadership and policy support in collaboration with our social sector colleagues.
- 1.2 We will continue to support the four BPS result areas outlined in the Reducing Long-term Welfare Dependence and Supporting Vulnerable Children Result Area Action Plans:
 - reduce long-term welfare dependence
 - increase participation in early childhood education
 - increase infant immunisation and reduce the incidence of rheumatic fever
 - halt the rise of children experiencing physical abuse and reduce the occurrence of the abuse.
- 1.3 In addition to these four results, we are working closely with the Education and Justice sectors, and the Department of Internal Affairs to ensure youth crime drops, youth educational achievement increases, employment increases and New Zealanders are able to do their business with MSD online.
- 1.4 We will continue to support our sector colleagues to achieve the targets, by:
 - targeting young people at risk of long-term welfare dependence and applying expectations for young people to be in work, education or training to support activity to increase the proportion of 18 year olds with NCEA level 2 or equivalent qualification (BPS Result Five)
 - working with at-risk children and young people, and child and youth offenders to reduce youth crime, overall crime and reoffending (BPS Results Seven and Eight)
 - developing and delivering improved online services across the Ministry, and will be further developing the digital environment for transactional services to support New Zealanders completing their transactions with the Government easily in a digital environment (BPS Result 10).
- 1.5 More information on the delivery of BPS results is included in Annex 9.

2 Supporting the rebuild of Canterbury

- 2.1 Through our day to day work in Canterbury, we have made a number of direct and indirect contributions to the region's recovery. We have adopted a strong people-centred approach that recognises the unique environment created by the earthquakes.

2.2 We are contributing to the revitalisation of the region through:

- the delivery of services that are efficient, effective, and sensitive to the current wider Canterbury context
- supporting people into the numerous and various employment opportunities that have been, or will be, created by the large scale rebuild and repair programme
- re-establishing a Ministry presence in the Central Business District and suburban Christchurch
- continuing to work with the Canterbury Earthquake Recovery Authority
- contributing to the level of preparedness to meet the public welfare needs in the case of another large scale emergency event
- participating and contributing to a multi-agency and integrated approach to support psychosocial recovery
- assisting our staff to rebuild their resilience and well-being and supporting them through the journey of 'recovery'.

2.3 Each of these areas is discussed in more detail in Annex 10.

3 Implementing Welfare Reform to reduce long-term welfare dependence

- 3.1 Welfare Reform has significantly improved the way we support New Zealanders to be independent. The new model has three levels of service, with the intensity of service depending on how much support the person needs to find work. We are taking a long-term investment approach to getting people off benefits and into work. Using an actuarial valuation and data we are able to identify groups of beneficiaries who may need more specialised interventions in order to find and stay in work.
- 3.2 We are continuing to test whether this new approach can be applied in other areas. For example, we are undertaking a feasibility study to look at calculating the liability impact of social housing payments. This will enable us to get greater transparency and put in place levels of interventions that consider the future welfare liability alongside the social housing liability.
- 3.3 Welfare Reform included the development and implementation of the Youth Service, a programme focused on re-engaging 15-19 year old school-leavers with education and training. This is being offered through youth-focused community providers or specialist youth case managers to young people at risk of drifting on to benefit. Actuarial valuations show the importance of working with this group to improve their outcomes and reduce long-term welfare dependence. Through data monitoring, there are early indications that this work is making a difference to the number of people dependent on a benefit.

Workforce implications from Welfare Reform

- 3.4 The Ministry received funding for extra frontline resources from June 2013 to deliver Welfare Reform. The targeted use of these additional resources will support not only delivery of day to day services but will also provide a buffer while we develop the capabilities and capacity required to deliver successfully on the changes.
- 3.5 The intensive training and development for Work and Income frontline staff has, to date, focused on the technical aspects of the reforms (ie policy and system changes). The second phase will see a focus on further development of capabilities including influencing and motivating those receiving our services; strengthening a professional model of practice; and ensuring staff that have strong judgement and decision-making skills, and are supported by appropriate tools.
- 3.6 We are progressively moving towards a 'dual workforce' where frontline staff require a different mix of skills and where there are new specialised processing and data analytics needed to support them. Frontline staff will need to be able to manage people with high and complex needs who need more one-to-one support to get back into employment.

Multi-category Appropriation

- 3.7 A Multi-category Appropriation (MCA) has been introduced to begin to facilitate the implementation of the investment approach for working age benefits. This means that we will be able to allocate funding to where it is most effective at improving long-term employment outcomes and to manage the future cost of the benefit system.

4 Strengthening welfare fraud prevention and debt recovery

- 4.1 We will continue to strengthen our approach to welfare fraud prevention through a programme of reforms aimed at ensuring that social assistance only goes to those who are eligible and that applicants understand their obligations. People benefit from these changes, as avoiding debt will improve their future life chances. We have implemented new rules for low trust recipients, joint agency investigations and enhanced information sharing with IR.
- 4.2 The Social Security (Fraud Measures) Amendment Bill will further strengthen our approach to relationship fraud by making complicit spouses and partners, as well as beneficiaries, accountable for fraud. The Bill will come into force on 7 July 2014 also allowing us to recover debt more efficiently.
- 4.3 We will develop further initiatives to increase debt recovery from previous recipients by using data matching and direct deduction notices. We are aware that many people who commit fraud with benefits also commit fraud with housing. The bringing together of benefits and housing should result in an overall reduction of fraud against the Crown. Improving our debt recovery may help generate significant future Crown savings.

5 Integrating social housing activity into our broader activity

- 5.1 We have transferred the social housing assessment to the Ministry, and will focus on the opportunities for improved social outcomes for New Zealanders resulting from the incorporation of social housing into our broader social sector activity.

Effective triage will be used to support those most at need. We will also look to identify and develop housing support products and services.

- 5.2 Opening up the income related rent subsidy to non-Housing New Zealand Corporation providers will be the first step we take to become an active purchaser of social housing services. This will result in a more transparent and contestable market in social housing encouraging a larger and more diverse supply over the medium term.
- 5.3 Tenancy reviews are a key platform that will free up supply of social housing for those most in need. We will implement the rollout of reviews in a way that targets reviews to where they will have the most impact while ensuring those most in need of social housing continue to have the security of tenure they need.

6 Identifying, supporting and protecting vulnerable children

- 6.1 We want to work with New Zealanders to keep children and young people in families and communities where they can achieve positive outcomes across all aspects of their lives. The outcomes we want to achieve are that children and young people are safe, they are healthy and achieving, and they belong to and are participating in their communities.
- 6.2 We work in many ways with families to help them find their own solutions and achieve their goals, or connect them with the right services in the community. We are continually working to strengthen our practice and ensure the most vulnerable in our community achieve the above outcomes.
- 6.3 The Children's Action Plan (CAP), supported by the Vulnerable Children Bill, represents the most significant reforms to the prevention, protection and care of children and young people at risk of abuse and neglect since the introduction of the Children and Young Persons and their Families Act in 1989.
- 6.4 The CAP signals a fundamental change in the way all of New Zealand responds to children and young people at risk of maltreatment, and supports those who have been abused and traumatised. The CAP and Vulnerable Children Bill substantially strengthen the need for shared responsibility and co-ordinated and collaborative action across the government social services sector to better protect vulnerable children. They also enhance the response to children who have already been abused or neglected to increase their chances of better long-term outcomes.
- 6.5 The Vulnerable Children Bill will result in transformational change for CYF. With the Bill on-track to be passed in mid-2014, there are significant operational changes that CYF will have to undertake to successfully implement the Bill's provisions. This will mean a major implementation work programme for CYF, with significant IT systems changes, to support operationalising the new legislation.
- 6.6 Alongside the Bill, we need to ensure all parts of the care and protection system are working effectively to deliver on the objectives of the Children's Action Plan. With our Child, Family and Community Policy group, we have begun work on initiatives to better support caregivers, and improve services for children and young people with high needs, as part of work on the larger picture of what the continuum of care services for children and young people in CYF's custody will look like in the future.
- 6.7 One of our main priorities is to build a complete picture of the child or young person who comes into care and then work with communities and other agencies to share

information and work collaboratively to provide the best care possible. To achieve this priority, strengthened assessment tools have been introduced.

- The strengthened Tuituia Assessment is a single assessment process that draws everything we know about a child or young person into one place – their needs, strengths and risks.
- Gateway assessments focus on children and young people coming into care who, as a result of their background, are often disconnected from regular health and education services, and are more likely to have physical, behavioural and emotional barriers to overcome.

Legislative Reform

6.8 The Vulnerable Children Bill had its second reading on 15 April 2014. The Bill proposes a new Act: the Vulnerable Children Act. It also amends the Children, Young Persons, and Their Families Act 1989 and the KiwiSaver Act 2006 and makes consequential amendments to a number of other Acts.

6.9 The Bill proposes to:

- make the Chief Executives of the Ministries of Health, Education, Social Development and Justice, and the New Zealand Police jointly accountable to Ministers for working together in the interests of vulnerable children
- strengthen care and protection legislation to improve outcomes for child in care and care services, including the introduction of new guardianship provision to provide increased security to children who leave out-of-home care to live permanently with Home for Life caregivers
- safeguard the children's workforce through mandatory safety checks.

Children's Action Plan

6.10 The CAP is a programme of initiatives designed to reduce child abuse and neglect, through sustained effort over a number of years. It introduces a fundamental shift in our approach to working with vulnerable children through the introduction of shared accountability and recognition that all of the Children's Workforce have a part to play in reducing child maltreatment and improving outcomes for vulnerable children.

6.11 Experience has shown that effective change will require new ways of working together that over time build workforce capability and change the way people working with children think and act. This whole of sector transformation is the fundamental difference.

6.12 The Vulnerable Children's Board (VCB), comprising the Chief Executives of the major social sector agencies, will be accountable for delivering the reforms.

6.13 New cross-agency community-based Children's Teams have been established at two demonstration sites. A joined-up response is delivered to children who do not require immediate intervention from CYF, but whose circumstances make them at potential risk of abuse or neglect in the future. The Service Design for the demonstration sites in Rotorua and Whangarei has been developed and is being implemented in conjunction with a number of government agencies, NGOs, iwi and other interested parties.

6.14 The CAP Programme Team is currently working to develop its model for future operations. This has involved a period of consultation with NGOs and the establishment of a co-production team, comprising agency and NGOs secondees. It is expected that the team will develop several key products as it works to flesh out a model for future operations.

Multi-Agency Strategy for Children and Young People in Care

6.15 As part of the CAP, a major initiative announced by the Government is the development and implementation of the new, Multi-Agency Strategy for Children and Young People in Care.

6.16 The overarching goal of the new strategy is to improve outcomes for children and young people in CYF's care by ensuring that they get the services they need from across government, particularly from the social services, health and education sectors. Currently, outcomes for children and young people in care are inconsistent and can be very poor.

6.17 The Strategy commits government and non-government organisations to working more closely and effectively together to achieve positive outcomes for children and young people in care. Supported by the Vulnerable Children Bill, the Strategy aims to achieve the following results:

- the outcomes for children and young people who have been in care are the same as every kiwi kid – eg, the education achievements are the same, employment and training rates are the same
- services are child-centred and the voices of children are heard through the care and protection system
- children in care say they feel safe and happy in their placements
- and the family group conference process is reinvigorated, with strong preparation and engagement of family/whānau, the health and education sectors, iwi, non-government organisations and others in the process
- stronger assessments, integrated care planning, and monitoring and reviews of integrated care plans for children and young people in care
- children in care get the services they need from government child protection, health and education agencies and other services
- we have the best possible caregivers for children and young people in care and ensure that carers are well supported including when children transition to their care
- less time is spent in care and care placements are more stable
- transitions out of care are well managed and supported, including through better health and education/training services and more young people are in employment.

Child, Youth and Family casework, caseload and workload review

6.18 The work of social workers is fast-paced and complex. Notifications have been growing steadily in recent years, and the list of needs seen in the children and families we work with is increasing. A programme of work is underway to review the casework, caseload and workloads of frontline social workers. This work is aimed at identifying whether:

- we are working with the right cases
- we are working in the right ways and in the right timeframes to maximise our ability to have the greatest impact for our vulnerable children and young people
- we have the right tools and resources in place to support quality social work.

6.19 The findings from this review will be used to strengthen practice so that things can be improved for both staff and the vulnerable New Zealanders they are helping. In particular these things include:

- redefining how statutory social work sits alongside a range of services that work together to protect children
- rebalancing our focus from quantity and outputs to quality and outcomes for children
- ensuring social work is more responsive to the cultural needs of Maori
- strengthening our management and supervision of social workers to deliver quality social work practice
- ensuring the capacity and capability of the workforce can respond to patterns of demand and need.

7 Investing in Services for Outcomes

7.1 ISO is helping Ministry-funded organisations to focus more on supporting people and communities, and less on managing and administering contracts. This involves:

- developing an Investment Strategy to ensure funding decisions are consistent and transparent, and guided by government priorities
- supporting and enhancing providers to become stronger, more adaptable, and more sustainable through increased support, guidance and communication
- changing the Ministry's governance, tools and processes to enable greater agility
- developing an outcomes measurement framework.

7.2 During 2013 we have established strong foundations for delivering the ISO vision, in partnership with NGOs by:

- moving providers with Ministry funding over \$1 million annually to the one contract and one monitoring and reporting framework (the 'one and one' approach) and a lead relationship manager and plan

- adopting the principles of the Ministry of Business Innovation and Employment streamlined contracting approach
- establishing a single MSD-wide approvals process
- identifying ways to expand the 'one and one' contracting approach across social sector agencies beginning with five funded by both MSD and the Ministry of Health. This is the start of changing the contracting approach with the 'Top 30' agencies identified as suitable to move to a cross agency contract
- implementing an Organisational Capability Framework to support Ministry-funded organisations. Two rounds of the Capability Investment Resource (CIR) have been held. These focused on organisational self-assessment, planning and implementation
- identifying ways to implement outcomes-based contracting so funding can be targeted more directly towards Government's priorities
- developing a Strategic Investment Framework to guide our decision making about how and where we invest our contracted expenditure.

7.3 We will continue to work with our providers to ensure that the changes we have made with them are successfully embedded and can be maintained, and we are supporting our staff to do this.

7.4 The next steps will involve developing a Ministry-wide investment strategy that will signal changes for the future, building on the Strategic Investment Framework approach, continuing to test and expand the use of outcomes-based contracts, developing an outcomes measurement framework and continuing to streamline the MSD funding and contracting approach. We will also continue to support providers to build their capability through the CIR.

7.5 We aim to have transitioned the ISO programme to business as usual by the start of the 2015/16 financial year.

Workforce implications from SO

7.6 ISO involves developing a consistent Ministry way of carrying out our funding and contracting work that is both efficient and transparent. The main workforce implication for our staff is the increased need for strategic relationship management skills, including staff capability to support an integrated cross-service line approach to interacting with providers. In addition, the investment strategy will bring about a shift to contracting for outcomes across all areas and service types. Staff capability will need to evolve and be built upon as we move towards more outcomes based contracting.

8 Expanding collaboration with our sector colleagues

8.1 We are working more closely with our sector colleagues than we have in the past. Together we have changed governance structures and work programme priorities to better recognise our collective interests and realise our collective impact. As a sector focused on delivering results we have:

- used shared priorities and targets for the sector to drive our work. This includes BPS Results One to Four

- put in place collective governance and management structures to oversee and lead collaborative work. This includes the Social Sector Forum, Joint Venture Board for the Social Sector Trials and the Vulnerable Children's Board for the Children's Action Plan
- developed joint accountabilities for Chief Executives, such as those provided in the Vulnerable Children Bill
- changed the way we work together and with communities on the ground. This has included testing devolution through the Social Sector Trials and trialling new ways of providing wrap-around services to vulnerable children through Children's Teams
- made the best use of the data and information we hold to provide services to at risk groups at the right time. For example, Youth Services uses enrolment data to identify young people who are Not in Education, Employment or Training (NEET). We have also created a predictive risk model which uses data from multiple agencies to help identify vulnerable children.

8.2 To have the most impact as a sector and scale up our collaborative work, we will need to overcome a number of barriers:

- The trade-offs and true costs of collaboration are not always visible.
- Governance and accountability can be difficult and incentives are not always right.
- We need to know how we interact with people we are all working with.
- We need sustainable funding and resourcing models.

8.3 We will use new tools, such as the recent changes to the State Sector Act and Public Finance Act to better support cross-sector activity, in particular, strengthening of incentives for funding to flow across Votes to support high value investment. Given the fiscal constraint in the current environment we need to recognise the competing priorities between sector and agency specific work programmes. This conflict remains challenging and we are continuing to explore what it will take to scale up effective long-term cross-sector activities.

8.4 Over the next four years, as a sector we will:

- invest our collective effort and resources as a sector in the right areas to deliver the best results for New Zealanders
- arrange ourselves around a person's needs and provide the right mix of services
- find innovative ways of working together at both national and local levels, and undertake more effective evaluation
- build strong relationships with communities and NGOs
- make smarter decisions using integrated data and information.

8.5 As a sector we have tested innovative ways of working collaboratively on a small scale and learnt valuable lessons. Together we have managed to make these

initiatives work through interim resourcing solutions and by creating new governance arrangements.

- 8.6 In areas where the Ministry is able to contribute or lead a sector response we will. In other parts of the social sector we are limited in our ability to address fundamental issues around sustainable resourcing arrangements, governance and accountability frameworks.
- 8.7 In order to address these fundamental issues we will continue to focus our efforts on areas where we can join up to have collective impact. A concerted effort will be required by MSD and other Social Sector agencies to make the changes. Support from central agencies, particularly the Treasury and the State Services Commission, will be required to provide the right incentives and support for Chief Executives and staff at the frontline.
- 8.8 Each of these areas is discussed in more detail in Annex 1.

D. But these changes are not enough to overcome our current challenges

We will achieve better, sustained results by moving from services delivered in silos to establishing an integrated people-centred operating model. This level of change will allow us to identify options to create a sustainable operating model that delivers better results.

The challenges that we must address over the term of this Four-year Plan include financial pressures, changing expectations for our workforce, supporting corporate systems, information and communications technology platforms, and data management and use.

1 Financial pressures

- 1.1 Vote Social Development totals \$22.2 billion. Of this, \$20.5 billion (92 per cent) is expended on NZ Super, benefits and students. The material cost drivers for this expenditure are eligibility criteria, demographic trends, indexation of payment rates, and economic conditions. Options for managing this expenditure include changes to eligibility criteria and policy settings. In the case of NZ Super, policy settings are not under review.
- 1.2 Departmental operating expenditure and contracted services comprise the remaining \$1.7 billion (8 per cent).
- 1.3 The Ministry has a strong track record of finding efficiencies and has had a VfM programme in place since 2007 in order to manage departmental cost pressures through productivity and efficiency gains while improving the quality of services to New Zealanders.
- 1.4 It will become a significant challenge to manage our costs within existing baselines as financial pressures, driven by operational demands and inflation increase. Opportunities for quickly realisable savings have all but been exhausted. Remaining options to further reduce costs are likely to lead to unacceptable operational risks meaning a more significant change is required in order to live within our decreasing baseline.

1.5 Departmental financial forecasts underpinning this Plan indicate additional operational costs over the forecast period of around \$301 million – an additional \$51 million in 2014/15 rising to \$105 million in 2017/18.

1.6 Key drivers of these additional costs include:

[11]

- \$12 million for increased volumes of Senior Citizens
- \$30 million for data hub and other IT costs

[11]

- \$99 million for the efficiency dividend.

1.7 Offsetting these cost increases, savings initiatives totalling \$240 million over four years have been identified - \$51 million in 2014/15 rising to \$66 million in 2017/18. Key items within this total include:

- the introduction of online services for correspondence and income (\$11 million)

[11]

- savings from the Home for Life strategy (\$14 million)

[11]

- efficiency dividend savings found to date (\$43 million).

1.8 This still leaves a net deficit of \$60 million over four years. Operational cost pressures can be managed via savings initiatives identified and those under development until 2015/16. The table below summarises our operational cost pressures and savings generated to date.

	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m	TOTAL \$0.000m
Operational Cost Pressures	50.613	67.332	77.624	105.071	300.640
Changes Generating Savings	50.613	58.346	64.955	66.323	240.237
GAP	0.000	8.986	12.669	38.748	60.403

1.9 We are continuing to identify further options for addressing our deficit, with the Simplification Project being the key strategic initiative expected to deliver savings in the latter part of the forecast period. The simplification business case is under development and as potential savings become clearer they will be worked into the operational funding forecasts.

1.10 Given the early stage of these significant pieces of work there is a serious risk that the savings will not be achieved early enough to close the gap. If there is not significant progress made on these major Ministry-wide programmes we will not be able to stay within current baselines from 2015/16. There is also significant risk that there will be pressure to reprioritise savings to areas of higher value activity to improve outcomes.

Staff Remuneration

[11]

1.12 The cost pressure associated with salaries is not just the progression system and the annual remuneration awards. How we organise our workforce to respond to the new operating model design will dictate the true cost of salaries. The mix of roles across the Ministry is the biggest driver of salary cost. Actual increases in average salary have been modelled to ensure all savings from attrition and known changes in the profile of salaries is reflected.

1.13 We expect that there will be some efficiency due to centralising some functions. Equally we expect that by specialising some roles and expanding those associated services, we will require more staff that are likely to be in higher salary ranges.

1.14 The current labour cost index for the Public Sector is 1.5 per cent. [11]

Cost Drivers

1.15 In order to effectively cost, improve and predict business processes we need an in-depth understanding of relevant cost drivers. Work has been undertaken in specific service lines to understand cost drivers and better model business processes. The cost of serving differentiated groups was calculated to inform the Welfare Reform processes. StudyLink has historically used cost drivers as a basis for calculating the cost of student loans and allowances, and is extending this work to review and assess the full cost of the services to students. The transfer of social housing was costed on the basis of volumes, time for specific activities, and other key cost drivers, such as average salaries, workforce capability required, and key input costs such as telephony.

1.16 The success of the Simplification Project is dependent on this work being extended and coordinated across the Ministry.

1.17 The Ministry has already commissioned a suite of strategic initiatives to support this change including:

- an enterprise governance approach to value mapping and prioritising outcomes and associated projects
- simplifying our transactional processes across the Ministry
- development of a strategic framework for contracting services with NGOs
- the investment approach for services to working age beneficiaries

- building a data hub to provide an integrated view of the people we work with and better analytics to support service delivery changes.

1.18 To support these initiatives we are developing a comprehensive view of the current cost drivers for MSD. Cost models that can be used to cost, forecast and benchmark key processes will result from this work. By developing models that can be rerun over time we will be able to better monitor the return on investment and realise the benefits.

Financial Tables

1.19 The tables below provide a summary of Departmental and Non Departmental operating expenditure over the period of this Plan. They show that for the Departmental operating expenditure anticipated movements in our baseline will exceed the funding we have, while Non Departmental operating expenditure equals baseline funding.

1.20 Further information is available in Annex 3.

OPERATING - DEPARTMENTAL	2013/14 \$0.000m	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
Current operating baseline	1,171.696	1,124.383	1,108.220	1,107.124	1,107.124
Add any indicative allocation advised of	-	-	-	-	-
Equals Total funding level for planning	1,171.696	1,124.383	1,108.220	1,107.124	1,107.124

[11]

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OPERATING – NON DEPARTMENTAL	2013/14 \$0.000m	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
Current operating baseline	379.879	361.857	357.521	357.521	357.521
Add any indicative allocation advised of	-	-	-	-	-
Equals Total funding level for planning	379.879	361.857	357.521	357.521	357.521
Financial movements					
Add cost of new activity to be funded from current baselines	-	-	-	-	-
Add total cost pressures	-	-	-	-	-
Subtract significant changes that will generate savings	-	-	-	-	-
Add or Subtract vote transfers	672.600	1,436.800	1,554.000	1,664.400	1,781.600
Subtract any indicative allocation advised of (as above)	-	-	-	-	-
Equals Total funding level for planning	1,052.479	1,798.657	1,911.521	2,021.921	2,139.121

Capital

1.21 In order to support the Ministry to move from a service-oriented approach to a people-centred approach we need to invest in our ICT. The capital plan shown below includes \$50 million over two years to move us from a fragmented platform to one that is integrated. We anticipate that this capital plan is manageable within current baselines. Additional depreciation costs have been included in the operational cost pressures. However, for the four year period of this plan we will prioritise this funding from the savings initiatives identified.

CAPITAL – DEPARTMENTAL	2013/14 \$0.000m	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
Operating balance funding available	120.000	91.693	49.375	14.390	9.641
Add depreciation funding received	48.655	54.022	57.246	59.640	64.294
Add receipts from sale of assets	2.000	2.000	2.000	2.000	2.000
Add other	-	-	-	-	-
Equals Total baseline funding available	170.655	147.715	108.621	76.030	75.935
Subtract capital investments funded from baselines	(78.962)	(98.340)	(94.231)	(66.389)	(57.823)
Equals Closing baseline funding available	91.693	49.375	14.390	9.641	18.112

CAPITAL – NON DEPARTMENTAL	2013/14 \$0.000m	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
Operating balance funding available	1,782.330	1,826.755	1,876.405	1,942.768	1,942.768
Add capital investments in organisations other than departments	-	-	-	-	-
Equals Total baseline funding available	1,782.330	1,826.755	1,876.405	1,942.768	1,942.768

2 Changing expectations for our workforce

- 2.1 Our strategic direction will result in a fundamental shift in how we deliver our services. While our staff currently operate well in an increasingly complex environment, the role of our frontline staff will become more complex, requiring a wider range of behavioural skills. We need staff to be more adaptable, resilient, people-centred, and able to apply evidence based judgement and risk awareness in increasingly complex areas of work. Our workforce will also need a focus on quality, efficiency savings, process improvement and an enhanced ICT capability.
- 2.2 We will need to develop, recruit, train and retrain staff to support the new operating model.
- 2.3 We expect our managers to continue to lead with enthusiasm and to inspire those under their charge to deliver ambitious outcomes. Our managers will have to

manage and lead in environments where conventional reporting relationships and people management practices will continue to evolve.

3 Limited investment in corporate systems supporting frontline services

- 3.1 The Ministry has maintained a very strong focus on frontline services, which has resulted in limited investment in some of the supporting corporate systems. We now need to partially shift the focus to resources that support frontline services and contribute to delivering strategic outcomes. This includes how we assess and prioritise projects across the Ministry and maintain an overview of the collective impact of all of the Ministry's activities. Investing in our corporate resources will see bigger benefits for our frontline services and ultimately those we work with.

4 Service line based Information and Communications Technology platforms

- 4.1 As the economic and political environment around us changes we are being challenged to continue the ICT support that our service lines currently offer to New Zealanders. Our current ICT tools are made up of applications built up over the last 20 years. Frontline staff currently use fragmented multiple systems. Our inability to provide appropriate online services means we are not maintaining currency and providing an optimal mix of service delivery channels. Key Ministry initiatives require enhanced technology that our current ICT tools are insufficient to support.

5 Limited tools for data management and use

- 5.1 Information is one of the Ministry's most significant assets and currently it is stored in multiple places. There is no dedicated resource to manage this asset. We do not have effective tools across all parts of our business that enable staff to make decisions based on evidence from the data we hold. To identify population segments and target services effectively we need to be able to consistently make decisions and evaluate outcomes based on our data.

E. We are building the foundations for people-centred operating model that will address these challenges

To provide the foundations for an integrated service that has New Zealanders at the centre we need to:

- review our current business processes and design them from the perspective of the users
- invest in the technology platform that will drive the future operating model
- develop an integrated view across services and data-driven decision-making
- redesign how we operate to focus on New Zealanders and provide tailored services.

To achieve these foundations Ministry governance arrangements supporting the changes will be put in place.

1 We will change the way we support our services through the Simplification Project

- 1.1 Through the Simplification Project, we will review current business processes around transactional services and design them from the user's perspective. Transactional services provided across the Ministry represent up to 70 per cent of activity and 50 per cent of operating cost (around \$500 million).
- 1.2 The result of this programme will change the way we deliver services and will bring together duplicated activity from different parts of MSD. It will entail:
 - people-centred design
 - standardisation and streamlining of common business processes across MSD
 - removal of outdated and redundant business processes
 - centralisation of common administration to free up frontline staff
 - automated straight-through processing from application to completion.
- 1.3 We will also develop comprehensive online and mobile services to encourage users to take up self-service options.
- 1.4 The first phase of the project (conceptual design) is expected to be completed by early-2014 with a detailed business case due to be completed by mid-2014. The business case will set out analysis of current and future states, including volumes and cost.

2 Investing in our technology platform will underpin the future operating model

- 2.1 Investing in our technology platform will help drive the future operating model. Our ICT strategy provides a solid business case for a 20 year investment strategy driven by an integrated view of New Zealanders, services and products rather than historical institutional arrangements.
- 2.2 Our ICT strategy will be a key enabler in supporting the redesign of services and how we organise MSD in order to deliver those services. The ICT Strategy and Action Plan 2013-16 takes a future view of the Ministry's business requirements and technology needs across all work functions, and develops a future technology environment that will support the Ministry's services in the future.
- 2.3 We aim to do this through technology innovation. We will continue to deliver new and improved online services across the Ministry's business, and further develop the digital environment for transactional services. We will assess our service channels to see which level is required for each user type. We will make a shift to process automation, data-driven decision making, information sharing and mobility – built on a sound base of information security.
- 2.4 We will also use technology to support information sharing to drive efficiencies, reduce fraud (eg IR data) and deliver better outcomes for New Zealanders. Over time we will look to reduce the number of systems that frontline staff use, and eliminate redundant processes.

- 2.5 The Vulnerable Kids Information system will integrate information collected by multiple agencies to target services and help identify children at risk.
- 2.6 Change will also be supported by work such as the Social Security Act Rewrite which aims to ensure that the need for complex processes and reliance on paperwork can be reduced. We will also need to focus on ensuring we have the right corporate infrastructure and support to deliver these changes.
- 2.7 More detail on our ICT strategy, and how it aligns with the Government ICT Strategy and Action Plan to 2017 is included in Annex 7.

3 Addressing New Zealander's needs through data-driven decision making

- 3.1 Information is one of the Ministry's most significant assets and establishing a single data analysis hub and consistent service model will be essential. This hub will consolidate in one place the Ministry's data and analytics expertise in order to maximise the use and value of our information. Staff will be able to use the analytics to predict which New Zealanders are most likely to have adverse outcomes and track their outcomes. The combination of these analytics will ultimately improve the targeting of services and achieving positive outcomes. Within a people-focused integrated operating model there will also be an improved return on investment (where the return of investment is broadly defined in terms of benefits to New Zealand).

4 The new operating model will focus on New Zealanders and tailored services

- 4.1 Using our common purpose, values and culture, we will develop an operating model that moves from being siloed by function or service, to having New Zealanders at the centre. This will allow us to provide a seamless service, giving people greater flexibility in how and when they access services tailored to their needs. Supporting this shift requires a fresh look at our corporate tools.

Enterprise Governance

- 4.2 We are developing an enterprise governance approach that will provide an integrated view of strategy and activity across the organisation, and enable clear decisions to be made about investment and the allocation of resources. We will need to become more comfortable with saying no to work that doesn't fit with our purpose and stopping activity that does not achieve outcomes.
- 4.3 This approach will ensure that there is a consistent and rigorous process for understanding the value of different parts of our work and transparent decisions are made about what work we will continue and what work we will stop. To be able to allocate investment it will need to be aligned to our outcomes. These are currently under review and will be reflected in next year's Statement of Intent.

Our culture

- 4.4 The launch of the new purpose and principles earlier in 2013 was the first major step of the Leadership Team's move towards a people-centred operating model. The Leadership Team is focused on taking the Ministry to the next level in terms of the workplace culture we need to succeed and make a difference for New Zealanders.

We want the Ministry to be a place where people thrive, feel motivated, connected and can do their best work towards the challenging goals we're striving for.

- 4.5 The MSD culture-building project follows on the heels of the new purpose and principles. If we want to create truly great, high-performing teams across the Ministry we need to deliberately and actively shape a culture that fosters high levels of motivation, innovation, participation, teamwork, collaboration and service quality. We will create a culture of action and responsibility. Without making these shifts in culture the organisation will not be able to move forward.

Leadership

- 4.6 *Our leaders are change leaders* – Strong change leadership is instrumental in effecting the desired shifts in culture as outlined above. Given the continuing fiscal constraints and the need to always be looking for more efficient and effective ways of doing things we are relying on our managers and leaders to drive and champion change at all levels of the organisation.
- 4.7 Building on the work we are doing in relation to shaping the culture of MSD, senior managers of large teams will participate in culture building workshops. These workshops will show them (i) the impact of their leadership style on the culture and (ii) the importance of using more constructive styles. Our leaders and managers will be expected to champion the change in workplace culture that is needed to enable the Ministry to move forward with a new way of working and continue to harness frontline innovation.

Our workforce will continue to develop

- 4.8 The shift we are making in our workplace culture is as important as the technical elements of making the transition to outcomes-focused services; building an evidence base for services is only a worthwhile exercise if our people are prepared to adjust their practices in response to it. The Ministry has many long-established working practices, and staff will need to trust that changes will deliver better results for New Zealanders.
- 4.9 In line with the changes to our operating model our people will be expected to provide a more expert service through detailed case management supported through the adoption of a 'professional practice model'. As our understanding of the complexity of children's needs grows we will provide a more specialised service for different groups of children – eg children in care. Under this model, systems and processes will be designed to support the quality of the professional judgements made by our frontline staff. Included in the support will be tools such as predictive analytics.
- 4.10 The task of working with New Zealanders with more complex needs will, for some staff, require new skills and capabilities. Frontline practitioners will need both a broad knowledge of all of the services available and to challenge the status quo if current interventions do not appear to be working. Asking our staff to adopt systems-level thinking in their approach to case management may be a difficult transition for some. Developing the core knowledge of our practitioners to improve continuous learning as new research and evidence comes to light, particularly around child development, the impact of trauma and the signs and symptoms of child abuse. This will be a significant shift for some frontline staff who are used to an environment driven by an adherence to rules rather than innovative service solutions.

- 4.11 We will strength learning and development focusing on management and leadership skills in our managers group - particularly in relation to working across agencies, culturally responsive services, and a sharp focus on quality social work practice and outcomes.
- 4.12 Many staff will be able to make the transitions with further development. Our structures and roles may also need to change which has a wide range of implications including possible changes for recruiting, career progression, and our remuneration structures.
- 4.13 In order to meet these changing workforce needs, we will need to either retrain existing staff to new capabilities, or find new staff. We expect that some efficiency will be able to be made by centralising functions, but this won't necessarily guarantee a reduction in staff numbers. We will need a greater number of specialised staff which might mean that the balance of types of roles is different in future.

F. We face risks in delivering this level of change, but have mitigations in place

- 1.1 We face a range of risks in delivering a substantial programme of change with a declining baseline and rising operating cost pressures. We are changing our strategy and operating model while at the same time continuing to deliver on Government priorities, and achieve Better Public Services targets. To ensure that we will be able to deliver the level of change needed, we will continue to have the strong governance and accountability arrangements in place for our biggest programmes of work, including the Work and Income Board, and the VfM Board. We will also continue to work with others to deliver our results, including other government agencies, external partners, and NGOs.
- 1.2 We are establishing an enterprise governance approach across the Ministry to ensure that there is clear alignment between the outcomes we are seeking to deliver and how we prioritise our work programme. Testing new operating models and ways of working across our organisation will help us identify and implement an effective operating model that will deliver the outcomes we seek for the future.
- 1.3 Our staff are engaged, committed and motivated. However, the extent and frequency of recent change within the Ministry may lead to disengagement of some staff. To ensure we can attract and retain the right people, we will develop a culture that is strong, resilient, responsive, and innovative. Work is already underway to transform organisational culture, with a new performance management system, 'On Track', beginning in 2013/14. We are also investing in leadership and talent management, to continue to drive the change in behaviour required to get to our preferred culture.
- 1.4 Much of our operational transformation programme will rely on changing our use of technology. As we increase our use of technology, information management and security will be a vital part of the way we work in future. We will integrate our business and ICT planning and investment, through a longer-term ICT strategy, to enable fit for purpose and flexible systems. This work will retire some of our existing legacy systems that no longer meet the needs of staff and New Zealander's who may use the services. We will also effectively and sensitively manage, use, share and protect the information we hold. We are establishing a data analytics hub, which will consolidate our data analytics expertise and knowledge so we can support evidence-based policy, service planning, and monitoring and evaluation.

- 1.5 The Ministry has long term plans to improve efficiencies in service delivery, such as the simplification of processes and the new operating model. However, while detailed financial savings resulting from these initiatives have yet to be quantified, these changes will free up resources, provide long-term financial sustainability and enable us to better ensure the stewardship of government's assets and funding. We will continue to be innovative and look at options to deliver our services more effectively and successfully and to achieve better outcomes for New Zealanders.
- 1.6 Because so many New Zealanders depend on our services, we take our emergency management and business continuity responsibilities seriously. In an emergency, our planning and preparation, along with our adaptive leadership allows us to ensure our most critical functions and service continue. We showed our ability to quickly innovate following the Christchurch earthquakes including mobile servicing, phone calls and visits to the vulnerable, and establishing one stop shops in the community.
- 1.7 We understand the pressures we are facing and we have plans and strategies in place to manage and mitigate risks where possible. We are confident that we are building a strong, resilient organisation that will be ready to respond to future challenges. While we will be stretched over the next four years, we are an agile agency with a 'can-do' attitude and we will continue delivering results that make a difference to New Zealanders.
- 1.8 More detail on these risks is included in Annex 8.

ATTACHMENT

Attachment 1: Savings and Budget Initiatives Summary

The tables below provide details of:

- the savings initiatives we have identified (\$240.237 million internally and up to \$34.000 million from initiatives), and
- funding requests of up to \$361.740 million (including capital) for Budget 2014.

More detail about these initiatives is included in Annex 4.

1 Savings initiatives identified

SAVINGS INITIATIVE NAME AND DESCRIPTION	Savings to 2017/18 \$0.000m
[11]	
Operating Efficiencies IT savings relating to the rationalisation of letters, reduction of licensing costs, rationalisation of motor vehicle fleet and other operating cost savings.	\$112.526
Home for Life Savings Reduction in costs associated with children in care as a result of finding permanent homes	\$14.000
[11]	
Welfare Reform Investment Approach 2012 and 2013 valuation results show the Ministry's performance in implementing Welfare Reform and the Investment Approach has been demonstrably strong to date, with two-year benefit payments \$320 million less than expected and a \$7.4 billion reduction in the liability under management influence. Payments in 2017/18 are projected to be 99.96 per cent of those in 2012/13, that is the number of beneficiaries are projected to decrease by 2017/18 but this is offset by higher levels of payment per beneficiary due to the CPI indexation. The future liability of current beneficiaries is expected to steadily decrease from the current level of \$76.5 billion to \$70.4 billion in 2017/18. This is based on experience up to the most recent valuation (June 2013) and does not allow for any initiatives which have commenced or will commence after that date.	2017/18 benefit payments very similar to 2012/13 Future liability for current beneficiaries forecast to reduce by \$6.1 billion to 2017/18
Debt collection strategy: simplification and task management This proposal is to increase debt collection from debtors by implementing improvements to the current operating model and automating business processes.	\$34.000

2 Funding requests for Budget 2014

FUNDING INITIATIVE NAME AND DESCRIPTION	Operational Funding Request to 2017/18 \$0.000m
Vulnerable Children	
<p>Children's Action Plan</p> <p>Cross-agency Budget initiative, including the Ministry of Social Development, the Ministry of Justice, the New Zealand Police, the Ministry of Education and the Ministry of Health, to implement the Children's Action Plan, including the Children's Action Plan Directorate costs and costs for the Children's Teams and cover funding needs for the 2014/15 financial year.</p>	\$16.350
<p>Child, Youth and Family - Vulnerable Children Bill Implementation</p> <p>This funding will enable the implementation of Child, Youth and Family initiatives relating to the Children's Action Plan, covering initiatives that will be introduced through the Vulnerable Children Bill.</p>	[7]
<p>Child, Youth and Family - Care Strategy</p> <p>Enabling the implementation of Child, Youth and Family initiatives relating to the Children's Action Plan, including one-to-one therapeutic placements for young people, targeted support for caregivers and a proof of concept for CYF's care strategy.</p>	\$13.659
Families Into Work	
<p>Budgeting services funding review package</p> <p>Greater provision of budget services following a significant increase in Work and Income referrals post Welfare Reform, and having seen good results for service users and further fiscal savings.</p>	\$22.000
[7]	
Housing	
<p>Transfer of social housing needs assessment</p> <p>Funding to enable the transfer of social housing needs assessments from Housing New Zealand to MSD, as well as further work that is required to fundamentally transform the social housing sector in New Zealand. Funding will cover staff, IT and other costs to support the needs assessment for social housing on an ongoing basis.</p>	\$64.296 Capital : \$16.400
<p>Housing support fund</p> <p>To develop and deliver a package of products and tools to enable those with housing needs, social housing applicants and/or tenants to sustain private accommodation. These are an important component of the Ministry's active management of the social housing waitlist, and the success of reviewable tenancies.</p>	\$8.000

FUNDING INITIATIVE NAME AND DESCRIPTION	Operational Funding Request to 2017/18 \$0.000m
<p>Reviewable Tenancies</p> <p>Enabling MSD to carry out the functions associated with review of on-going social housing eligibility. Reviewable tenancies are expected to support the Government's objective of freeing up more social housing for households with high social needs.</p>	<p style="text-align: right;">\$5.155</p> <p style="text-align: right;">Capital: \$1.810</p>
Rebuild of Canterbury	
<p>Canterbury Earthquake Temporary Accommodation Service</p> <p>A continuation of the Temporary Accommodation Service that assists homeowners and people in rented accommodation whose homes are uninhabitable or who need help finding suitable rental accommodation while their house is repaired. The service also administers the Temporary Accommodation Assistance subsidy.</p>	<p style="text-align: right;">\$2.260</p>
<p>Canterbury Earthquake Recovery Fund (Canterbury Social Support Fund)</p> <p>Funding is for the provision of a range of psychosocial initiatives to continue to support individuals, families and communities in the recovery phase following the Canterbury earthquakes.</p>	<p style="text-align: right;">\$13.500</p>
<p>Labour Mobility: 3K to Christchurch initiative</p> <p>A package to connect job seekers to the Canterbury labour market and provide a financial incentive of \$3,000 to those outside of Canterbury who move to Canterbury for work.</p>	<p style="text-align: right;">\$3.500</p>
Welfare Investment Approach	
<p>Improving Outcomes and Managing the Liability (Investment Approach)</p> <p>Package of core employment services to achieve outcomes for high-liability beneficiaries to maintain liability reductions; trialling new approaches to services/supports for cohorts identified in the valuation as complex and high liability requiring tailored services/supports to improve employment outcomes.</p>	<p style="text-align: right;">\$100.000</p>
Other	
<p>Additional funding for specialist sexual violence sector</p> <p>The provision of additional funding to stabilise the specialist sexual violence sector and respond to increasing demand and service gaps.</p>	<p style="text-align: right;">\$10.400</p>
Working with the Disabled Community	
<p>Enabling Good lives demonstration in Waikato</p> <p>Local demonstration of the Enabling Good Lives approach to transform the disability support system in the Waikato region.</p>	<p style="text-align: right;">\$3.820</p>
<p>Promotion and maintenance of New Zealand Sign Language</p> <p>Establishment of a formal body to provide stewardship and advice on New Zealand sign language (NZSL) and a fund for priority initiatives for the promotion and maintenance of NZSL to improve outcomes for deaf people.</p>	<p style="text-align: right;">\$6.000</p>

FUNDING INITIATIVE NAME AND DESCRIPTION	Operational Funding Request to 2017/18 \$0.000m
<p>Vocational services for school leavers with disabilities and very high needs</p> <p>To address the funding pressures from new school leavers entering into the Very High Needs Scheme accessing required services.</p>	\$6.000
Supporting Youth	
<p>Expanding the youth enterprise initiatives</p> <p>To provide support to increase youth enterprise including through peripatetic experts who provide professional development, leadership, support and mentoring in the area of business studies and enterprise.</p>	\$2.500
<p>Funding for social service provision in One Stop Shops (YOSS)</p> <p>To cover the currently unfunded social support work done by YOSS and to continue to the sustainability of a network that serves a high proportion of disadvantaged youth. YOSS are integral to service provision under the Prime Minister's Youth Mental Health Project.</p>	\$8.620
Initiative from Other Votes Impacting on Vote Social Development	
<p>Information and communications technology graduate programmes to meet the needs to Enterprise</p> <p>Addressing skill shortages in the Information and Communications Technology sector by focusing provision and creating visibility with industry. A supporting initiative is being submitted by the Ministry of Education.</p>	\$0.840 Capital: \$10.763
<p>Enacting changes to loan eligibility for Foundation-level education</p> <p>Enabling StudyLink to deliver changes to foundation-level tertiary education to remove access to the fees component of the loan scheme for those under 25 years enrolled in fees-free study. This is a Ministry of Health led initiative.</p>	\$0.459
<p>Additional medical places</p> <p>Increasing the first year medical enrolment cap by 34 equivalent full-time students from 1 January 2015. A supporting initiative is being submitted by the Ministry of Education.</p>	\$0.654 Capital \$5.063

ANNEXES

Annex 1: Our Social Sector Strategy

Social Sector agencies² support and protect New Zealand communities. We each play a role as individual agencies in delivering on our core services and areas of expertise. However, in our day to day work we provide services to many of the same individuals and work to address complex social issues that require a joined up response. The challenge is for agencies to work together to make our services more accessible to New Zealanders and make a bigger difference through collective impact.

1.1 As a sector we are working together at all levels to deliver results

We are working more closely with our sector colleagues than we have in the past. We have changed governance structures and work programme priorities to better recognise our collective interests and realise our collective impact. As a sector focused on delivering results we have:

- Used shared priorities and targets for the sector to drive our work. This includes Better Public Services results 1-4.
- Put in place **collective governance and management structures** to oversee and lead collaborative work. This includes the Joint Venture Board for Social Sector Trials and the Vulnerable Children’s Board for the Children’s Action Plan.
- Developed **joint accountabilities for CEs**, such as those provided in the Vulnerable Children’s Bill.
- Changed the way we **work together and with communities** on the ground. This has included testing devolution through the Social Sector Trials and trialling new ways of providing wrap-around services to vulnerable children through Children’s Teams.
- Made the best use **of data and information** we hold to provide services to at risk groups at the right time. For example, Youth Services uses enrolment data to identify young people who are Not in Education, Employment or Training (NEET). We have also created a predictive risk model which uses data from multiple agencies to help identify vulnerable children.

We are already delivering improved results through our cross-agency work...

- *National immunisation coverage for eight-month olds in the year to June 2013 increased from **86% to 90%**, with ethnicity coverage increasing from **77% to 84%** for Māori, **85% to 92%** for Pacific, and **81% to 87%** for children living in deprivation quintiles 9 and 10.*
- *Welfare reform changes have created **social obligations which contribute to better sector outcomes**, including enrolling children in ECE and completing regular Well Child checks.*
- *Social Sector Trials have resulted in **improved outcomes for young people** due to a more **seamless and responsive** delivery of social services.*

² Ministries of Business, Innovation and Employment (Infrastructure), Education, Health, Justice, and Social Development, the New Zealand Police and Te Puni Kokiri

1.2 Our strategy for achieving results as a sector

To achieve the best results for New Zealanders over the next four years we will need to expand the scope of our collaboration and do it in a smarter and more efficient way. As a sector we will:

- Explore the use of a **collective sector investment strategy**. This means that we will invest our collective effort and resources as a sector in the right areas to deliver the best results for New Zealanders.
- Put **people and families at the centre of our services**. That means we will arrange ourselves around a person's needs and provide the right mix of services. It is also around making services as accessible and efficient as possible for people to access.
- Be **agile, innovative and responsive**. We will find innovative ways of working together at both national and local levels, and undertake more effective evaluation. By applying the techniques of 'rapid cycle change' to our initiatives, we will be able to identify more quickly what works and what doesn't. We will stop initiatives that don't provide results and scale up those that do, while all the time learning.
- Build **strong relationships with communities and NGOs**. We will work more closely with local communities and NGOs, and investigate different models of governance and service delivery.
- Make **smarter decisions** using integrated data and information. More, and better integrated, data will allow agencies across both the social sector and wider government to provide individual people with the right mix of services and at the right time. This will be essential for a sector investment strategy.

We will expand our collaboration and work in smarter and more efficient ways across the sector

We will start doing this by identifying our shared, high cost vulnerable people who we are working with. We will better invest our collective effort and resources to provide our services in a more people and family centred way to ensure we deliver the best results for New Zealanders.

1.3 We need to address a number of barriers to scale up our collaboration

To have the most impact as a sector and scale up our collaborative work, we will need to overcome a number of barriers:

- The **trade-offs and true costs of collaboration are not always visible**. Currently, we have low visibility in terms of the trade-offs we make around some of our joint work. The funding and resource implications of cross-sector work are not always well understood across all parties. To overcome this, we will need to take a more effective approach to decision making across the whole sector, and ensure that the right information is available to decision makers.
- **Governance and accountabilities** can be tricky and **incentives are not always right**. The current system of public sector management does not always provide clear mechanisms for accountability across cross-agency projects and priorities. There can also be issues where there are not the right incentives for cross-agency work at all levels. We need to think past our traditional agency boundaries and focus on joint outcomes when making decisions that will impact across the social sector.
- **We need to know how we interact with people we are all working with**. We do not currently know how people interact with the different services we provide and move

through the social sector over time. To make smart decisions on policy, services and interventions for individuals we need to improve both our collection and understanding of data.

- **We need sustainable funding and resourcing models.** To date, we have been successful in funding and resourcing small-scale initiatives but this has largely relied on somewhat ad-hoc arrangements. It is unlikely that these types of arrangements will be sustainable as we scale up initiatives such as Children's Teams.

We will use new tools, such as the recent changes to the State Sector Act and Public Finance Act to better support cross-sector activity, in particular, strengthening of incentives for funding to flow across Votes to support high value investment. However, limitations may still remain.

The Children's Action Plan –a new way of working together

The implementation of the Children's Action Plan will continue to challenge agencies to work differently in order to meet the objective of protecting our most vulnerable children and young people from abuse.

Addressing this complex issue involves joint work by multiple agencies. Children's Teams have been established to bring together professionals from across the sector to identify children at risk and wrap the right services around them.

In order to achieve the best results, agencies will need to work together in order to rise to many of the challenges listed above and address the associated barriers.

Annex 3: Supporting financial information

3.1 New Activity that will be funded within current baselines

DEPARTMENTAL - OPERATING					
Intention Name and Brief Description	2013/14 \$0.000m	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
NIL					
Total					

NON DEPARTMENTAL - OPERATING					
Intention Name and Brief Description	2013/14 \$0.000m	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
NIL					
Total					

3.2 Cost pressures

DEPARTMENTAL – COST PRESSURES					
Intention Name and Brief Description	2013/14 \$0.000m	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
[11]					
Total	-	50.613	67.332	77.624	105.071

NON DEPARTMENTAL – COST PRESSURES					
Intention Name and Brief Description	2013/14 \$0.000m	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
From Increased Service Demand	-	-	-	-	-
From Direct Employment Costs	-	-	-	-	-
From Capital Planning	-	-	-	-	-
From Other	-	-	-	-	-
Total	-	-	-	-	-

Cost pressures arising from increased service demand

DEPARTMENTAL – COST PRESSURES ARISING FROM SERVICE DEMAND					
Cost pressures arising from increased demands on service delivery	2013/14 \$0.000m	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
Increase in benefit volumes due to policy changes	[11]				
Total					

NON DEPARTMENTAL – COST PRESSURES ARISING FROM SERVICE DEMAND					
Cost pressures arising from increased demands on service delivery	2013/14 \$0.000m	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
NIL	-	-	-	-	-
Total	-	-	-	-	-

[11]

Operational cost pressures arising from capital planning

OPERATIONAL COST PRESSURES ARISING FROM CAPITAL PLANNING					
Cost pressures arising from increased demands on service delivery	2013/14 \$0.000m	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
Depreciation	-	-	-	-	-
Capital Charge	-	-	-	-	-
Total	-	-	-	-	-

Other cost pressures

COST PRESSURES ARISING FROM OTHER FACTORS					
Cost pressures arising from increased demands on service delivery	2013/14 \$0.000m	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
Costs including ICT costs; property related increases; efficiency dividend	[11]				
Total					

3.3 Changes that will generate savings

DEPARTMENTAL – CHANGES GENERATING SAVINGS					
Intention Name and Brief Description	2013/14 \$0.000m	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
[11]					
Total	-	50.613	58.346	64.955	66.323

3.4 Vote transfers

The table below details transfers between the Votes of other agencies and MSD included in Vote Social Development from the October baseline update.

VOTE TRANSFERS					
To or (From) MSD	2013/14 \$0.000m	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
Transfer from Vote Education to Vote Social Development for Social Sector Trials	-	1.636	-	-	-
Transfer from Vote Education to Vote Social Development for the Children's Action Plan workforce project	0.264	-	-	-	-
Transfer From Vote Finance to Vote Social Development to expand the reach of microfinance	0.050				
Transfer from Vote Health to Vote Social Development for Social Sector Trials	-	0.841	-	-	-
Transfer from Vote Health to Vote Social Development for Enabling Good lives Demonstration	0.160	-	-	-	-
Transfers from Vote Housing to Vote Social Development for income related rent for both the community housing programme and Housing New Zealand.	156.135	726.428	782.742	833.153	887.463
Transfer to Vote Internal Affairs from Vote Social Development for the 'Settling In' programme	(0.100)	(0.920)	(0.920)	(0.920)	(0.920)
Transfer to Vote Police for Child Harm Prevention Orders	(1.091)				
Transfer to Vote Tertiary Education from Vote Social Development for Foundation focused training opportunities	(7.251)	(14.500)	(14.500)	(14.500)	(14.500)
Total	148.167	713.485	767.322	817.733	872.043

Annex 4: Budget Initiatives (funding requests of up to \$361.740 million)

1 Savings Initiative (\$34.000 million)

INITIATIVE NAME	VOTE	DEPARTMENT	CONTACT PERSON	
Debt Collection Strategy: Enabled by Employment Matching with Inland Revenue	Social Development	Ministry of Social Development	Iona Holsted [3]	
INVEST-TO-SAVE OPTION				
<p><i>Describe what this funding request is for and what the expected results from this spending are.</i></p> <p>As at June 2013, over 160,000 Ministry debtors owe \$381 million to the Crown (excluding \$204 million in recoverable assistance).</p> <p>This initiative is designed to increase debt collection from Ministry debtors by \$10 million each year by implementing improvements to the current operating model and automating business processes.</p> <p>Increasing the recovery of Crown revenue from these debtors will be achieved through:</p> <ul style="list-style-type: none"> • automating business processes where appropriate, including moving from a case management to task management approach • more effective communications of expectations to the debtors. <p>The expected results include:</p> <ul style="list-style-type: none"> • increased debt revenue, sooner, with sustained debt repayment arrangements • focus on debtors who can pay but refuse to • recovery of debt while debtors are working so if they return to benefit they will not return indebted. <p>Funding is sought to update technology and for 8 additional staff to support the initiative.</p> <p>With a reprioritised investment of [11] in the first year in staff and technology and [11] in ongoing staff costs, the Ministry believes it can achieve a projected net revenue gain to the Crown of \$29.6 million over four years (a gross of \$34 million over the period of this Plan).</p> <p>This revenue collected would potentially be available to address cost pressures and to fund government priorities.</p>				
<p><i>Describe how the expected results will be measured.</i></p> <p>The results will be measured through achieving an increase in the collection of Crown debt by \$10 million per year.</p>				
Funding Sought at Budget 2014	2014/15	2015/16	2016/17	2017/18
	\$0.000m	\$0.000m	\$0.000m	\$0.000m
Operating				
Operating funding sought	-	-	-	-
Capital				
Capital funding sought	-	-	-	-

2 Vulnerable Children Initiatives

INITIATIVE NAME	VOTE	DEPARTMENT	CONTACT PERSON		
Children's Action Plan	Social Development	Ministry of Social Development	Sue Mackwell		
<p><i>Describe what this funding request is for and what the expected results from this spending are.</i></p> <p>This initiative, the Children's Action Plan (CAP) Future Operating Model, is part of the Vulnerable Children's package, which is a multi-agency response to identify and assist at risk and vulnerable children. The three components of the total package are:</p> <ul style="list-style-type: none"> • Vulnerable Children Bill Implementation • CAP Future Operating Model • Child, Youth and Family Investment Strategy. <p>Other funding for the Vulnerable Children's package is sought in Vote Justice, Vote Police and Vote Social Development.</p> <p>The funding for the CAP Future Operating Model is to be voted into a pooled CAP fund in Vote Social Development. This approach will enable Vulnerable Children's Board oversight of cost effective implementation. Funding would be transferred to CAP agency Votes as required through the baseline update process throughout the year with sign off by Joint Ministers.</p> <p>Capital funding is sought to develop and implement the:</p> <ul style="list-style-type: none"> • multi-agency Children's Hub as a central contact, triage and referral point regarding vulnerable children • Vulnerable Kid's Information System to draw together disparate existing sources of information to better inform decision making and allow the right service to be provided at the right time • technical Predictive Risk Model to inform decision making, and ensure that services do not inappropriately or unnecessarily interfere in family life. 					
<p><i>Describe how the expected results will be measured.</i></p> <p>A common outcomes framework for the Children's Teams and the new multi-agency Strategy for Children and Young People in Care is in development, including draft key indicators.</p> <p>The draft indicators and measures for the outcomes framework is aligned to the outcomes specified in the Vulnerable Children Bill. They are listed under the high level goals of children being <i>safe, healthy, achieving, belonging and participating</i>.</p>					
Funding Sought at Budget 2014		2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
Operating					
Operating funding sought		16.350	-	-	-
Capital					
Capital funding sought		6.000			
<p><i>Describe how, if the funding sought represents the total amount required for the initiative - and if not, what the total is and where the additional funds are coming from:</i></p> <p>[7]</p>					
<p><i>Describe if this initiative might require additional funding in future years:</i></p> <p>[7]</p>					

[7]
<p><i>Describe how this new funding request supports the Governments priorities:</i></p> <p>The Vulnerable Children's Package links to Better Public Service targets relating to early childhood education, NCEA, immunisations, physical assaults and youth offending.</p>
<p><i>Describe how this new funding request aligns with your Strategic Direction and delivery thereof, as described in this 4YP:</i></p> <p>This funding request aligns with the White Paper for Vulnerable Children, and the actions proposed in October 2012 over a five year timeframe (to the end of 2017), with periods allocated for development and implementation.</p>
<p><i>Describe why this new initiative cannot be funded within baselines:</i></p> <p>A portion of this new initiative is also funded from within CAP Agency Vote baselines in the implementation phase (eg secondments in-kind provided). The funding sought is the additional funding required to meet the capacity and specialist skills requirements of this programme of work.</p>
[7]
<p><i>Describe what other activities are already being undertaken, either within your agency or across the State sector, to address the issue this new funding will look to address.:</i></p> <p>The Vulnerable Children's package also includes funding for the Vulnerable Children Bill implementation and for the Child, Youth and Family Investment Strategy.</p>
<p><i>Describe the implication if this funding is not approved:</i></p> <p>If this funding is not approved it would jeopardise the CAP work programme, identified in the White Paper for Vulnerable Children. Not approving this specific funding would limit the National CAP Directorate's ability to effectively manage this multi-agency programme of work, and would hinder the successful rollout of Children's Teams throughout New Zealand.</p>
<p><i>If partial funding of this initiative is an option, please describe how partial funding might work:</i></p> <p>A portion of the funding sought is for a phased rollout of Children's Teams throughout 2014/15. If there was less funding available the proposed rollout could be phased at a slower rate than proposed.</p>

INITIATIVE NAME	VOTE	DEPARTMENT	CONTACT PERSON
Child, Youth and Family – Vulnerable Children Bill Implementation	Social Development	Ministry of Social Development	Bernadine Mackenzie Mark Henderson
<p><i>Describe what this funding request is for and what the expected results from this spending are.</i></p> <p>The Vulnerable Children Bill will amend the Children, Young Persons and their Families (CYPF) Act 1989 to introduce new legal provisions relating to:</p> <ul style="list-style-type: none"> strengthening Family Group Conferences (FGCs) a new Special Guardianship Order, as an alternative means of securing the permanent placement of a child a new legal onus on parents to demonstrate that they are safe to parent where they have previously had a child permanently removed due to abuse or neglect or been convicted of murder, manslaughter or infanticide extended financial and non-financial support and advice to young people, aged 15 to 20 years, as they prepare for and leave state care to live independently, or for those who have already left care to live independently. This includes support to continue in education and training financial and other support to permanent caregivers of children in specific circumstances. 			

These new legislative provisions create new operational requirements and costs for Child, Youth and Family (and other Votes, eg Vote Justice), in particular:

- FGCs – all FGC plans will have to be reviewed by reconvening a FGC.
- Special Guardianship – social work time preparing Court applications, and legal costs and social worker time relating to an expected increase in defended hearings from parents who do not wish their rights to be removed or restricted.
- Safety of Subsequent Children – social worker time associated with assessing whether the parent has demonstrated they have the capability and capacity to safely care and meet the child's needs. Legal costs and social work time with reports to the Family Court seeking a decision on either the child remaining in the custody of the parent or for the child to be placed in CYF's care. Potential volumes under subsequent children provisions, which at this stage are uncertain.
- Achieving Independence – the cost of supporting the needs of care leavers when they transition to independent living, up to the age of 20, through new needs-based financial and non-financial support and advice.
- Achieving Independence – the cost of extending support to the caregivers of 17 and 18 year olds who are enrolled in school or vocational training.
- Permanent Caregivers – the cost of take-up of financial and other support by permanent caregivers of children who have left State care to live permanently with those caregivers.

This package requests funding for some of the initiatives required to support implementation of the Child, Youth and Family initiatives relating to Vulnerable Children Bill, namely: FGCs, support needs of care leavers up to age 20, financial support for permanent caregivers; and funding for CYF implementation costs associated with the VCB.

[7]

Describe how the expected results will be measured.

For the family group conference provisions:

- evidence that a comprehensive assessment has been completed, services and support have been identified and put in place (or service gaps identified), there are clear timeframes, and for children in care a clear permanency goal
- more decisive action, decision-making and review in faster timeframes that meets the needs of the child or young person
- improved placement stability
- shorter duration in CYF care
- more robust external scrutiny by families and agencies of care plans for children.

For the permanent caregiver provisions:

- measurement of the take-up of financial and other assistance under the new provisions.

For the support to care leavers transitioning to independent living provisions:

- support and advice provided (such as support to enrol in education or training, gain employment, legal advice or counselling) from any time up until 20 years of age
- financial assistance provided to maintain stable living circumstances
- data-matching relating to participation and achievement in education, training and employment for those who have left care to independent living.

Funding Sought at Budget 2014	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
Operating				
<u>Vulnerable Children Bill Implementation</u>				
Increase number of Family Group Conferences	0.461	[7]		
[7]	-			
Financial Support for Permanent Caregivers	0.286			
CYF Implementation Costs relating to the VCB	1.785			
Total	2.532			
Capital				
Capital funding sought	-	-	-	-
<p><i>Describe how, if the funding sought represents the total amount required for the initiative - and if not, what the total is and where the additional funds are coming from.</i></p> <p>The funding sought does not represent the total funding required for this package of initiatives.</p>				
<p><i>Describe if this initiative might require additional funding in future years.</i></p> <p>[7]</p>				
<p><i>Describe how this new funding request supports the Governments priorities.</i></p> <p>This initiative supports the Government's priorities in the Vulnerable Children Bill and the Children's Action Plan. It also supports the Better Public Services: Supporting Vulnerable Children result areas of reducing physical assaults, improving early childhood education participation and NCEA results, and reducing youth crime.</p>				
<p><i>Describe how this new funding request aligns with your Strategic Direction and delivery thereof, as described in this Four-year Plan.</i></p> <p>This funding aligns with the Ministry's strategic direction relating to "Protecting Vulnerable Children". It also aligns with the White Paper for Vulnerable Children and the Children's Action Plan, including CYF's strategic priorities in the "Multi-agency Strategy for Children and Young People in Care".</p>				
<p><i>Describe why this new initiative cannot be funded within baselines.</i></p> <p>These are new initiatives arising from the implementation of provisions in the Vulnerable Children Bill. These initiatives are not included in CYF's baseline scope and require resourcing that is beyond the current capacity and capability of CYF.</p>				
<p><i>Describe what other activities are already being undertaken, either within your agency or across the State sector, to address the issue this new funding will look to address.</i></p> <p>Nil.</p>				
<p><i>Describe the implication if this funding is not approved.</i></p> <p>If funding is not approved, CYF will not be able to meet the legislative requirements of these provisions in the Vulnerable Children Bill.</p>				
<p><i>If partial funding of this initiative is an option, please describe how partial funding might work.</i></p> <p>As above, partial funding would not allow CYF to meet the legislative requirements.</p>				

INITIATIVE NAME	VOTE	DEPARTMENT	CONTACT PERSON	
Child, Youth and Family – Funding to address increased demand	Social Development	Ministry of Social Development	Bernadine Mackenzie Mark Henderson	
<p><i>Describe what this funding request is for and what the expected results from this spending are.</i></p> <p>This package includes funding for Child, Youth and Family (CYF) to meet the \$8.000 million overspend forecast for 2013/14 due to increasing demand for its services. This increase in demand is due to:</p> <ul style="list-style-type: none"> • more interventions as a result of more substantiated abuse findings (up 17 per cent since 2009). Over the last year, the number of children and young people with a substantiated finding of physical abuse has increased (969 for July – September 2013 compared to 861 for July – September 2012) • more children and young people entering care (up 5.78 per cent since April 2013 or extra 232 young people) • more care and protection FGCs (2,395 children and young people involved in care and protection FGCs for July to September 2013 compared to 2,155 for July to September 2012 quarter) • increasing duration in care (up from 106 days in 2009 to 164 days in 2013), due to higher needs and more serious anti-social behaviour and offending from traumatic abuse and neglect histories, disabilities and /or mental health disorders. <p>These factors are increasing the operational costs and costs to support children, in particular in the area of:</p> <ul style="list-style-type: none"> • supervision of access • tracker and escorts • monitoring • education and recreational activities • immediate material needs • contracted bednights • care and protection Family Group Conferences • clothing and payment for board. <p>The unit cost of a young person in a share care placement is between [7] Between December 2012 and December 2013, the top 300 most expensive young people indicate the dispersion of costs across this cohort. [7]</p>				
<p><i>Describe how the expected results will be measured.</i></p> <p>As part of the investment approach we will be measuring and monitoring the costs and liabilities of the child protection system. These results will provide us with information about outcomes achieved for vulnerable children, and support decision-making on future investments.</p>				
Funding Sought at Budget 2014	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
Operating				
Operating funding sought	8.000	-	-	-
Capital				
Capital funding sought	-	-	-	-

Describe how, if the funding sought represents the total amount required for the initiative - and if not, what the total is and where the additional funds are coming from.

[7]

Describe if this initiative might require additional funding in future years.

CYF's four year budget plan commits to savings to off-set out year cost pressures including salary increases, efficiency gains, and overall price increases. However, the plan does not allow for increasing demand for services from increasing volumes and duration in care. [7]

Describe how this new funding request supports the Government's priorities.

This initiative supports the Government's priorities in Better Public Services: Supporting Vulnerable Children result areas.

Describe how this new funding request aligns with your Strategic Direction and delivery thereof, as described in this Four-year Plan.

This funding aligns with the MSD's strategic direction relating to "Protecting Vulnerable Children". It also aligns with the White Paper for Vulnerable Children and the Children's Action Plan, including CYF's strategic priorities in the "Multi-agency Strategy for Children and Young People in Care".

Describe why this new initiative cannot be funded within baselines.

CYF's value for money plan has provided for salary cost pressures for both the performance development system and the changes to the collective agreements; however the plan did not allow for increases to demand driven cost increases. Currently there is insufficient funding to meet the existing needs of the number of children in out-of-home placement and the increasing number of young people with high needs. Redirection of current investments or baseline funds of this level is not realistic and would compromise current service delivery to existing children being supported.

Describe what other activities are already being undertaken, either within your agency or across the State sector, to address the issue this new funding will look to address:

It is envisaged with additional placements, which cost on average \$0.094 million per annum, the demand for services required by young people with high needs will reduce.

Describe the implication if this funding is not approved.

If additional funding were not possible, we would need to provide Ministers with advice on options for how the shortfall could be addressed.

If partial funding of this initiative is an option, please describe how partial funding might work.

If partial funding was agreed to, we would need to provide Ministers with advice on options for how the shortfall could be addressed.

INITIATIVE NAME	VOTE	DEPARTMENT	CONTACT PERSON
Child, Youth and Family – Improving Outcomes for High Needs Group	Social Development	Ministry of Social Development	Bernadine Mackenzie Mark Henderson
<p><i>Describe what this funding request is for and what the expected results from this spending are.</i></p> <p>This package includes the funding required to support the implementation of Child, Youth and Family (CYF) initiatives relating to CYF's Care Strategy. The initiatives focus on improving services for caregivers and are outlined below.</p> <p>Proposal 1: One to one therapeutic placements for high needs young people</p> <p>Evidence indicates that investing in specialist care placements, teamed up with therapeutic services, can help a young person to engage in education, increase educational achievement in literacy and numeracy, decrease negative behaviours such as running away and aggression, reduce the risk of offending, and improve their social relationships.</p> <p>We propose an increase of an additional 15 one-to-one therapeutic placements in 2014/15, providing therapeutic care for children and young people from 12-18 months, [7]</p> <p>Proposal 2: One-to-one targeted support for caregivers</p> <p>Ongoing development, learning and support of caregivers is vital to enable them to continue to provide a stable and supportive home environment which improves long-term outcomes for a child or young person. This package would enable us to purchase more training, coaching and support and develop this in more flexible ways. By providing flexible, intensive support when needed CYF can help keep children/young people in home environments and help prevent the need for residential or specialist placements.</p> <p>Funding</p> <p>Funding is sought for the estimated fiscal cost of \$2.519 million for 2014/15. [7]</p> <p>Related initiatives</p> <p>An important component of CYF's Care Strategy is a targeted national recruitment campaign to recruit caregivers. This initiative is funded from within existing baseline.</p>			
<p><i>Describe how the expected results will be measured.</i></p> <p>As part of the investment approach CYF will measure and monitor the costs and liabilities of the child protection system. These results will provide CYF with information about outcomes achieved for vulnerable children, and support decision-making on future investments. CYF will also be able to measure results through:</p> <ul style="list-style-type: none"> • data matching with the Ministries of Health and Education which will enable us to ensure results required for the Better Public Service Targets, particularly in early childhood education, NCEA Level 2 and immunisation • measuring improvements for children and young people in care through performance business reporting and Care and Protection, Youth Justice, Residences and Adoptions System records • using a quality assurance process that will be developed as part of implementation, most probably through qualitative sampling • using the proof of concept work to evidence the results of flexible support and learning opportunities for caregivers • gaining caregiver feedback via established care forums. 			

Funding Sought at Budget 2014	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
Operating				
Operating funding sought	2.519	-	-	-
Capital				
Capital funding sought	-	-	-	-
<p><i>Describe how, if the funding sought represents the total amount required for the initiative - and if not, what the total is and where the additional funds are coming from:</i></p> <p>[7]</p>				
<p><i>Describe if this initiative might require additional funding in future years:</i></p> <p>Funding for outyears is not sought during the 2014/15 budget process,</p> <p>[7]</p>				
<p><i>Describe how this new funding request supports the Governments priorities:</i></p> <p>The funding supports the reforms introduced in the White Paper on Vulnerable Children and the Better Public Services: Supporting Vulnerable Children result areas particularly reducing rates of youth crime and reoffending, and increasing the proportion of 18 year olds with NCEA Level 2.</p> <p>Ensuring caregivers are better skilled and supported will also help reduce re-abuse rates of children and young people in care.</p>				
<p><i>Describe how this new funding request aligns with your Strategic Direction and delivery thereof, as described in this Four-year Plan:</i></p> <p>This funding aligns with MSD's strategic direction relating to "Protecting Vulnerable Children". It also aligns with the White Paper for Vulnerable Children and the Children's Action Plan, including CYF's strategic priorities in the "Multi-agency Strategy for Children and Young People in Care".</p>				
<p><i>Describe why this new initiative cannot be funded within baselines:</i></p> <p>This funding is for new services and currently there is no opportunity for reprioritisation of funds within baseline.</p>				
<p><i>Describe what other activities are already being undertaken, either within your agency or across the State sector, to address the issue this new funding will look to address:</i></p> <p>CYF is developing an investment approach and undertaking Proof of Concept trials to inform future investment decisions in CYF. In addition, there are a small number of activities already being undertaken within Child, Youth and Family and across the State sector to provide support and learning opportunities to caregivers; however they are not meeting the volume and needs of our most vulnerable children and young people.</p>				
<p><i>Describe the implication if this funding is not approved:</i></p> <p>The new funding directly supports the "Protect and Respond" action in the Children's Action Plan by "providing child-centred care through high quality placements and tailored support to caregivers, particularly to those who care for high-needs children/young people".</p> <p>If funding is not approved, caregivers and children/young people in out-of-home placements will continue to receive the current service with restricted placement options for its vulnerable children/young people, particularly those with high needs.</p>				

If partial funding of this initiative is an option, please describe how partial funding might work:

The above proposals can be scaled by reducing the number of caregivers and children/young able to access the support they require.

INITIATIVE NAME	VOTE	DEPARTMENT	CONTACT PERSON	
Child, Youth and Family – Proof of Concept: Testing what works for whom	Social Development	Ministry of Social Development	Bernadine Mackenzie Mark Henderson	
<p><i>Describe what this funding request is for and what the expected results from this spending are.</i></p> <p>The Ministry is moving Child, Youth and Family (CYF) toward a more sophisticated approach to learning what works to better manage the investment in child protection services – based on the similar work being done in Work and Income. Funding is being sought to build a ‘proof of concept’ project into the four-year investment strategy proposed for CYF and the wider vulnerable children’s work. The purpose of this work is to help introduce the “investment approach into CYF”.</p> <p>The proof of concept itself is focused on trialling an approach to how CYF learns what works and measures the Return on its Investment (ROI). The method being tested here will use random control trials (RCT) to observe outcomes of investment to measure ROI, and establish what services best suit each cohort, so that future investments in outcomes will be more targeted and achieve better outcomes. In 2014/15 we plan to focus on two areas in statutory social work:</p> <ul style="list-style-type: none"> • At intake to CYF to better manage demand: referral pathways for responding to children under six notified to CYF who are at high risk of future engagement with CYF and at low risk of physical or sexual maltreatment. • To improve outcomes for children in care: improving support for care providers to improve stability (a key indicator for improved outcomes for children in care). <p>The proposed proof of concepts will help us determine what works and what doesn’t work (through measuring the ROI for each option and demonstrate to Government what this ROI is); and what worked and for whom. We will be able to use the results to learn where to better invest to further improve the ROI and outcomes for children within the money available.</p> <p>In the longer term, the proof of concept trails will enable CYF to improve its ability to obtain measurable outcomes, and Government will have more confidence that investments are based on reliable evidence.</p>				
<p><i>Describe how the expected results will be measured.</i></p> <p>This proposed approach will use RCTs to test different service pathways and measure the difference between services and compare results with a control group in order to measure the ROI. Detailed short and long term measures will be confirmed following the completion of service design.</p> <p>In addition we will be looking for ways to better track and measure outcomes, including the actual fiscal forward liability, demand for services and longer term outcomes such as: re-abuse rates; entry into youth justice, care, or other high needs services; educational attainment; health sector (District Health Boards) engagement; and justice sector engagement.</p>				
Funding Sought at Budget 2014	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
Operating				
Operating funding sought	3.140	-	-	-
Capital				
Capital funding sought	-	-	-	-

Describe how, if the funding sought represents the total amount required for the initiative - and if not, what the total is and where the additional funds are coming from:

Some services for trial groups will be met within baselines. The funding sought represents the funding required for extra services and implementing the proof of concept trials.

Describe if this initiative might require additional funding in future years:

Implementing proof of concept trials will require an iterative approach, and will represent a new way of working. Successful implementation in the long-term will depend on careful analysis of results from the trials, so CYF can learn which pathways work better for each cohort, and undertake more precise targeting of services and/or groups.

[7] ensure that robust evaluation of the two proposed proof of concept trials can be undertaken, and to refine or introduce new proof of concept trials accordingly. [7]

Describe how this new funding request supports the Government's priorities:

This initiative supports the Government's priorities in the Vulnerable Children Bill and the Children's Action Plan. It also supports the Better Public Services: Supporting Vulnerable Children result areas of reducing physical assaults, improving early childhood education participation and NCEA results, and reducing youth crime.

The target groups in the proof of concepts proposed have multiple known poor outcomes, by undertaking these trials CYF will be able to better understand how to invest in services that will better support, and improve outcomes for, vulnerable children. If we can learn to make investments in more effective service responses at intake and care, these will translate into better outcomes across a wide range of indicators.

Describe how this new funding request aligns with your Strategic Direction and delivery thereof, as described in this Four-year Plan:

This funding aligns with the MSD's strategic direction relating to "Protecting Vulnerable Children". It also aligns with the White Paper for Vulnerable Children and the Children's Action Plan, including CYF's strategic priorities in the "Multi-agency Strategy for Children and Young People in Care".

Describe why this new initiative cannot be funded within baselines:

This proposal is a Research and Development initiative aimed at developing practices to lift performance. Reprioritisation of funding within baseline could impact on existing services.

Describe what other activities are already being undertaken, either within your agency or across the State sector, to address the issue this new funding will look to address:

The proof of concept approach being proposed is similar to that currently being used in Welfare Reform, and this approach is being used widely internationally as best practice. The funding being sought is to implement this approach within CYF.

Describe the implication if this funding is not approved:

If funding is not approved, the proof of concept trials will not be able to proceed. This will compromise our ability to learn what works to improve outcomes for vulnerable children. We will be less able to provide the kind of information the Treasury would like us to provide when making requests for more, or re-investment of, funding.

If partial funding of this initiative is an option, please describe how partial funding might work:

Partial funding would not allow the trial of a robust proof of concept, ie meeting sample size is a precondition of success. There needs to be a range of cheap and more costly options to test so that we can learn the optimal investment for the future, one that achieves the highest ROI, ie we do not know whether some of the cheaper options will work, and want to test the level of return for some of the more costly investment options.

3 Families into Work Initiatives

INITIATIVE NAME	VOTE	DEPARTMENT	CONTACT PERSON	
Budget services funding review package	Social Development	Ministry of Social Development	Nic Blakeley Richard Bolton	
<p><i>Describe what this funding request is for and what the expected results from this spending are.</i></p> <p>Timely budget advice reduces hardship events and welfare costs. Government committed to review funding following Welfare Reform demand increase and positive outcomes and savings. This bid:</p> <ul style="list-style-type: none"> • boosts budgeting services funding to better meet Work and Income referrals • reduces risk of working New Zealanders being squeezed out of services by beneficiary demand • ensures services critical to good social and fiscal outcomes are available. <p>However, funding has not kept pace with, nor changed, to reflect the increased demand and there are significant cost pressures.</p> <p>Government provided extra one-off support and committed to a full review.</p> <p>This package will maintain current reductions in hardship events and welfare costs (savings equivalent to expenditure) and enable further savings.</p>				
<p><i>Describe how the expected results will be measured.</i></p> <p>This work is linked to the Investment Approach in the Investment in Services for Outcomes (ISO) work.</p> <p>It contributed to a \$26 million reduction to actual expenditure in 2012 compared with the 2011 actuarial valuation, 176,000 fewer hardship episodes and a \$23.44 million reduction in Hardship Assistance expenditure over the calendar year ending 31 December 2012 (compared with a 12 month period prior to the introduction of this policy).</p> <p>Future results will be measured by impact on hardship assistance events. The number of events, the number of multiple events, the number of service users (including by benefit type or non-beneficiary status), and the expenditure on such will continue to be measured. It is an ongoing input to the actuarial valuation.</p> <p>NOTE: Savings of \$4.6 million per year from this initiative have already been included in the forecast Welfare Reform savings figure.</p>				
Funding Sought at Budget 2014	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
Operating				
Operating funding sought	4.000	6.000	6.000	6.000
Capital				
Capital funding sought	-	-	-	-
<p><i>Describe how, if the funding sought represents the total amount required for the initiative - and if not, what the total is and where the additional funds are coming from:</i></p> <ul style="list-style-type: none"> • this is in addition to existing baseline funding of \$8.5 million per annum, and • replaces one-off additional of \$1.5 million in 2013/14. 				
<p><i>Describe if this initiative might require additional funding in future years:</i></p> <p>No.</p>				
<p><i>Describe how this new funding request supports the Governments priorities:</i></p> <ul style="list-style-type: none"> • Reduces multiple hardship events contributing to Better Public Services targets 1 and 2. 				

<ul style="list-style-type: none"> • Supports Welfare Reform objectives and delivers value for money savings.
<p><i>Describe how this new funding request aligns with your Strategic Direction and delivery thereof, as described in this Four-year Plan:</i></p> <p>Timely budgeting advice reduces hardship events and welfare costs.</p>
<p><i>Describe why this new initiative cannot be funded within baselines:</i></p> <ul style="list-style-type: none"> • Cost pressure already recognised by Government one-off injection and funding review. • Future Focus reforms including greater referral to budget services has already banked over \$23 million in welfare Benefits and Other Unrequited Expenses savings with yearly Special Needs Grant expenditure running an estimated \$4.6 million lower per annum due to Future Focus hardship reforms.
<p><i>Describe what other activities are already being undertaken, either within your agency or across the State sector, to address the issue this new funding will look to address:</i></p> <ul style="list-style-type: none"> • Funding supports wider Welfare Reforms. • Budget services funding is being included as a lead item in ISO – this will ensure greatest positive impact is achieved through baseline and additional targeted expenditure.
<p><i>Describe the implication if this funding is not approved:</i></p> <ul style="list-style-type: none"> • Volume of budget services will decrease – historically reported delivered volumes are 1.5-2 times contract volumes. • Decrease will put at risk or reverse positive impact of Future Focus reforms and Investment Approach linked to actuarial returns. • Multi hardship grants will increase to pre Future Focus and budget advice levels.
<p><i>If partial funding of this initiative is an option, please describe how partial funding might work:</i></p> <p>Funding is scalable (on an even per annum rate across all years).</p> <ul style="list-style-type: none"> • For the sector a no increase option would still require an injection of \$1.5 million per annum (this is due to the one-year injection of \$1.5 million ending, with no consequential reduction in Work and Income referrals or total demand). A minimum increase (of any meaningful impact) would therefore be around \$2.5 million per annum. • Significant phasing in of funding is problematic given existing demand levels (and volunteer workforce able to be professionalised in response). • Partial funding is already incorporated into the costing with current reported volumes already in excess of new proposed funding level. • Funding could theoretically be time-limited (with a set point for further review). This, however, reduces funding security for providers (with resulting HR impact), leaves unfunded issues for future Budgets, presents upside demand risk at review (as well as offering a concrete point for possible reduction if demand declines or Hardship Assistance policy changes).

4 Housing Initiatives

INITIATIVE NAME	VOTE	DEPARTMENT	CONTACT PERSON		
Transfer of Social Housing Needs Assessment	Social Development	Ministry of Social Development	Nic Blakeley Anna Butler		
<i>Describe what this funding request is for and what the expected results from this spending are.</i>					
This request is for funding for staff, IT and other costs to fund the needs assessment for social housing on an ongoing basis. This funding will enable MSD to carry out the functions associated with the assessment of social housing.					
<i>Describe how the expected results will be measured.</i>					
Performance measures are being established for these new functions.					
Funding Sought at Budget 2014	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m	
Operating					
Operating funding sought	16.696	16.782	15.409	15.409	
Capital					
Capital funding sought	16.400	-	-	-	
<i>Describe how, if the funding sought represents the total amount required for the initiative - and if not, what the total is and where the additional funds are coming from:</i>					
Housing New Zealand (HNZC) has some costs relating to IT and the transition period. These will be met through a reduced dividend expectation on HNZC.					
<i>Describe if this initiative might require additional funding in future years:</i>					
No.					
<i>Describe how this new funding request supports the Governments priorities:</i>					
This funding delivers on a Government commitment in Budget 2013 to shift the needs assessment to MSD. It will support the Government's objective of growing the diversity and range of social housing provision in New Zealand.					
<i>Describe how this new funding request aligns with your Strategic Direction and delivery thereof, as described in this Four-year Plan:</i>					
The transfer of social housing functions to MSD is signalled as a key priority in this Four-year Plan.					
<i>Describe why this new initiative cannot be funded within baselines:</i>					
This initiative is for MSD to undertake a significant new function.					
<i>Describe what other activities are already being undertaken, either within your agency or across the State sector, to address the issue this new funding will look to address:</i>					
The transfer of functions to MSD has been directed by Cabinet who noted the four year costs associated with this and that these will be sought through funding in Budget 2014. The costs have been reviewed by an independent auditor and the Treasury. Scaling options have been discussed with the Treasury. Some costs associated with the transfer that can be met from existing baselines, will be.					
<i>Describe the implication if this funding is not approved:</i>					
If funding is not available, undertaking the new function may need to be deferred.					
<i>If partial funding of this initiative is an option, please describe how partial funding might work:</i>					
No further scaling/phasing/deferral is possible. Cabinet has agreed start date of this initiative and the functions MSD will perform from that date. MSD cannot scale or phase the amount of needs assessments it undertakes or the amount of income related rent subsidies it administers. Partial					

funding of this initiative would result in MSD not being able to deliver the functions it has been directed to undertake from April 2014 by Cabinet.

INITIATIVE NAME	VOTE	DEPARTMENT	CONTACT PERSON
Housing Support Fund	Social Development	Ministry of Social Development	Nic Blakeley Anna Butler

Describe what this funding request is for and what the expected results from this spending are.

A package of products to enable social housing applicants and/or tenants to access alternative independent housing. These are an important component of MSD's active management of the waitlist, and the success of the reviewable tenancies policy.

The funding will establish a package of tools (discretionary incentives, products or services) to address barriers faced by lower socio-economic households in retaining or accessing private housing that are not addressed by existing MSD assistance. The tools will be part of wider options and an advice service available to applicants, those on the waitlist, and social housing tenants as appropriate.

The tools we intend to trial include:

- Tenancy Guarantee (financial guarantee for 12 months up to 4 weeks rent)
- Moving Assistance (loan for relocation costs)
- Letting Fees Loan for non-beneficiaries (mirroring a current loan for beneficiaries)
- Independence Bonus (discretionary grant of \$3,000 maximum to incentivise exit [1] in targeted to high-demand social housing locations and [2] in the engagement/planning stages of the reviewable tenancies process).
- Statement of Satisfactory Tenancy (no fiscal cost)
- Bond Grant (reduce the risk of debt acting as a barrier to private housing).

The Housing Support Fund is an important component of an active waitlist management approach. With housing needs assessment coming to MSD, there is a risk of the waitlist increasing because:

- MSD's national network of offices means applying for social housing will be easier
- Case Managers may identify that people they are working with have a housing need that may not have been previously considered, for example, overcrowding
- the publicity generated by the transfer may increase applications.

The Housing Support Fund will help people maintain, or access alternative accommodation, reducing the waitlist.

The Housing Support Fund will also assist social housing tenants to exit. The tools are intended to support both voluntary exits and the transition of tenants exiting as a result of tenancy review. In this way the fund will support freeing up housing stock for those most in need, and support the successful implementation of an important component of the social housing reform (reviewable tenancies).

Describe how the expected results will be measured.

The individual tools included in the package will be evaluated to assess their effectiveness in increasing uptake of independent housing options. It is anticipated that, over time, there will be changes to the nature, number and mix of tools included in the package.

Funding Sought at Budget 2014	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
Operating				
Operating funding sought	1.000	1.800	2.600	2.600
Capital				
Capital funding sought	-	-	-	-

Describe how, if the funding sought represents the total amount required for the initiative - and if not, what the total is and where the additional funds are coming from:

The funding sought does not represent the total amount required for the initiative. Funding is also required for IT costs to support the administration and evaluation of each product. These IT costs have been funded as part of the wider Housing Assessment Transfer costs (approximately \$300,000). Products will be offered as part of the housing assessment service, and therefore no additional staff costs are anticipated.

Describe if this initiative might require additional funding in future years:

The initiative is unlikely to require additional funding in future years.

Describe how this new funding request supports the Government's priorities:

This funding request supports the Government's social housing reform priority of *housing those most in need for the duration of their need* by assisting social housing applicants and tenants to maintain or access alternative accommodation where they are able. Off-ramping applicants and tenants will free up resources for those most in need. The Housing Support Fund will also support the successful rollout of reviewable tenancies, by assisting tenants to move out of social housing and into private accommodation.

Describe how this new funding request aligns with your Strategic Direction and delivery thereof, as described in this Four-year Plan:

The Housing Support Fund will address barriers for those people who would otherwise be unable to access and sustain independent accommodation. In this way it reduces welfare dependence (income related rent subsidy). It may also support beneficiaries in transitioning to work, by reducing the impact of the loss of their state funded home (where a move into work could result in no longer being eligible for social housing).

The Housing Support Fund will release social housing stock for use by those in most need. This includes:

- families at risk of rheumatic fever, who will benefit from reduced over-crowding
- people recently released from prison, whose re-offending risk will be reduced if they are appropriately housed
- reducing assaults on vulnerable children, by providing alternative accommodation when there is a threat of domestic violence.

Describe why this new initiative cannot be funded within baselines:

MSD is taking on a new function as a social housing agency. The Housing Support Fund is intended to support actively managing social housing demand.

Note there may be some off-setting savings, as those in receipt of financial support for housing related costs may not need to apply for other forms of assistance, for example special needs grants. However, these savings are difficult to quantify.

Describe what other activities are already being undertaken, either within your agency or across the State sector, to address the issue this new funding will look to address:

MSD offers a range of support to those with for housing needs. These include:

- Accommodation Supplement, which reduces ongoing financial barriers to private accommodation
- Recoverable Bond assistance, which reduces the upfront costs to accessing private accommodation
- Transition to Work funds moving costs for beneficiaries who have found employment
- Beneficiaries get advances for letting fees if they cannot find another rental.

Housing New Zealand offers a range of financial products to its tenants.

Describe the implication if this funding is not approved:

If this funding is not approved, MSD will have fewer tools to ensure that those most in needs are able

to access social housing.

- MSD will be less able to manage the anticipated increase in the number of households on the social housing waiting list.
- It will be more difficult to exit current social housing tenants found to be ineligible through a tenancy review, as there are financial costs in moving out of social housing and private landlords consider ex-social housing tenants to be a higher risk.

MSD's ability to house tenants in high demand areas will be reduced, as there will be fewer incentives for, or tools to mitigate barriers tenants face to exiting social housing.

If partial funding of this initiative is an option, please describe how partial funding might work:

- Deferral is not recommended as this package supports a more active management of the social housing waitlist, a successful rollout of reviewable tenancies, and is a key part of the strategy to manage the anticipated initial surge of demand for social housing when MSD takes over the needs assessment function. Funding in the 2014/15 year therefore cannot be scaled back further.
- Scaling or later years phasing is an option, as the package is trialling a range of discretionary products. However, we have now scaled the proposal back as far as we think is reasonable (from the original cost of \$5 million per annum), and further scaling would have a detrimental impact on the delivery of the needs assessment for social housing.

INITIATIVE NAME	VOTE	DEPARTMENT	CONTACT PERSON
Reviewable Tenancies	Social Development	Ministry of Social Development	Nic Blakeley Anna Butler

Describe what this funding request is for and what the expected results from this spending are.

This funding will enable MSD to carry out the functions associated with reviews of on-going social housing eligibility. Reviewable tenancies are expected to support the Government's objective of freeing up more social housing for households with high social needs.

Describe how the expected results will be measured.

Performance measures are being established for these new functions.

Funding Sought at Budget 2014	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
Operating				
Operating funding sought	0.572	1.106	1.768	1.709
Capital				
Capital funding sought	1.810	-	-	-

Describe how, if the funding sought represents the total amount required for the initiative - and if not, what the total is and where the additional funds are coming from:

No other costs will likely be sought in the first four years. This initiative includes one-off capital and operational costs to fund the establishment of this new function in MSD. Any costs to Housing New Zealand Corporation (HNZC) will not require additional budget funding.

Describe if this initiative might require additional funding in future years:

On-going operational costs will be required in outyears

Describe how this new funding request supports the Governments priorities:

Social Housing Reform is a government priority. Reviewable tenancies support the Government's social housing reform objective of ensuring that social housing is provided to those in highest need.

This funding delivers on a Government commitment to introduce reviewable tenancies as announced by Ministers in 2013.

Describe how this new funding request aligns with your Strategic Direction and delivery thereof, as described in this Four-year Plan:

Delivering social housing functions as part of an integrated social service response is a key part of the Ministry's Strategic Direction.

Describe why this new initiative cannot be funded within baselines:

This initiative funds a significant new function.

Describe what other activities are already being undertaken, either within your agency or across the State sector, to address the issue this new funding will look to address:

Cabinet agreed to introduce reviewable tenancies in 2011. HNZA developed a proposed delivery of the new function. In 2013, it was agreed that the scope of who would be covered by reviewable tenancies be expanded and social housing needs assessment functions transfer from HNZA to MSD. At this time it was agreed by Cabinet that MSD would undertake the new function.

Describe the implication if this funding is not approved:

If funding is not available, undertaking the new function may need to be deferred, scaled down from agreed initial rollout, or funding sought from reprioritisation.

If partial funding of this initiative is an option, please describe how partial funding might work:

Ministers have agreed to the nature and scale of the reviewable tenancy rollout. However, if partial funding was available, the number of reviews undertaken in a year or the level of service provided in each review could be reduced.

5 Rebuild of Canterbury Initiatives

INITIATIVE NAME	VOTE	DEPARTMENT	CONTACT PERSON								
Canterbury Earthquake Temporary Accommodation Service (CETAS)	Social Development	Ministry of Social Development	Debbie Power Andy Fulbrook								
Describe what this funding request is for and what the expected results from this spending are.											
<p>1. Temporary Accommodation – Matching and Placement</p> <p>The Canterbury Earthquake Temporary Accommodation Service (CETAS) anticipates an increase in enquiries for the matching and placement service based on the estimated demand for temporary accommodation which is expected to reach its peak during 2014, followed by a steady decline which ends in May 2017. CETAS also expects rising demand for this service if average private weekly rents continue to rise (http://www.dbh.govt.nz/UserFiles/File/Sector%20info/key-indicator-reports/2013/kir-canterbury-august-2013.pdf).</p> <p>Draft plans are also in the pipeline for CETAS to work with the private insurer, IAG, to support the residential rebuild programme in greater Christchurch. CETAS will be responsible for assessing the housing need of IAG's vulnerable clients and working with them to find a suitable available property that has been head-leased by IAG.</p> <p>The life expectancy of the temporary villages at Linwood Park, Kaiapoi Domain and Rawhiti Domain has also been extended to 2016, following authorisation from local councils. The number of government supported temporary accommodation units has also recently increased to 124 with the addition of 40 units at Rangers Park. The Ministry of Business, Innovation and Employment is also continuing to explore other temporary accommodation options that involve partnering with the private sector.</p>											
<p>2. Temporary Accommodation Assistance (TAA)</p> <p>Currently 1,068 Canterbury households are in receipt of Temporary Accommodation Assistance (TAA). Over 2,230 households have been granted this assistance since the programme's inception. Numbers have been in decline this year largely due to the expiry of the Flat Land Residential Red Zone Settlement date as TAA ceases when households have received full settlement from the Crown and/or their Insurance Company.</p> <p>CETAS is anticipating an increase in TAA application numbers next year as the Residential Rebuild gathers pace. We are expecting to receive more short term applications for assistance to cover the shortfall between the expiry of insurance cover and the completion of the repair/rebuild. We are already starting to receive these types of applications for assistance and an example of this is included below.</p> <table border="1"> <tbody> <tr> <td>Timeframe for rebuild</td> <td>26 weeks</td> </tr> <tr> <td>Insurance cover for temporary accommodation</td> <td>\$14,000 (6,000 already used for emergency repairs)</td> </tr> <tr> <td>Weekly rent charge for temporary accommodation</td> <td>\$800 per week</td> </tr> <tr> <td>Shortfall period (eligible for TAA)</td> <td>8.5 weeks</td> </tr> </tbody> </table>				Timeframe for rebuild	26 weeks	Insurance cover for temporary accommodation	\$14,000 (6,000 already used for emergency repairs)	Weekly rent charge for temporary accommodation	\$800 per week	Shortfall period (eligible for TAA)	8.5 weeks
Timeframe for rebuild	26 weeks										
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Weekly rent charge for temporary accommodation	\$800 per week										
Shortfall period (eligible for TAA)	8.5 weeks										
<p>Funding for the support from the Earthquake Support Coordination Service is included in the initiative Canterbury Earthquake Recovery Fund (Canterbury Social Support Fund).</p>											
Describe how the expected results will be measured.											
These will be developed as the project is progressed.											

Funding Sought at Budget 2014	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
Operating				
Operating funding sought	1.250	1.010	-	-
Capital				
Capital funding sought	-	-	-	-
<i>Describe how, if the funding sought represents the total amount required for the initiative - and if not, what the total is and where the additional funds are coming from:</i>				
This bid reflects the total funding required for this initiative.				
<i>Describe if this initiative might require additional funding in future years:</i>				
No.				
<i>Describe how this new funding request supports the Governments priorities:</i>				
Rebuilding Christchurch remains a key priority and accommodation assistance as the city is rebuilt is a key element.				
<i>Describe how this new funding request aligns with your Strategic Direction and delivery thereof, as described in this Four-year Plan:</i>				
This is a continuation of existing time limited funding to balance a mismatch of programme and departmental expenditure.				
<i>Describe why this new initiative cannot be funded within baselines:</i>				
This was new funding specially for the set-up of this organisation.				
<i>Describe what other activities are already being undertaken, either within your agency or across the State sector, to address the issue this new funding will look to address:</i>				
None.				
<i>Describe the implication if this funding is not approved:</i>				
Services will not be able to be delivered.				
<i>Describe how, if the funding sought represents the total amount required for the initiative - and if not, what the total is and where the additional funds are coming from:</i>				
Not applicable.				

INITIATIVE NAME	VOTE	DEPARTMENT	CONTACT PERSON
Canterbury Earthquake Recovery Fund (Canterbury Social Support Fund)	Social Development	Ministry of Social Development	Murray Edridge Ruth Palmer or Robyn Rusher (psychosocial component only)
<i>Describe what this funding request is for and what the expected results from this spending are:</i>			
This funding is for a range of psychosocial initiatives to provide continued support to individuals, families and communities in the recovery phase following the Canterbury earthquakes.			
The funding will assist the implementation of the Greater Christchurch Psychosocial Recovery Strategy and associated Programme of Action 2014-2017. This is being developed by the Canterbury Earthquake Recovery Authority (CERA), in collaboration with other key partner agencies.			
CERA's analysis is that the psychosocial recovery in greater Christchurch has not yet been achieved and that demand for MSD funded services remains high. International research indicates that the psychosocial timeframe for recovery is at least five to ten years on from a natural disaster. Whilst			

much of the referral demand directly after the events was as a result of the earthquakes, individuals are now reporting stress related to multiple secondary stressors such as housing issues and negotiating with insurance companies and Earthquake Commission.

The requested funding would support the transitional work currently underway to transform services provided under the Canterbury Social Support Fund, into our current operating model in line with Investing in Services for Outcomes (ISO). The current mix and range of services would need to be reconfigured to meet the changing environment and new ways of operating. This would be supported by developing sustainable and new ways of working building on ongoing cross sectoral collaborations and strengths.

The funding would contribute to:

- developing services that meet the needs of the ongoing situation in Canterbury, including:
 - the Earthquake Support Coordination Service
 - Counselling Services
 - the Canterbury 0800 phone line.
- continuing to support the community led response to allow for community action and ownership
- offering an aligned suite of psychosocial intervention and treatment
- continuing to support a service led response to further prevent individuals and communities from becoming vulnerable, actively promoting engagement and communication.

Describe how the expected results will be measured:

A key mechanism for measuring the results will be through the collection and analysis of data against the measures of the Greater Christchurch Psychosocial Recovery Strategy and associated Programme of Action 2014-2017.

Funding Sought at Budget 2014	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
Operating				
Operating funding sought	5.250	3.750	2.750	1.750
Capital				
Capital funding sought	-	-	-	-

NOTE:

This bid includes funding of \$0.250 per annum for the service provided by the Earthquake Support Coordination group required to be continued as part of the Canterbury Earthquake Temporary Accommodation Service initiative.

Describe how, if the funding sought represents the total amount required for the initiative - and if not, what the total is and where the additional funds are coming from:

The funding sought represents the total amount required for this initiative.

Describe if this initiative might require additional funding in future years:

CERA's analysis is that there is a need for the ongoing provision of psychosocial services until late 2016 and possibly beyond.

Describe how this new funding request supports the Governments priorities:

Providing additional funding for the provision of psychosocial services in Canterbury contributes to the following government priorities:

- rebuilding Greater Christchurch
- *Better Public Services - Supporting Vulnerable Children:* Reduce the number of assaults on children; increase the participation in early childhood education; increase infant immunisation rates and reduce the incidence of rheumatic fever.

<ul style="list-style-type: none"> • <i>Better Public Services – Reducing Crime</i>: Reduce the rates of total crime, violent crime and youth crime. • the Government's <i>Children's Action Plan</i> • <i>Prime Minister's Youth Mental Health Initiative</i>.
<p><i>Describe how this new funding request aligns with your Strategic Direction and delivery thereof, as described in this Four-year Plan:</i></p> <p>This funding will contribute to the following Ministry strategic priorities:</p> <ul style="list-style-type: none"> • more efficient and effective allocation of government resources to meet community needs • fewer children are vulnerable • more communities are better able to support themselves • leading MSD's Investing in Service Outcomes approach.
<p><i>Describe why this new initiative cannot be funded within baselines:</i></p> <p>There are insufficient funds available within existing baselines to manage the proposed increase.</p>
<p><i>Describe what other activities are already being undertaken, either within your agency or across the State sector, to address the issue this new funding will look to address:</i></p> <p>MSD has initiated discussions with Non-Government Organisations managers who have been involved in the Canterbury Social Support Fund response services to identify future needs. These discussions and other associated work are underway to look at how the ISO process provides a developmental direction for NGOs to focus on collective impact. The funding allocation will support this work.</p>
<p><i>Describe the implication if this funding is not approved:</i></p> <p>Individual psychosocial needs, which are currently being addressed through MSD funded services, may not be met. This could result in an escalation of individual mental health issues and impact on the recovery process.</p>
<p><i>If partial funding of this initiative is an option, please describe how partial funding might work:</i></p> <p>This is not an option.</p>

INITIATIVE NAME	VOTE	DEPARTMENT	CONTACT PERSON
Labour Mobility: 3K to Christchurch	Social Development	Ministry of Social Development	Nic Blakeley Renee Graham
<p><i>Describe what this funding request is for and what the expected results from this spending are:</i></p> <p>The Canterbury Rebuild is putting increasing pressure on the local labour market. There are unemployed beneficiaries outside of Canterbury who could do this work but do not necessarily have the financial means or impetus to move to Christchurch. For this initiative Canterbury covers the Ashburton, Hurunui, Selwyn, and Waimakariri District Councils and the Christchurch City Council.</p> <p>The proposed package has two components:</p> <ol style="list-style-type: none"> 1. The Ministry (Work and Income) will actively raise awareness of the job opportunities in Canterbury through activities such as: <ul style="list-style-type: none"> • advertising Canterbury Work and Income vacancies in other regions • raising awareness of the Canterbury Skills and Employment Hub to beneficiaries and actively encouraging job seekers to update their job seeker profiles so they are included in any data match for relevant jobs in Canterbury • marketing the '\$3K to Christchurch' package to both beneficiaries outside of Canterbury and to employers within it 			

- facilitating employers to consider employing beneficiaries from other regions, for example, arranging for a group of job seekers to meet a potential employer in one session.
2. Provide beneficiaries who obtain a job offer a \$3,000 one-off payment to help them move. The payment is only available to beneficiaries who move off the benefit. The payment will be non-recoverable where a beneficiary is off benefit for at least three months. In addition, it will be non-taxable and exempt from any income and asset tests.

The proposal is to fund 1,000 beneficiaries who have jobs offers to mover over the 12 months from 1 July 2014 to 30 June 2015.

Describe how the expected results will be measured:

The uptake of this funding will address the need for more workers in Canterbury, help employers to source New Zealand labour and see a reduction in the number of unemployed beneficiaries.

Funding Sought at Budget 2014	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
Operating				
Operating funding sought	3.500	-	-	-
Capital				
Capital funding sought	-	-	-	-

6 Welfare Investment Approach Initiative

INITIATIVE NAME	VOTE	DEPARTMENT	CONTACT PERSON
Investment Approach: Package to Maintain Liability Reduction	Social Development	Ministry of Social Development	Debbie Power Damian Edwards
<p><i>Describe what this funding request is for and what the expected results from this spending are.</i></p> <p>The investment approach aims to reduce long-term welfare dependency by targeting interventions to where they will make the biggest difference to beneficiary outcomes and to trial new services and supports for new groups of beneficiaries that we are learning to work with.</p> <p>Building on the strong benefit savings and liability reductions that we have seen in the 2012 and 2013 valuations (\$7.4 billion reduction in the liability – \$3 billion in 2012 and \$4.4 billion in 2013 – and benefit savings of \$320 million – \$140 million in 2012 and \$180 million in 2013) requires us to maintain our focus on delivering both the case management and the services and supports that are achieving strong outcomes while trialling new approaches and new services and supports for the complex high liability beneficiaries identified through the liability valuation that are less responsive to existing services and supports.</p> <p>Additional funding was secured in Budget 2012 and 2013 to support the introduction of Youth Services (in 2012) and additional case management support (from July 2013). This has allowed Work and Income to introduce a differentiated service delivery model, with contracted case management for youth, and the introduction of one-to-one work focused case management, one-to-many work search support and general case management.</p> <p>The Government is continuing to invest in outcomes. \$100 million of new funding over four years will support Work and Income, through the flexibility of the new Multi-Category Appropriation (MCA), to invest where it will have the greatest impact. It is important to note that the MCA will be implemented incrementally over the next two years.</p> <p>In this context, the additional investment in case management will continue to build on the strong results already being achieved (particularly among Job Seekers and Sole Parents):</p> <ul style="list-style-type: none"> • There are nearly 15,000 fewer working-age people in receipt of a benefit compared to this time last year. • Sole Parent Support has reduced by 8,618 in the past 12 months – the largest annual reduction in sole parents with children aged 0-13 since 1974. • Jobseeker Support numbers have reduced by 6,831 since March 2013. • More people are moving off benefits and into work. Last year nearly 88,000 working-age people moved off a benefit because they had a job. More than a quarter of those were youth (18-24 years old) despite the fact they make up only 17 per cent of the total working-age population. <p>The Welfare Investment Approach initiative money boosts funding to Work and Income following Budget 2012 and 2013 decisions that saw \$206 million reprioritised over five years (2012/13 -2016/17) from within baseline to implement welfare reforms.</p> <p>The \$100 million over four years would allow Work and Income to continue to direct services and supports where they are proven in achieving outcomes for high-liability beneficiaries; while also allowing us to trial new approaches to services and supports for very complex high-liability beneficiaries identified through the liability valuation.</p> <p>The proposed funding will provide employment services to people with some of the more complex beneficiaries Work and Income deals with. MSD also proposes to trial small-scale, specialised intensive approaches to case management and targeted services towards cohorts identified in the actuarial valuation as having poor outcomes.</p>			
<p><i>Describe how the expected results will be measured.</i></p> <p>Our recently implemented RoI framework (developed in conjunction with the Treasury and PricewaterhouseCoopers) allows us to monitor fiscal and liability RoI.</p>			

The Ministry will trial new approaches developed based on the ROI framework to learn to work better to improve outcomes for those with highly complex needs and prevent long-term benefit receipt. There will also be continued consideration of the potential to re-invest benefit savings in approaches that are proven to be effective in improving social and economic outcomes and reducing future costs.

Funding Sought at Budget 2014	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
Operating				
Operating funding sought	25.000	25.000	25.000	25.000
Capital				
Capital funding sought	-	-	-	-

Describe how, if the funding sought represents the total amount required for the initiative - and if not, what the total is and where the additional funds are coming from:

This proposal ensures that case managers have the appropriate services and supports to maintain ongoing benefit savings and liability reductions, while trialling new initiatives for complex very high liability beneficiaries.

Describe if this initiative might require additional funding in future years:

This initiative seeks ongoing baseline funding in outyears re-directed to maximise the effects of current interventions and the trialling of new initiatives.

Describe how this new funding request supports the Governments priorities:

This initiative supports Better Public Services Target One (reducing long-term welfare dependency) and reduces the welfare liability.

Describe how this new funding request aligns with your Strategic Direction and delivery thereof, as described in this Four-year Plan:

This initiative supports the Ministry's focus on reducing long-term welfare dependency and managing the future liability.

Describe why this new initiative cannot be funded within baselines:

The funding sought in Budget 2014 is required to build on current levels of performance as measured by the 2012 and 2013 valuations, which has resulted in a \$7.4 billion reduction in the liability (\$3 billion in 2012 and \$4.4 billion in 2013) and benefit savings of \$320 million (\$140 million in 2012 and \$180 million in 2013) and trial new initiatives.

In addition, the funding flexibility under the MCA is being introduced incrementally and will not be fully in place for another two years. Work is yet to be undertaken by MSD and Treasury officials on an agreed funding mechanism linking improved benefit savings with a reinvestment into the MCA.

Describe what other activities are already being undertaken, either within your agency or across the State sector, to address the issue this new funding will look to address:

[7]

Describe the implication if this funding is not approved:

Should funding not be approved, there is a risk that MSD's ability to support beneficiaries into employment is reduced. This means that current performance levels will likely decrease which may affect the amount of benefit payment savings and the amount by which the liability decreases. There will also be no new approaches to managing the liability and the identified cohorts will continue to be offered the same services, which are generally not supporting them into employment.

If partial funding of this initiative is an option, please describe how partial funding might work:

Any scaling of this funding would have broad impacts on the services that we can provide to our beneficiaries. This would affect our ability to continue to achieve employment outcomes for high liability complex beneficiaries and a reduction in the liability.

7 Other Initiatives

INITIATIVE NAME	VOTE	DEPARTMENT	CONTACT PERSON	
Additional funding for specialist sexual violence sector	Social Development	Ministry of Social Development	Murray Edridge Ruth Palmer	
<p><i>Describe what this funding request is for and what the expected results from this spending are:</i></p> <p>The provision of additional funding to stabilise the specialist sexual violence sector.</p> <p>A 2006 Treasury working paper found that while sexual violence made up less than one per cent of all recorded crime in 2003/2004 it was, by far, the most costly crime at an estimated \$1.2 billion.</p> <p>Research has found that specialist sexual violence services are essential to victims/survivors for their recovery. Providing high-quality effective services is crucial for meeting the immediate needs of victims/survivors and their longer-term recovery needs. This will minimise the harm experienced and promote future safety and well-being.</p> <p>Demand for specialist sexual violence services is increasing and Non-Government Organisations report significant difficulty in providing timely and high quality support. Currently, service delivery is variable across the country and thus access to necessary and appropriate supports may be inadequate or not possible at all. Additional funding will provide stability to the sector allowing them to meet demand over the short term.</p>				
<p><i>Describe how the expected results will be measured:</i></p> <p>Government agencies have begun working together to develop a strategic framework and governance processes for investment in the specialist sexual violence sector. This will include a research and evaluation agenda. The framework will help us to ensure that we are investing in the right places that will make the biggest difference.</p>				
Funding Sought at Budget 2014	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
Operating				
Operating funding sought	5.200	5.200	-	-
Capital				
Capital funding sought	-	-	-	-
<p><i>Describe how, if the funding sought represents the total amount required for the initiative - and if not, what the total is and where the additional funds are coming from:</i></p> <p>The funding sought represents the total amount required for this initiative.</p> <p>In addition, MSD and several other government agencies already provide funding to the specialist sexual violence sector.</p>				
<p><i>Describe if this initiative might require additional funding in future years:</i></p> <p>The Social Services Select Committee is currently undertaking an inquiry into the funding of specialist sexual violence social services. Recommendations regarding service delivery and best practice will be made in the longer term and may result in the need for additional funding.</p>				
<p><i>Describe how this new funding request supports the Governments priorities:</i></p> <p>Providing additional funding to the specialist sexual violence sector contributes to the following government priorities:</p> <ul style="list-style-type: none"> • <i>Better Public Services - Supporting Vulnerable Children:</i> Reduce the number of assaults on children; Increase the participation in early childhood education; Increase infant immunisation rates and Reduce the incidence of rheumatic fever. • <i>Better Public Services – Reducing Crime:</i> Reduce the rates of total crime, violent crime and youth crime. 				

- The Government's *Children's Action Plan*
- *Prime Minister's Youth Mental Health Initiative*.

Describe how this new funding request aligns with your Strategic Direction and delivery thereof, as described in this Four-year Plan:

Providing additional funding to the specialist sexual violence sector contributes to the following Ministry strategic priorities:

- fewer children and young people commit crime
- more people into work and out of welfare dependency
- fewer children are vulnerable.

Describe why this new initiative cannot be funded within baselines:

There are insufficient funds available within existing baselines to manage the proposed increase.

Describe what other activities are already being undertaken, either within your agency or across the State sector, to address the issue this new funding will look to address:

We are working closely with a range of other government agencies that have important roles to play within the specialist sexual violence sector. Changes are also being made within these agencies to address the demand of the sector. For example, the Accident Compensation Corporation is bringing in a range of changes related to the sensitive claims process that will increase the accessibility of services to victims of sexual violence.

Describe the implication if this funding is not approved:

As noted the costs of sexual violence are high in New Zealand and revictimisation is common. However, specialist sexual violence services are unable to meet current demand in some areas. This means that agencies have to turn away those in need and restrict the services they do provide. We know that getting help as early as possible leads to better outcomes for both victims and perpetrators and therefore lower long term costs.

If partial funding of this initiative is an option, please describe how partial funding might work:

It is highly likely that this initiative will be funded across agencies. At this stage the precise split of funding is still to be worked through.

8 Working with the Disabled Community

INITIATIVE NAME	VOTE	DEPARTMENT	CONTACT PERSON	
Enabling Good Lives demonstration in Waikato	Social Development	Ministry of Social Development	Nic Blakeley Sacha O'Dea	
<p><i>Describe what this funding request is for and what the expected results from this spending are.</i></p> <p>This funding request is for a demonstration to implement the Enabling Good Lives approach to the disability support system in Hamilton to give disabled people greater choice and control over their supports and their lives.</p> <p>In July 2013, Cabinet agreed to a three year demonstration of the Enabling Good Lives approach in Christchurch. The demonstration includes the disability supports provided by three Government departments (the Ministries of Health, Education and Social Development). The services and supports provided by the Accident Compensation Corporation to people with a serious injury will also be taken into account to ensure that systems and processes are streamlined. Disabled people, their families and the disability sector have been closely involved in co-design and governance.</p> <p>The demonstration would be the same in scope and scale as the demonstration currently underway in Christchurch. The funding request is for costs of a three year demonstration of the Enabling Good Lives approach and additional costs for system transformation in the Waikato region. It is expected that the demonstration will:</p> <ul style="list-style-type: none"> • replace current separate disability services with a facilitation-based model that supports disabled people to participate and be included in mainstream community activities • give disabled people and their families/whānau more choice and control over the supports they use • continue to support families/whānau to build their skills and confidence to take part in the new system (already underway through prior government investment) • provide individualised funding for disabled people through a cross-government or joint funding model. 				
<p><i>Describe how the expected results will be measured.</i></p> <p>Detailed measures of success will be developed as part of the design phase. The information about the demonstration will inform future advice to government about the transformation of the wider disability system.</p>				
Funding Sought at Budget 2014	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
Operating				
Operating funding sought	1.100	1.360	1.360	-
Capital				
Capital funding sought	-	-	-	-
<p><i>Describe how, if the funding sought represents the total amount required for the initiative - and if not, what the total is and where the additional funds are coming from:</i></p> <p>Funding of \$3.83 million over three years is sought for the establishment of and ongoing costs associated with a Waikato Enabling Good Lives demonstration. The costs will cover:</p> <ul style="list-style-type: none"> • a demonstration director and governance • project management and operating costs of the demonstration • the establishment independent facilitation services and provider development. • three additional staff; one each in the MSD, the Ministry of Health and the Ministry of Education additional capacity within contributing agencies. 				

This funding is the all-of-government direct additional costs of the demonstration. All other costs are related to current service provision from the Ministries of Health, Education, and Social Development. These figures represent the full estimated additional costs of the demonstration, not just that proportion of cost attributable to MSD.

Describe if this initiative might require additional funding in future years:

N/A

Describe how this new funding request supports the Governments priorities:

To test the Enabling Good Lives approach and providing more individualised and flexible disability supports in one location and apply the learning to transforming how the Government supports disabled people.

Funding this initiative delivers on:

- an obligation on the Government in the United Nations Convention on the Rights of Persons with Disabilities to enable disabled people to live independently (article 19) and be included in the community and have greater individual autonomy over their lives (article 3, and 12)
- commitments in the 2011 National party Disability Services manifesto and the 2011 Māori Party Kawanatanga manifesto, which both promote more flexible and individualised funding of disability services for disabled people
- recommendations in the 2009 Government's response to the Social Services Select Committee Inquiry into the Quality of Care and Services Provision for People with Disabilities (CAB Min (09) 3/1, CBC Min (09) 2/3).

Funding this initiative supports:

- the Better Public Service targets to reduce long term benefit dependency, and boost skills and employment by supporting disabled people to gain employment, and improve interaction with Government.

Describe how this new funding request aligns with your Strategic Direction and delivery thereof, as described in this Four-year Plan:

- The Waikato Enabling Good Lives demonstration will inform future advice on how changes in both who delivers services and how services are delivered can drive better outcomes and greater efficiencies. Including redesigning the services we provide to ensure that they tailored to a person's individual needs, easily accessible and take an integrated view of the person.
- Working with other agencies to make our services more accessible to New Zealanders and make a bigger difference and trying new and better ways of working together. Including joined up governance that extends down to the community level.

Describe why this new initiative cannot be funded within baselines:

The proposed Waikato Enabling Good Lives demonstration would require significant changes to the current service provision and establishment of a new independent facilitation service without impacting on current service levels.

Describe what other activities are already being undertaken, either within your agency or across the State sector, to address the issue this new funding will look to address:

Government has already invested \$0.500 million total funding over three years from 2013/14 to:

- develop a self-review tool and guidelines to support providers to transform according to Enabling Good Lives principles
- build the skills and confidence of disabled people and their families/whānau so that they understand the direction for change, and can take up opportunities to have more choice and control over their supports

The Christchurch Enabling Good Lives demonstration has started small in the first year by focusing on transforming disability supports for high and very high needs school-leavers (around 40 people). Over three years it will progressively expand to include a broad cross-section of the disabled population. At least 300 participants are expected to be in the demonstration by year three.

At the end of three years, the demonstration will also have gathered a useful body of evidence and experience about what it takes to transform the system to achieve these results for disabled people and their families.

The Ministry of Health has developed a new model for disability support services and is demonstrating it in Tauranga/Western Bay of Plenty and Eastern Bay of Plenty. It is also being demonstrated as part of Choice in Community Living – an alternative to residential care for people with significant support needs – in Auckland and Waikato.

Describe the implication if this funding is not approved:

The impacts of this not being funded are:

- disabled people in the Waikato participating in less community and mainstream activities (including employment, further education, volunteering, recreation and social activities)
- disabled people having less opportunity to gain new skills, qualifications and economic advancement
- not progressing the Governments obligations under the United Nations Convention on the Rights of Persons with Disabilities.

If partial funding of this initiative is an option, please describe how partial funding might work:

There are no options for partial funding.

INITIATIVE NAME	VOTE	DEPARTMENT	CONTACT PERSON
Promotion and maintenance of New Zealand Sign Language	Social Development	Ministry of Social Development	Nic Blakeley Sacha O'Dea

Describe what this funding request is for and what the expected results from this spending are.

In response to the Human Rights Commission's Report on the New Zealand Sign Language Inquiry, MSD has set up an interim experts' advisory group to initiate action in the area of promotion and maintenance of New Zealand Sign Language.

The interim group will identify top priorities and a work programme to progress these. It will also provide advice on longer term mechanisms for advancing New Zealand Sign Language (NZSL). This work is expected to be completed by early 2014.

It is also expected that the longer term mechanism for advancing NZSL will involve a new function to provide oversight on the health of NZSL and advice on how the language may be protected and promoted for the long term.

The funding request seeks funds for the establishment of a permanent group to provide stewardship and advice on NZSL including governance and secretariat costs and a NZSL fund for priority initiatives for the promotion and maintenance of NZSL.

Safeguarding the sustainability and vitality of NZSL, as an official language of New Zealand is important to deliver on the commitment in the New Zealand Sign Language Act 2006 (the Act). This funding will establish and run the function and for a work programme of initiatives that will promote and maintain NZSL.

Describe how the expected results will be measured.

The group will monitor and report on progress of the cross agency work programme and key priority initiatives funded by the NZSL fund.

The new permanent mechanism will develop measures to baseline the status of the language and to monitor the effectiveness of the future initiatives.

Funding Sought at Budget 2014	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
Operating				
Operating funding sought	1.500	1.500	1.500	1.500
Capital				
Capital funding sought	-	-	-	-
<p><i>Describe how, if the funding sought represents the total amount required for the initiative - and if not, what the total is and where the additional funds are coming from:</i></p> <p>Funding of \$0.250 million per annum is sought for the establishment of, and ongoing costs of the Group and funding to support strategic priorities identified for the promotion and maintenance of NZSL and the NZSL fund. Funding will cover the establishment and ongoing costs of the Group including:</p> <ul style="list-style-type: none"> • payment of group members to attend up to six meetings annually • travel, interpreters and translation services • secretariat support (0.75 FTE) • the NZSL fund for priority initiatives for the promotion and maintenance of NZSL in the first year as the group establishes a work programme. 				
<p><i>Describe if this initiative might require additional funding in future years:</i></p> <p>Subject to the effectiveness of the initiatives to promote and sustain NZSL, there may be a need to increase the level of investment in the work programme in the future.</p>				
<p><i>Describe how this new funding request supports the Governments priorities:</i></p> <p>Under international and domestic law, the New Zealand Government has obligations to maintain and protect NZSL.</p> <p>The United Nations Convention on the Rights of Persons with Disabilities recognises sign languages as equal to spoken languages and requires governments to progressively strengthen the status of sign language in different fields of a person's life.</p> <p>The recommendations and priorities from the Human Rights Commission inquiry into NZSL and their report 'A New Era in the Right to Sign' and address the concerns about the barriers deaf people continue to experience when using their own language.</p> <p>Funding this initiative will support Government obligations established under the Act to promote and maintain the use of NZSL as an official language. The Act includes principles to guide government departments in the promotion and use of NZSL:</p> <ul style="list-style-type: none"> • the Deaf community should be consulted on matters relating to NZSL (including, for example, the promotion of the use of NZSL) • NZSL should be used in the promotion to the public of government services and in the provision of information to the public • Government services and information should be made accessible to the Deaf community through the use of appropriate means (including the use of NZSL). <p>The establishment of a permanent group to provide stewardship and advice on NZSL will ensure that the Deaf community and deaf people are actively involved in the promotion and maintenance of their language.</p>				
<p><i>Describe how this new funding request aligns with your Strategic Direction and delivery thereof, as described in this Four-year Plan:</i></p> <p>It will establish a formal mechanism with which MSD will work with other agencies to make our services more accessible to New Zealanders and make a bigger difference. This includes working with our sector colleagues to develop new and better ways of working together. Starting with joined up governance that extends down to the community level.</p>				

Describe why this new initiative cannot be funded within baselines:

It is the establishment of a new function, and therefore involves additional funds. There is no scope within the existing Office for Disability Issues budget to reprioritise to fund the function.

Describe what other activities are already being undertaken, either within your agency or across the State sector, to address the issue this new funding will look to address:

This work complements work underway in the Ministry of Education to support effective learning environments for deaf children in school. However, this is not about wider promotion and maintenance mechanisms.

Describe the implication if this funding is not approved:

- Deaf people will continue to experience barriers when using NZSL, impacting on their quality of life and full enjoyment of fundamental human rights.
- The issues identified and recommendations provided by the Human Rights Commission will not be addressed.
- Government's obligations under the United Nations Convention on the Rights of Persons with Disabilities, and the Act may not be totally met.
- Deaf children will not be able to access NZSL at appropriate times, and families and communities will have reduced ability to communicate with these children.

If partial funding of this initiative is an option, please describe how partial funding might work:

If the funding requested is not available, it would be possible to scale the NZSL fund component of the funding (currently \$0.20 million in year 1 and \$0.30 million in year two and outyears).

INITIATIVE NAME	VOTE	DEPARTMENT	CONTACT PERSON
Vocational Services for school leavers with disabilities and very high needs	Social Development	Ministry of Social Development	Nic Blakeley Sacha O'Dea

Describe what this funding request is for and what the expected results from this spending are.

This funding request is to meet the funding pressures of new people entering into the Very High Needs (VHN) Scheme for a period of four years.

The funding will provide services to support disabled people with very high needs into employment, services to support people to participate and be included in communities, and services to help people transition from school to adult life. The people who are VHN are likely to have a significant level of physical, intellectual and/or sensory impairments (or a combination of these) and have significant difficulties with learning, hearing, vision, mobility, language and communication. They are likely to have ongoing health issues of varying degrees of severity (for example, uncontrolled seizures). This group of people generally requires assistance with all or most aspects of personal care (for example, toileting, showering, dressing and eating). VHN school leavers deploy significantly higher levels of funding to access the services and supports they require to live a good life (approximately four times the average cost per person of other disabled people accessing Vocational Services).

There is increasing demand on the VHN Scheme, with an annual increase of around 95 additional people. Over the next four years Scheme participants are expected to rise from 950 in 2014 to 1,430 in 2018. This equates to a cost pressure of an additional \$1.9 million per year cumulative each year. MSD has been asked to manage growth in the VHN Scheme within existing funding.

Changes are underway to improve the way that disability services and supports are provided for people with disabilities. The Enabling Good Lives approach sets out a long-term direction for changes to the disability system, including for services for people with very high needs.

It is expected that Enabling Good Lives will inform the longer-term approach, in around four to five

years. In the interim, short-term solutions to manage funding pressures are needed. There is a four year funding gap comprising funding pressure of new entrants into VHN until longer term changes are in place.

Describe how the expected results will be measured.

Each participant in the VHN Scheme has an individual plan that sets out the activities and outcomes from the service, which is agreed by the provider with the individual and/or their family. A six-monthly report is provided to the Ministry by each provider that summarises the activities and programmes provided for participants. A sample of providers each year is evaluated for continuous improvement opportunities which include interviewing some of those who have used the service and/or their family/caregivers regarding the quality and their experience of the service provided.

Funding Sought at Budget 2014	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
Operating				
Operating funding sought	1.500	1.500	1.500	1.500
Capital				
Capital funding sought	-	-	-	-

Describe how, if the funding sought represents the total amount required for the initiative - and if not, what the total is and where the additional funds are coming from:

Additional cumulative funding of circa \$1.9 million per year is sought for a period of four years to meet forecast demand for Vocational Services from very high needs school leavers, based on current eligibility criteria and funding levels.

Funds for the Scheme were capped in 2012, and have been re-allocated within the Vocational Services Appropriation to cover the costs of additional people entering the VHN Scheme until June 2014.

Describe if this initiative might require additional funding in future years:

N/A

Describe how this new funding request supports the Governments priorities:

The funding request aligns with the Better Public Services Result 1 target of reducing long-term welfare dependency, while ensuring that government support continues to be there for people who will always need it.

Describe how this new funding request aligns with your Strategic Direction and delivery thereof, as described in this Four-year Plan:

The funding request aligns with our strategic direction to promote individualised services that meet people's needs and a focus on opportunities for improved social outcomes for those using the service.

It supports our commitment to managing funding pressures through greater flexibility and our intention to review the effectiveness of our expenditure to achieve greater value for money.

Describe why this new initiative cannot be funded within baselines:

Currently VHN accounts for around 13 per cent (\$12 million) of the total Vocational Services funding pool of \$90 million and provides services to 4 per cent of all the disabled people using Vocational Services (approximately 20,000 people).

If funding for the Very High Needs scheme were to be reallocated from within the current Vocational Services appropriation VHN would account for around 22 per cent (\$19.5 million) of the \$90 million within five years.

This would mean that some people who are currently eligible to receive community participation or supported employment services will no longer be able to. If we were to reduce funding for community participation services by \$1.5 million per year, this would effectively cut service to around 450 people each year (out of approximately 11,000 people who currently receive funding for community participation services). If we were to reduce funding for supported employment services by \$1.5 million per year, this would effectively cut service to around 400 people per year (out of approximately 9,000 people who currently receive funding for employment services).

Describe what other activities are already being undertaken, either within your agency or across the State sector, to address the issue this new funding will look to address:

The Enabling Good Lives demonstration in Christchurch will involve Christchurch school leavers with disabilities who have high or very high needs. The demonstration will involve develop a way to integrate government funding to better support disabled people to live ordinary lives and resolve longer-term funding pressures.

It will result in lower employment outcomes for some disabled people and poorer life outcomes overall, for others.

Describe the implication if this funding is not approved:

Any option to manage funding pressures within the existing funding will require a reduction in services, eligibility, and/or funding levels for some disabled people. There is a risk with this as it is likely to be controversial with disabled people, families, and providers.

If partial funding of this initiative is an option, please describe how partial funding might work:

An option for partial funding would be to provide the additional funding for a fixed term (say five years) until decisions about Enabling Good Lives system changes are made and being implemented.

9 Supporting Youth

INITIATIVE NAME	VOTE	DEPARTMENT	CONTACT PERSON		
Expanding Youth Enterprise Initiatives	Social Development	Ministry of Social Development	Nic Blakeley Blythe Wood		
<p><i>Describe how this new funding request supports the Government's priorities.</i></p> <p>The Government recently released a position statement acknowledging the value of growing the social enterprise sector and supporting collaborative actions to ensure social enterprises meet their full potential. The Government recognises that emerging social enterprises face a range of challenges, including the need for business advice and funding tailored to their hybrid social/commercial nature.</p> <p>Minister Goodhew has just announced \$1.27 million investment in the development of a solid support infrastructure for emerging social enterprises. This includes a partnership worth \$1.12 million over the next 2 years with the Hikurangi Foundation to help build a national social enterprise incubation and development service to provide expert support resources, and one-on-one advice from bases in Auckland, Wellington and Christchurch.</p> <p>This funding request supports this through developing a "youth pipeline" in this emerging sector.</p>					
<p><i>Describe how this new funding request aligns with your Strategic Direction and delivery thereof, as described in this Four-year Plan.</i></p> <p>Young people in particular turn to social enterprise, applying their passion for social change and technological savvy to develop start-ups. The sector currently lacks a solid support infrastructure and many social enterprises struggle to access external finance. The Ministry of Youth Development provides a small grant towards the schools based Youth Enterprise Scheme. The funding will assist young people both in school, who have left the secondary school system or are in alternative settings who show interest in social enterprise</p> <p>The Ministry of Youth Development (MYD) provides leadership and services to promote the interests of, and improve outcomes for, young people aged 12 to 24 years. MYD works with the youth development sector to provide opportunities for young people to obtain skills, knowledge and resilience to be active and informed citizens. The skills delivered through experiential learning opportunities, such as social enterprise, help to develop and enhance young people's skills as well as social and emotional capabilities. These are increasingly recognised as contributing to positive life and labour market outcomes.</p>					
Funding Sought at Budget 2014		2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
Operating					
Operating funding sought		0.500	1.000	1.000	-
Capital					
Capital funding sought		-	-	-	-

INITIATIVE NAME	VOTE	DEPARTMENT	CONTACT PERSON	
Funding for Social Service Provision in Youth One Stop Shops (YOSS)	Social Development	Ministry of Social Development	Nic Blakeley Blythe Wood	
<p><i>Describe what this funding request is for and what the expected results from this spending are.</i></p> <p>New Zealand's network of Youth One Stop Shops (YOSS) provides youth-friendly health care and social support for 40,000 - 50,000 young New Zealanders. A high proportion of these young people have interrelated health and social support needs. While YOSS receive health funding to meet the health care needs of the young people who use services, they are not funded to meet the social support needs. Resolving these is often a pre-requisite for resolving the health issues, but takes up a high proportion of YOSS staff time. To meet these costs and to keep their services viable, most YOSS rely on a myriad of short term contracts and community fundraising.</p> <p>The proposed funding is designed to provide a sustainable funding stream to cover the cost of YOSS core social support service provision and to help assure the YOSS's ongoing viability.</p> <p>The outcomes expected are:</p> <ul style="list-style-type: none"> • a reduction in YOSS staff time devoted to funding bids • an increase in time and resources available to work with the young people requiring support • better outcomes for those who receive support • sustainable service provision that meets the needs of the community's young people. 				
<p><i>Describe how the expected results will be measured.</i></p> <p>A new tool to enable youth one stop shops to measure their effectiveness has been developed by researchers. This will allow both quantitative and qualitative data to be captured.</p>				
Funding Sought at Budget 2014	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
Operating				
Operating funding sought	1.570	2.350	2.350	2.350
Capital				
Capital funding sought	-	-	-	-
<p><i>Describe how, if the funding sought represents the total amount required for the initiative - and if not, what the total is and where the additional funds are coming from:</i></p> <p>The funding sought represents the totality of the Ministry's contribution to meeting the cost of the core social support work done by YOSS.</p>				
<p><i>Describe if this initiative might require additional funding in future years:</i></p> <p>There is a possibility that new one stop shops may join the network over time. However the number has remained relatively constant over the past several years.</p>				
<p><i>Describe how this new funding request supports the Governments priorities:</i></p> <ul style="list-style-type: none"> • Enabling YOSS to resolve disadvantaged young people's health and social support needs contributes to the Better Public Services goals of keeping young people in school and achieving NCEA level 2. • This in turn is likely to reduce long term welfare dependence. 				
<p><i>Describe how this new funding request aligns with your Strategic Direction and delivery thereof, as described in this Four-year Plan:</i></p> <p>Acknowledging and funding the currently unfunded core social support work carried out by YOSS will enable and encourage the people-focused approach that is a core component of MSD's Four-year Plan and integral to the way YOSS work. And by joining with the Ministry of Health in supporting</p>				

YOSS, we are collectively helping YOSS make a greater impact on the health and wellbeing of their communities – which is also an aim of this Four-year Plan.

Describe why this new initiative cannot be funded within baselines:

The initiative requires multi-year funding at a level that is beyond the relevant services lines' ability to cover.

Describe what other activities are already being undertaken, either within your agency or across the State sector, to address the issue this new funding will look to address:

The sustainability of YOSS is being addressed jointly by MSD and the Ministry of Health in the context of the Prime Minister's Youth Mental Health Project. In addition to the adequacy of funding, the review is looking at the consistency of funding, length and multiplicity of contracts, opportunities for strategic alliances and the constraints around securing appropriately qualified staff.

Describe the implication if this funding is not approved:

- YOSS may be forced to reduce services or, worse, cease to exist. The fragility of these community services has been acknowledged for some time.
- If they were to close, most of the young people who use the service would have no alternative service provider. Many would go on to become long term liabilities on the state.

If partial funding of this initiative is an option, please describe how partial funding might work:

Not applicable.

10 Initiative from Other Votes Impacting on Vote Social Development

INITIATIVE NAME	VOTE	DEPARTMENT	CONTACT PERSON		
ICT Graduate Programmes to Meet the Needs of Enterprise	Social Development	Ministry of Social Development	Iona Holsted Geordie Cassin		
<p><i>Describe what this funding request is for and what the expected results from this spending are:</i></p> <p>Budget 2014 includes a funding request for an initiative to develop Information and Communications Technology (ICT) graduate schools in Auckland, Wellington and Christchurch. This is a Ministry of Education led initiative.</p> <p>This funding request is for the student support costs associated with the initiative.</p> <p>The aim of this initiative is to increase the number of appropriately skilled graduates to meet increasing industry demand for high-level ICT graduates and, as IT is enabling technology, high-level ICT skills to support growth in the high-value, high-tech industry sectors in particular.</p>					
<p><i>Describe how the expected results will be measured:</i></p> <p>Tertiary providers and their industry partners will be required to report annually on across a range of outcomes, measures and agreed milestones, including:</p> <ul style="list-style-type: none"> • participation • completions • numbers of industry partnerships/projects • internships and work placements • employment outcomes. <p>This work will be led by the Ministry of Business, Innovation and Employment and the Tertiary Education Council.</p>					
Funding Sought at Budget 2014		2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
Operating					
Operating funding sought		-	0.059	0.303	0.478
Capital					
Capital funding sought		-	2.462	3.805	4.496

INITIATIVE NAME	VOTE	DEPARTMENT	CONTACT PERSON	
Funding to Deliver Changes to Loan Eligibility for Foundation-Level Education	Social Development	Ministry of Social Development	Iona Holsted Geordie Cassin	
<p><i>Describe what this funding request is for and what the expected results from this spending are:</i></p> <p>To make changes to MSD's Student Loan and Allowances Service payment engine to automate payments to tertiary students based on information about the source of their funding.</p> <p>This initiative supports the Government policies for fees-free or low fees for New Zealand Qualifications Framework Level 1 and 2 that includes eligibility and entitlement being linked to the source of funding.</p>				

It will enable an accurate and timely transfer of the required information that builds on existing technology.

In August 2013, Cabinet agreed to extend the age of learner eligibility for the Youth Guarantee (YG) provision from 16–17 years olds to 16–19 year olds at age of commencing a YG programme and to allow 18–19 year old YG students to access the student loan scheme for living costs and course-related costs whilst continuing to restrict eligibility from 16–17 year old YG students.

With the move to include the source of funding as an eligibility determinant, this variable needs to be added to the data shared between StudyLink and education providers as part of verifying a student's study. It also requires the Tertiary Education Commission to advise StudyLink of the different funding codes and how they affect eligibility to Student Support.

The planned system change will address these constraints by adding the variables and the associated assessment functionality to existing IT systems, in particular the information match that occurs between StudyLink and individual providers.

Describe how the expected results will be measured:

Students receive the correct student support entitlement(s) based on their source of funding.

Funding Sought at Budget 2014	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
Operating				
Operating funding sought	0.459	-	-	-
Capital				
Capital funding sought	-	-	-	-

INITIATIVE NAME	VOTE	DEPARTMENT	CONTACT PERSON
Additional Medical Places	Social Development	Ministry of Social Development	Iona Holsted Geordie Cassin

Describe what this funding request is for and what the expected results from this spending are:

The Government's 2008 Health policy committed to boosting the number of funded medical places by 200 students over five years. To date the Government has added 140 places. This initiative will add a further 34 places – bringing the total to 174 places.

This is a Ministry of Health led initiative. It supports the future sustainability of the health system.

This funding request is for the student support costs associated with the initiative.

Describe how the expected results will be measured:

Increased uptake in medical places.

Funding Sought at Budget 2014	2014/15 \$0.000m	2015/16 \$0.000m	2016/17 \$0.000m	2017/18 \$0.000m
Operating				
Operating funding sought	0.042	0.121	0.203	0.288
Capital				
Capital funding sought	0.406	0.916	1.464	2.277

Annex 6: Capital Intentions

6.1 Current State

The Ministry invests capital in two main areas: ICT and property.

Investment in ICT is needed to support our move from a service oriented approach to a people-centred approach we need to invest in our ICT. The capital plan below includes \$50 million over two years that will move us from a fragmented platform to one that is integrated.

We anticipate that the capital plan shown is manageable within current baselines. Additional depreciation costs have been included in our operational cost pressures. For the four year period of this plan we anticipate that we will be able to find this funding from the savings initiatives identified within Annex 3 (Supporting Financial Information).

Property

We occupy 224 commercial properties nationwide totalling 236,850m² with 222,426m² leased and 14,424m² owned. Service model evolution and the associated staffing needs influence this footprint. A regional breakdown of the commercial (non-residential) property portfolio is as follows:

Region	m ²
National Office	29,392
Northland	9,355
Auckland	57,524
Waikato	14,029
Bay of Plenty	17,627
Taranaki	11,316
East Coast	10,965
Central	15,150
Wellington	24,538
Nelson	8,725
Canterbury	21,739
Southern	16,490
TOTAL	236,850

The operating cost to maintain our property footprint is expected to rise, with the main driver being the forecast increase in market rents. These increased lease costs have been included in the operating cost pressures contained in this plan.

Our property strategy has been developed to (among other things) mitigate the impact of related cost pressures, by rationalising and co-locating properties and improving overall portfolio utilisation as a result. We have adopted a long term strategic plan that will enable a more effective management of our portfolio, as well as the systematic identification of opportunities to manage costs. ^[11]

Our property function spans all of MSD and the strategy and operational plan have been developed in consultation with service lines, Property Management Centre of Expertise (PMCoE) and approved by our Leadership Team (LT). Our property strategy sets out the intention that the various Ministry services will over time increasingly be co-located rather than in several premises in the same areas. This will be managed as leases come up for renewal. Engagement with other agencies on co-location opportunities is expected to be largely driven through PMCoE.

With regard to maintaining property assets, for owned properties external service providers complete the inspections for the Building Warrant of Fitness certification process. For leased properties, legislative compliance is the owner's responsibility. We maintain systems such as air-conditioning using a nationwide planned preventative maintenance contract.

ICT

Our ICT strategy is detailed in Annex 7. Our capital plan assumes most ICT assets are owned over the period of this Four-year Plan. The majority of the ICT capital spend is in developing and modernising the large specialised systems such as the benefit system and the child protection system. The level of investment in business functionality tends to be much greater than the investment in computer hardware.

We have few commodity type applications that can be consumed 'as a service', although this will change in the next few years. We are moving to the All-of-Government Infrastructure as a Service facility by mid-2015. This will result in some re-balancing between operating and capital costs, but will not materially alter our forecasts.

6.2 Trends

We will be increasing our capital investment in ICT and property over the next three years as key enabling projects are progressed – in particular ICT investment to support the single people-centred view and process simplification. Thereafter, investment is forecast to reduce to a more normal level as the new asset base is maintained.

6.3 Potential for private sector investment

Our commercial property portfolio is largely (94 per cent) leased from private sector organisations. Where appropriate we partner with the private sector via the guidelines for All-of-Government purchasing contracts.

6.4 Existing balance sheet

Both cash flow impacts and operational funding streams have been modelled in the development of both the ICT and the property strategy. Both strategies are affordable within the current cash balances and operating baselines.

6.5 Major capital decisions/challenges

Both our ICT and property strategies require significant investment decisions. Our challenges are maintaining the current programme of change, the simplification of business processes work, implementing the new operating model, and containing property price increases within current baselines and cash available.

We have a fleet of around 1,200 vehicles that need maintaining. Our capital plan forecasts \$2 million of proceeds from our replacement programme.

6.6 Strategy for managing capital

Maintaining a capital programme that is strategically aligned in the business to deliver outcomes for New Zealanders, while providing value for money is a constant challenge.

We have governance processes in place to ensure the capital plan is delivered. Rigorous processes are in place to ensure plans are monitored on a regular basis. Any re-prioritisation of the capital plan that is required is undertaken by our LT.

6.7 Our 10 Year Capital Plan

[11]

Annex 7: Government ICT Strategy and Action Plan to 2017 - Alignment of MSD's ICT Strategies to Destination 2017

7.1 Aligning to the Government's CT Strategy and Action Plan to 2017

The Ministry is rapidly evolving towards new working practices as the economic and political environment around us changes. We are being challenged to continue the excellent support we offer New Zealanders but do it more efficiently and ensure value for money.

7.2 Government CT Focus areas

MSD's ICT Strategy and Action Plan (ISAP) 2013-2016, is our response to the All-of-Government (AoG) ICT plan and our Statement of Intent 2013-2016.

The ISAP represents a synthesis of service line strategies focussing on common themes across MSD. It aims to address: BPS key result areas; financial sustainability; new service delivery models and AoG focus areas, specifically:

"Services are digital by default."

This focus area aims to grow the digital channel (for example, online and mobile), consolidate non-digital channels and enhance service design. This will make it easier for potential users to find and access our services.

The digital channel area includes streamlining how people access government services, creating an integrated transaction account view for the citizen and the use of authentication and identity as key enablers (such as RealMe).

Consolidation of non-digital channels includes a standard technology foot-print in frontline service centres and contact centre consolidation. Enhanced service design involves digital channel shift and joined up service delivery across our government and non-government organisation partners.

"Information is managed as an asset."

This focus area aims to unlock the value of information using information hubs and advanced analytics, and embedding trust, security, and privacy into the information management framework. This is underpinned by information management governance, policy, and capability. This will be championed by the Data Analysis Hub, where the data and analytics expertise will be consolidated. Ultimately the use of this analytic capability will improve how we target services and help people achieve positive outcomes.

"Investment and capability are shared."

This focus area aims to drive collaboration and consolidation across agencies by grouping agency investment plans into a single government ICT plan and having a Government-wide Enterprise Architecture framework. The key drivers here are to optimise ICT assets, drive common capability uptake across government and streamline software licence procurement.

"Leadership and capability are shared."

This focus area aims to formalise an ICT operating model based on sector and agency clusters, and support functional leadership. The key drivers here are to enhance governance and decision making, creating new systems of assurance that embed risk and quality management processes.

This will be underpinned by the establishment of a virtual ICT Leadership academy to grow business leadership of ICT at executive levels, in order to achieve the above goals. Ministry senior executives will actively participate in the Academy. Our internal 101 programme will be extended and learning from it will be shared.

7.3 Enable a People-Centred Operating Model

Our current operating model is based around service lines with products and services currently delivered to people via individual service line constructs.

Our ICT strategy focuses on moving to cross-MSD and AoG priority focus. It emphasises that the best gains are to be made via a people-centred approach - common and shared business processes with seamless, integrated and wrap around services for at risk families.

We aspire to an operating model that links New Zealanders to the products and services that we provide, underpinned by groupings of ICT systems. In this future state, ICT systems are not classified by service lines, but rather delivery functions that support low-touch (self-service and transactional services), high-touch (intensive case-management), cross-agency and provider services and support services.

There is also a need to enable the standardisation and simplification of common business processes across the Ministry to lower cost and improve the quality of service.

As a starting point we are balancing the need to make up-front infrastructure investments with little direct payback (such as retiring the legacy systems) with the need to deliver technology supported productivity gains on a frequent basis.

Technology foundation capabilities include setting up of a MSD-wide analytics hub that will support the Investment Approach, enable data-driven case decisions and evidence-based policy development. This will also position us well in creating an integrated data view of people and support increased collaboration across social sector agencies (Health, Education, and Justice).

We will also need to make additional foundation investments in the machinery for straight-through-processing and mobility. These investments will set up the infrastructure required for the Simplification Project.

The investment for the ISAP will be made from re-prioritisation from within existing budgets.

Each of the programmes described above form a stream of the Ministry's future operating model.

7.4 Mapping All-of-Government CT Strategy to MSD's SAP

Government ICT Focus Area	MSD ICT Priority
"Services are digital by default"	Develop comprehensive self-service online and mobile services
	Create a digital view of people across service lines and other agencies
	Lead the consolidation of non-digital channels across agencies – common technology footprint for service-centres and contact centre optimisation
	Create a citizen digital account
"Information is managed as an asset"	Lead and provide a centre of excellence for advanced analytics and a 'data hub'
	Manage information as an asset in an end-to-end lifecycle, from creating information and sharing through to disposal, underpinned by a robust privacy-by-design, consent management and security framework
"Leadership and culture deliver change"	Collaborate on the establishment of a virtual ICT Leadership Academy for business leaders by extending the Ministry's ICT 101 training programme for its Executive Leadership
"Investment and capability are shared"	Leverage the AoG Infrastructure-as-a-service (IaaS) capability for running the Ministry's IT systems.
	Leverage common capabilities such as Mobile services and Enterprise Content Management (ECM) across MSD
	Provide leadership in capabilities including Mobile Application development and property management system across MSD and other agencies

7.5 Leading and contributing to All-of-Government capabilities

MSD has a programme of work underway to ensure it meets its obligations in relation to the Government Chief Information Office (GCIO) Strategy and Action Plan and the adoption of AoG common capabilities. We will:

- leverage our expertise in the delivery of ICT infrastructure services (design, build, operate and support) to support other agencies and all of government
- lead the delivery of a Digital transactional view for New Zealanders and contribute to Result Area 10 via our Enhanced Online services
- lead the consolidation of non-digital channels across agencies – by setting up and replicating a common technology footprint for service centres and rationalising contact centres across government
- lead and provide a centre of excellence for advanced analytics and a 'data hub.' We will manage end-to-end information life-cycle, including classification, storage, security, sharing, 'privacy by design,' consent management, security and disposal

- support the establishment of a virtual ICT Leadership Academy for business leaders by extending the Ministry's own ICT 101 training programme for its Executive Leadership
- provide leadership in capabilities around Mobile Application development and property management system
- lead the development of a capability around citizen logon when using mobile devices and integrate this to AoG RealMe logon
- leverage our expertise in the use of biometric authentication using voice prints and work with Inland Revenue's experience to build up an AoG capability.

7.6 Leveraging All-of-Government capabilities

We are continuing to explore ways that we can best leverage AoG capabilities. Some examples of the work we have undertaken include:

- Adopting RealMe Logon as our authentication mechanism for our external facing systems. Child, Youth and Family Gateway and StudyLink MyAccount have implemented RealMe for these respective logons. Work and Income implemented RealMe in Nov-2013 as part of its Enhanced Online services programme.
- Working closely with the Department of Internal Affairs in scoping out a pilot to test the processes around RealMe identity.
- Committing to migrate our datacentres to one of the AoG IaaS (infrastructure as a service) partners. This project is underway and the plan is to complete the migration by quarter four in 2014.
- Actively participated in the selection of a vendor for AoG Enterprise Content management capability. We will select one of the chosen partners for our own document and content management functions.
- Selecting our Mobile Services vendor under the auspices of an AoG procurement framework.

Annex 8: Risks

8.1 Strategic and Operational Risks (including risks to sustainability beyond 2017/18)

Ambiguity and change are a constant part of our environment and risk is present in everything we do. Managing risk intelligently means we focus on what we want to achieve, and what we consider might stop us getting there. We take sensible steps to manage the risks. Our risk appetite gives guidance on the types and levels of risk the Ministry is willing to manage.

The following table sets out our key strategic and operational risks:

Risks	Mitigations (current and future)	Impact of Mitigations	Within risk appetite
<p>Multiple change programmes</p> <p>We may not deliver Government priorities, achieve Better Public Services (BPS) targets and deliver our large and varied change programme successfully because of the volume, scale, speed, competing resource needs and interdependencies of our multiple change programmes.</p> <p>Change programmes that will need particular governance and management focus over the short to medium-term are Investing in Services for Outcomes (ISO), Housing Needs Assessment Transfer, and the Children's Action Plan programmes.</p>	<p>Current Mitigations</p> <p>Existing governance, accountability and management structures and disciplines for our BPS targets, and change programmes (includes external advisory boards such as the Work and Income Board, Audit Committee, and Value for Money (VfM) Board).</p> <p>Future Mitigations</p> <p>Implement an enterprise governance approach that will add value to the Ministry by ensuring clear alignment between the outcomes we are seeking and our work programmes, their sufficiency and proper sequencing, and appropriate prioritisation based on an investment approach.</p> <p>Effective programme governance and management of ISO, Housing Needs Assessment Transfer, and Children's Action Plan.</p>	<p>Mitigations will ensure good governance practices and management structures are in place for change programmes. This will reduce the likelihood of the risk occurring.</p>	<p>Yes – we encourage innovation and finding better ways to achieve the results we seek. We use a risk intelligent approach to maximise opportunities and manage risk.</p>
<p>Working with partner agencies, Non-Government Organisations (NGOs) and other external partners to deliver results</p> <p>We may not deliver Government priorities, achieve BPS targets and implement our change programmes effectively if:</p> <ul style="list-style-type: none"> the new forms of joint governance and 	<p>Current Mitigations</p> <p>Active consideration of governance and accountability arrangements by cross-agency governance forums (Social Sector Forum, Vulnerable Children's Board, Joint Venture Board etc) to maximise opportunities for, and manage the risks to, effective cross agency delivery.</p> <p>Active discussion with central agencies about opportunities</p>	<p>Mitigations will ensure good practices are adopted which will reduce the likelihood of the risk occurring. Good practice will reduce the impact of</p>	<p>Yes – we encourage innovation and finding better ways to achieve the results we seek. We use a risk intelligent approach to maximise opportunities and</p>

Risks	Mitigations (current and future)	Impact of Mitigations	Within risk appetite
<p>accountability arrangements are not underpinned by a clear framework and public sector management arrangements that effectively support cross-agency delivery of results</p> <ul style="list-style-type: none"> we do not work effectively with our NGO and other external partners to deliver results. <p>The new arrangements are not scalable and sustainable in the medium to long-term.</p>	<p>and barriers.</p> <p>Ensure strong relationships with the NGO sector, and continue with our current approaches to working with NGOs and external partners.</p> <p>Future Mitigations</p> <p>Further evolution and development of effective cross-agency governance and accountability arrangements, and new cross-agency ways of working including those enabled by the new legislation (for instance amendments to the Public Finance Act 1989).</p> <p>Implement strategic changes to the way we work with the NGO sector through our ISO programme. Clear stakeholder management plans.</p>	<p>the risk if it was to occur.</p>	<p>manage risk.</p>
<p>Business Strategy and Operating Model</p> <p>We may not deliver the results we are seeking if we do not have a clear and coherent business strategy and an effective operating model to achieve our strategy.</p>	<p>Current Mitigations</p> <ul style="list-style-type: none"> Strategic direction and operating model articulated in SOI and Four-year Plan (annually updated). Existing strategy and operating model achieving current performance targets and results. <p>Future Mitigations</p> <p>Implement the enterprise governance approach to ensure clear alignment between the outcomes we are seeking and our work programmes, and their sufficiency and proper sequencing.</p> <p>Test new operating models and ways of working across MSD to identify and implement an effective operating model that will deliver the outcomes we are seeking in the future. Identify efficient and effective ways of delivering transactional services through the Simplification Project.</p>	<p>Mitigations will ensure clear business strategy thus reducing the likelihood of the risk occurring.</p>	<p>Yes – we encourage innovation and finding better ways to achieve the results we seek. We use a risk intelligent approach to maximise opportunities and manage risk.</p>
<p>People – capacity, capability</p> <p>We may not attract and retain the people we need to fully realise our workforce strategies.</p>	<p>Current Mitigations</p> <ul style="list-style-type: none"> Existing workforce strategies and actions. Stable Gallup engagement results indicating strong staff 	<p>Mitigations will ensure we can attract and retain the right people, reducing the likelihood</p>	<p>Yes – we look at all potential ways to achieve better performance across the</p>

Risks	Mitigations (current and future)	Impact of Mitigations	Within risk appetite
<p>Factors that impact being an attractive employer include having a clear vision, purpose and strategic direction, healthy culture, ability to pay, strong and effective leadership, training and development opportunities.</p> <p>The extent and frequency of change within the Ministry coupled with capacity (caseload/workload) issues may lead to staff disengagement and underperformance.</p> <p>We may not have the governance capacity and the leadership capability we need to deliver multiple change programmes successfully (link to Risk number 1).</p> <p>There isn't strong leadership and role modelling of the change in behaviour needed to move us to our preferred culture.</p>	<p>connection to purpose of the Ministry.</p> <ul style="list-style-type: none"> • Strong staff engagement and buy-in to the new purpose and principles for the Ministry. • Leadership Team (LT) oversight over all change programmes. <p>Future Mitigations</p> <ul style="list-style-type: none"> • Develop our preferred culture through the Human Synergistic culture programme. • Strong and visible LT ownership and investment in the culture change. • Implement new performance management approach "On Track" within National Office. • Caseload review underway in Child, Youth and Family • Governance capability development to increase our depth and capacity. • Investment in leadership development. • Talent management strategies and plans. 	<p>that the risk will occur.</p>	<p>Ministry. We take all steps to manage any impacts on our staff.</p>
<p>Technology strategy, Information management and security</p> <p>Without a clear medium to longer-term plan for a sustainable technology future. We may not take advantage of current and emerging technologies to support Government priorities, our business strategies and work programme.</p> <p>We may not invest smartly in technology to achieve the fit for purpose, flexible systems we need because of resource and technology pressures and constraints (resource availability, legacy systems etc).</p> <p>We may not effectively manage, use, share</p>	<p>Current Mitigations</p> <ul style="list-style-type: none"> • Existing technology strategies, plans and investments. • Greater integration of business and ICT ensuring development of business-led, ICT enabled solutions. • Existing information management and security strategies and plans. This includes information security and privacy improvement programmes. <p>Future Mitigations</p> <ul style="list-style-type: none"> • Development of medium to longer-term ICT strategy and change plan (PIF recommendation). 	<p>Mitigations will strengthen technology, information management, and security, reducing the likelihood of the risk occurring and its impact if it was to occur.</p>	<p>Yes – We recognise technology plays an ever increasing role in delivering our services. We encourage innovation so people are freed up to do things in new and better ways. We use a risk intelligent approach to maximise opportunities and manage risks. We take the security of our people, premises or information extremely</p>

Risks	Mitigations (current and future)	Impact of Mitigations	Within risk appetite
<p>and protect the information we hold to achieve our business strategies and results we are seeking.</p>	<ul style="list-style-type: none"> Better prioritisation of our technology investments through the Value Governance approach. Implement best practice enterprise Data Analytics hub. Appropriate investment in technology to support information management strategies. Continue to implement information security and privacy improvement programmes, and align these with current and emerging Government Chief Information Office standards. 		<p>serious and escalate concerns when these are at risk.</p>
<p>Financial sustainability</p> <p>If we do not have effective plans to achieve long-term financial sustainability, the increasing operating cost pressures on our declining baseline may adversely affect the delivery of services and our ability to achieve our business strategies.</p>	<p>Current Mitigations</p> <ul style="list-style-type: none"> Existing financial and VfM strategies and plans. <p>Future Mitigations</p> <ul style="list-style-type: none"> Freeing up of resources through the Simplification Project and other business process improvement programmes. Update current strategies and plans to support an enterprise governance approach to strategic financial management. 	<p>Mitigations will provide longer term sustainability and stewardship, reducing the likelihood of the risk occurring, and its impact if it was to occur.</p>	<p>Yes – We look at all options to deliver services more effectively and successfully. We look to achieve the right balance between costs and benefits. We make sure our financial resources are used prudently, responsibly and transparently.</p>
<p>Delivering our services and meeting core expectations</p> <p>We may not maintain stakeholder/public trust and confidence, if we don't continue to deliver our services to expected standards, and meet our other core expectations.</p> <ul style="list-style-type: none"> maintaining code of conduct and integrity standards maintaining health, safety and security standards dealing with external and staff fraud appropriately complying with our legal obligations 	<p>Current Mitigations</p> <ul style="list-style-type: none"> Clear expectations of staff set out within the Code of Conduct, with various systems and processes to ensure expectations are met. Fraud Reform programme. Integrity strategy and work programme. <p>Future Mitigations</p> <p>Implement the Safe Work Environments Plan - which has been developed based on an external review of our approach – to ensure a safe work environment for all staff, assets, properties</p>	<p>Mitigations will support delivery of our services and core expectations, and reducing the likelihood that the risk will occur.</p>	<p>Yes – We look at all options to deliver services more effectively and successfully. We use a risk intelligent approach to maximise opportunities and minimise risks. We conduct ourselves ethically in line with our Code of Conduct and Integrity policies. We operate professionally and comply with our legal and regulatory</p>

Risks	Mitigations (current and future)	Impact of Mitigations	Within risk appetite
<ul style="list-style-type: none"> managing business continuity, emergency management, disaster recovery effectively. 	<p>and information.</p> <ul style="list-style-type: none"> Review and update our legislative compliance frameworks. Planned update and testing of enterprise business continuity and emergency management plans. 		<p>obligations. We report any suspicion of fraud – whether by staff or service users – immediately.</p>
<p>Fiscal risk - Administration of Social Housing: transfer of responsibility to MSD</p> <p>We will assume responsibility for administering the social housing function, forecasting future social housing demand and debt collection in relation to income related rent subsidies effective 14 April 2014.</p> <p>We may not be able to continue delivering this service if we do not have the staff and ICT system required to support the provision of social housing needs assessment on an ongoing basis.</p>	<p>Current Mitigations</p> <p>Strong governance, high quality programme management, project planning, requirement analysis and design work progressed to reduce risks with project delivery.</p> <p>Funding for transfer and related development of operational and ICT systems is being sought as part of Budget 2014. ICT cost estimates have been reviewed by KPMG and the Treasury.</p> <p>Future Mitigations</p> <p>Operational and ICT systems will be developed to be able to deliver business processes required to support the transfer of social housing needs assessment.</p>	<p>Mitigations will help to reduce likelihood that the fiscal, staffing and ICT risks will occur. Mitigations will also help to reduce the impact if these risks did occur.</p>	<p>Yes – we encourage innovation and finding better ways to achieve the results we seek. We look at options to deliver services more effectively and successfully. We use a risk intelligent approach to maximise opportunities and manage risk.</p>
<p>Fiscal risk – Welfare Reform: Forecast Benefit Savings</p> <p>A conservative estimate of the likely benefits from Welfare Reform has been included in the fiscal forecasts.</p> <p>The actual impact may differ owing to behavioural factors and the complexity in implementing the reforms, with a corresponding impact on benefit expenditure. Additional funding may be required as the change to the benefit system is embedded and further strengthened.</p>	<p>Current Mitigations</p> <p>Existing governance, accountability and management structures, policy and processes for change programmes.</p> <p>Future Mitigations</p> <p>Implement an enterprise value governance approach to ensure clear alignment between the outcomes we are seeking and our work programmes, their sufficiency and proper sequencing, and appropriate prioritisation based on an investment approach.</p> <p>Continued effective governance and management, particularly by the Work and Income Board.</p> <p>Future phases will review programmes with a view to reducing future benefit dependency and long term liability and additional funding may be required.</p>	<p>Mitigations will help to reduce the likelihood that the risk will occur. Mitigations will also help to reduce the impact of the fiscal risk should it occur.</p>	<p>Yes – we encourage innovation and finding better ways to achieve the results we seek. We look at options to deliver services more effectively and successfully. We use a risk intelligent approach to maximise opportunities and manage risk.</p>

Risks	Mitigations (current and future)	Impact of Mitigations	Within risk appetite
<p>Fiscal risk – Vulnerable Children</p> <p>The Government is implementing proposals to better identify and provide assistance to vulnerable children.</p> <p>Costs of proposals are likely to have impacts on Votes Education, Health, Justice and Social Development.</p> <p>The expectation is that costs will be met through reprioritisation of current expenditure although uncertainty around the service costs and volumes may mean that additional funding is required.</p>	<p>Current Mitigations</p> <p>Active consideration by Vulnerable Children’s Board of programme needs, services, costs and volumes to maximise the opportunities and manage the risks.</p> <p>Active discussion with partner agencies and central agencies about overall opportunities and barriers and funding needs.</p> <p>Future Mitigations</p> <p>Further evolution and development of effective cross-agency governance and accountability arrangements, and new cross-agency ways of working including those enabled by the new legislation.</p>	<p>Mitigations will help to reduce the likelihood that the risk will occur. Mitigations will also help to reduce the impact of the fiscal risk should it occur.</p>	<p>Yes – We look at all options to deliver services more effectively and successfully. We look at options to deliver services more effectively and successfully. We use a risk intelligent approach to maximise opportunities and minimise risks.</p>

All of these risks have an inherent or baseline risk rating that is high or very high. This means that the inherent likelihood of each risk, without any mitigating activity, would be either likely or almost certain; and the inherent consequence of each, without mitigating activity, would be either major or severe. In each case, the identified mitigations would help to reduce the likelihood of a risk occurring. In some cases, the mitigations are also aimed at reducing the impact of the risk should it arise.

8.2 Resilience

We are resilient to most eventualities, mainly within risk appetites.

We are a strong and resilient agency that has a culture of responsiveness; commitment and innovation. Despite our size, we have a reputation as an agile agency with a ‘can-do attitude that is able to change direction and mobilise quickly in response to the unexpected. Because so many New Zealanders depend on our services, we take our emergency management and business continuity responsibilities seriously. In an emergency, our planning and preparation, along with our adaptive leadership allows us to ensure our most critical functions and service continue. We showed our ability to quickly innovate following the Christchurch earthquakes including mobile servicing, phone calls and visits to vulnerable people and establishing one stop shops in the community.

We have staff that are engaged, committed, and highly motivated. Our size provides us with the capability to shift work and staff across locations to support communities as needed, particularly in emergency situations. Following the Marlborough/Wellington earthquakes, we were able to relocate worksites and offer services out of temporary locations. At the same time, we ensured that affected staff received the help and support they needed.

As with any organisation, there is room for improvement in our levels of resilience. While we are in a strong position to successfully implement change, we need to have the appropriate tools and technology in place to support it. We are in the process of developing a technological environment that will support future service delivery, and improve the overall resilience of the Ministry. In the future, our ICT systems will be organised by delivery functions supporting low intensity (self-service transactional services), high intensity (intensive case management), cross-agency and provider services, and support services.

We are strong in identifying and managing risks. If an issue arises, we are able to deal with it quickly, reducing the adverse impact on New Zealanders. When a crisis occurs, we seek opportunities for learning and improvement, as can be seen from the Kiosk security breach. Our ability to adapt and respond to change enables us to continue to deliver our services and meet core expectations.

Over the next four years, we will be stretched, but over that time, we will continue to show our resilience and strength by continuing to deliver services, meet Government's expectations, work with our sector colleagues, while retaining the capacity to respond to events quickly. Consideration of our resilience will be part of our Leadership Team's forward agenda.

Annex 9: Government Priorities

Achieving Government priorities is a central part of our current operating models and will drive the outcome focus of our future integrated operating model.

Delivery of Government priorities, such as Better Public Services (BPS), is integrated into the Ministry's way of working. Welfare reform, the Children's Action Plan and increasing online access to MSD services are key priorities for the Ministry which all support BPS.

9.1 We are reducing long-term welfare dependence (BPS Result One)

A fundamental overhaul of the benefit system is taking place. We have accepted that the benefit system needs to do more to promote independence and recognise people's work potential. We are working to make the benefit system more active and work-focused through increasing obligations placed on beneficiaries, and the tools available to us to move people into work.

Welfare reform to date has seen:

- the development and implementation of the Youth Service, a programme focused on re-engaging 15- 19 year old school-leavers with education and training
- a change of benefit criteria to encourage and support more people into work
- benefit categories reduced to three.

On 15 July 2013 the final phase of welfare reform began rolling out. Full implementation of those changes is on track.

Work Focused Case Management (WFCM) supports people into full-time or part-time employment and reduces the length of time they depend on a benefit. In this face-to-face case management, people receive information and assistance with job searching that is tailored to their experience and capabilities. They are also referred to an extended menu of employment-related services and training that reflects the prevailing labour market and the needs of local employers.

WFCM is focused on supporting people, who have been on benefits for a long time, to move off benefits (the BPS target group). There is also a focus on the upfront performance of the benefit system to reduce the flow into the BPS target group. Initiatives such as the "Work for You" seminars are proving to be effective in reducing the number of people who require benefits within 28 days of attending the seminar.

9.2 We are supporting vulnerable children (BPS Results Two - Four)

The Children's Action Plan is a cross agency initiative governed by the Vulnerable Children's Board (VCB). The VCB includes senior officials from the Ministries of Health (MOH), Education (MOE), Social Development (MSD), Justice, Business, Innovation and Employment, Te Puni Kokiri, and the New Zealand Police. Together they are responsible for the Children's Action Plan Directorate who are the team implementing the actions under the plan.

In addition to the Children's Action Plan, core work programmes under MOH, MOE and MSD are dedicated to the Supporting Vulnerable Children results. MSD contributes to all three of these results through initiatives such as:

- Child Youth and Family (CYF) protecting children and supporting families with children at risk, and funding initiatives such as Social Workers in Schools and Social Workers in Hospitals
- Family and Community Services (FACS) work with families and communities to build resilience. As a funder, provider, leader and co-ordinator of support services for families, FACS has a focus on the delivery of early intervention and prevention services and programmes, including the parenting programmes Family Start, Parents As First Teachers and Home Interaction Programme for Parents and Youngsters
- ensuring all children in CYF custody aged 18-36 months are participating in quality Early Childhood Education (ECE), as well as funding up to \$600 per month for ECE per child for all 18-36 month olds in its care
- implementing social obligations under welfare reform to ensure child health checks are complete and children are enrolled in early childhood education
- working across the sector on the closer alignment of Well Child/Tamariki Ora and Family Start, which is a key deliverable to support integrated working with vulnerable children
- supporting the implementation of housing related rheumatic fever interventions including the Auckland Healthy Homes initiative and social housing initiatives.

9.3 MSD is supporting youth through skills, employment and justice

The work MSD does with youth directly supports BPS Results Five, Seven and Eight-boosting skills and employment and reducing crime.

The Youth Service was established in August 2012 to focus on re-engaging 15-19-year olds school-leavers with education and training. This directly supports BPS Result Five. The expected outcomes of the Youth Service delivery model are that young people will sustain their participation in education, training or work-based learning, will achieve a minimum qualification of National Certificate of Educational Achievement Level Two or equivalent and, once they have exited the Service, will not return to a main benefit within three months.

Between the introduction of the Youth Service in August 2012 and 30 June 2013, 6,046 young people not in education, training or employment (NEETs) have been enrolled in the Youth Service (NEET) programme. An average of 53.5 per cent of Youth Service (NEET) participants have been in full-time education, approved training or work-based learning, and are working towards an NCEA qualification at Level 2 or higher.

MSD is also working with the justice sector to focus on frontline initiatives that prevent crime, reduce harm and more effectively meet the needs of New Zealanders. MSD's work with youth in the justice system directly supports BPS Result Seven:

- New approaches have been developed to improve the way Police and Child, Youth and Family work together to identify and manage children at risk of further offending. We are also improving the way we work across the social sector to ensure children who offend are engaged at school and have better access to resources that support them.
- We are applying a "Triple-One" response for children who offend. This means each child who offends has one Family Group Conference facilitated by one co-ordinator, and is managed by one social worker. We hope to see fewer court proceedings for child offenders and fewer children going on to offend as young people.

- Interagency work is under way to improve responses to child offenders. Further actions are outlined in the Youth Crime Action Plan which was approved by Cabinet in September 2013.

In addition, to youth initiatives, new Welfare legislation allows MSD to stop benefit payments for individuals who have an outstanding warrant for arrest in criminal proceedings.

9.4 We are increasing services so people can complete their transactions with MSD online

MSD is working to increase online access to services including applications for financial assistance. This directly supports BPS Result 10.

We are adding new online services for New Zealanders interacting with Work and Income, StudyLink and Senior Services. Investments are being made to improve security online and self-service kiosks have been re-established in frontline sites.

The following suite of development projects directly support BPS Result 10:

- Real Me (approved project)
- Enhanced online services (approved project)
- Mobile application - StudyLink (planned project)
- Mobile Application Platform replacement (planned project)
- Job seeker profiles online (project in concept stage).

Annex 10: Canterbury Recovery Activities

The social and economic recovery of the Canterbury region began in 2010 after the September earthquake. The February earthquake dramatically compounded the situation but the recovery phase quickly recommenced as the response phase ended. Since this time significant headway has been achieved for example, vital infrastructure has been replaced, schools, community recreation, sporting, and spiritual facilities mended, cordons in the centre of the city removed, and a large number of damaged homes repaired and rebuilt.

Over the next few years recovery activities will continue to gather pace as a range of major projects are completed. In four years' time a variety of aspects of daily life for Cantabrians will look different from how they do today. Through our day to day work Canterbury MSD Service Lines have been making of direct and indirect contributions to the region's recovery.

MSD Canterbury has adopted a strong people-centred approach to its work recognising the unique environment created by the earthquakes. We are contributing to the revitalisation of the region through the following:

- The delivery of services that are efficient, effective, and sensitive to the wider Canterbury context.
- Supporting people into the numerous and various employment opportunities that have been, or will be, created by the large scale rebuild and repair programme.
- Re-establishing a MSD presence in the Central Business District (CBD) and suburban Christchurch.
- Contributing to work with the Canterbury Earthquake Recovery Authority (CERA).
- Contributing to the level of preparedness to meet public welfare needs in the case of another large scale emergency event.
- Participating and contributing to a multi-agency and integrated approach to support psychological recovery.
- Assisting our staff to build their resilience and wellbeing and supporting them through the journey of 'recovery'.

Currently MSD provides ICT, HR and Finance services to CERA. We are working closely with CERA as they transition to a new phase. We recognise that their intellectual property and other information will need to be transferred to other agencies for safe keeping and we will have a big part to play in this. Close working relationships will continue to be maintained to ensure the transition is as smooth as possible.

MSD continues to work closely with other agencies to understand and respond to the changing needs of Cantabrians. Many people still face complex issues (including multiple secondary stressors such as housing issues, negotiating with insurance companies and Earthquake Commission (EQC)). This cross agency response will need to continue for the foreseeable future. This work requires additional funding and proposals are being presented as part of this plan.

1. People-Centred Initiatives

1.1 Family Violence Prevention and Intervention

Although in Christchurch there were already well established networks and regular meetings of family violence professionals, the social and economic consequences of the September and February earthquakes provided an extra impetus for agencies to explore opportunities to work closer together to respond to, and prevent, family violence.

In April 2011, a Family Violence Community Conversation (Café Conversation) was held in Christchurch. A key outcome was an agreement to develop a comprehensive strategy to enhance the delivery of family violence services and programmes.

In May, Managers from Christchurch based organisations⁵ that work with families during family violence crises began meeting weekly to discuss opportunities to improve the operation of the crisis intervention system. To identify their work the group adopted the title of the Family Violence Strategic Leadership Group (FVSLG).

From June 2011, further Café Conversation meetings were held throughout Canterbury. These aimed to explore the collaborative development of a family violence strategy, with a focus of providing effective and coordinated family violence responses for family/whānau in the context of earthquake support and recovery.

From July onwards, the composition of FVSLG increased to include organisations that focused on the prevention of violence and one that worked with victims of sexual violence.

In December 2011, the FVSLG agreed to undertake a project, consisting of five streams of work that would commence in 2012. These areas of work were to:

1. Investigate the current crisis intervention model to identify service gaps and opportunities where systems, processes, procedures, and resources could be enhanced to ensure an optimal response to all incidents of family violence in Canterbury.
2. Understand the benefits and disadvantages of clustering family violence agencies into one geographic area.
3. Improve the knowledge, skills, and confidence of staff that practise in the family violence area.
4. Make a significant contribution to the prevention of family violence in Canterbury.
5. Understand how, and to what degree, agency interventions are contributing to improved outcomes for families, and to enhance the interface between academic research findings and frontline practice.

The Regional Commissioner (RC) and Regional Strategic Planner (RSP) have been involved in the development of the strategy since its inception. The RC chairs the Canterbury Family Violence Strategy Collaboration Reference Group and attends Steering Group meetings. These meetings are also attended by Child, Youth and Family's (CYF) Southern Regional Director and the Regional Manager, Southern, Family and Community Services (FACS). The RSP leads the Staff Learning and Development work stream.

⁵ Aviva (formerly Christchurch Women's Refuge), He Waka Tapu, Battered Women's Trust, Ōtautahi Women's Refuge, Christchurch West Refuge, Relationships Aotearoa, START, Stopping Violence Services, Barnardos, Ministry of Justice, NZ Police, Child, Youth and Family, and Te Awatea Violence Research Centre.

At the end of August 2013 the prevention stream of work instigated the 'Canterbury Can' (stand up to family violence) public awareness campaign. This social marketing campaign was launched at a well-attended event at a local primary school. Guest speakers included Vic Tatami (from the 'It's Not OK' campaign), Jason Gunn (TV presenter) and Rev Mike Coleman (community advocate). A wide range of posters, fridge magnets, postcards, etc. have been produced and distributed in the community. The message that family violence is unacceptable is also featured on a large billboard and on the back of some city buses. The campaign is endorsed by well-known Cantabrians including Sir Mark Solomon from Ngami Thai, two members of the Canterbury netball team, and Jason and Janine Morrell-Gunn.

MSD has funded the united efforts of the Family Violence sector in Christchurch. The Capability Investment Resource Fund under Investing in Services for Outcomes has assisted the transformative approach that the sector has been working on.

Since this time a number of enhancements have been made to the project. These include a change in name to the 'Canterbury Family Violence Strategy Collaborative' (Te Rautaki Tukino Whānau i Otautahi); changes to its governance and management structures; the appointment of a Project Manager; the replacement of the fifth work stream by a focus on young people; the addition of new stakeholders; the use of Results Based Accountability to develop a outcomes framework; and the establishment of links to Wellington based stakeholders.

1.2 Supporting Community Accommodation Needs

The Canterbury Earthquake Temporary Accommodation Service (CETAS) was established in early 2011. The service was set up to support Cantabrians with accommodation needs as a result of the September 2010 earthquake. CETAS is a joint initiative between MSD, the Ministry of Business Innovation and Employment (MBIE), and Inland Revenue (IR). MSD is responsible for providing the overall management of the service and the assessment, service coordination, and financial assistance functions. MBIE is accountable for coordinating the procurement and delivery of temporary housing solutions, and programme sequencing with building and insurance organisations. CETAS, IR and the Non-Government Organisation (NGO) sector work together to deliver the Earthquake Support Coordination Service while the Ministry funds the majority of NGO's involved in the delivery of this service.

CETAS has three service arms: Accommodation, Financial Support, and the Earthquake Support Coordination Service.

Temporary Accommodation-Matching and Placement Service: Staff members assist people to find suitable alternative accommodation while their family home is repaired or rebuilt. This includes access to the four temporary villages.

Financial Assistance: Staff members assist people to apply for a grant to meet the extra costs associated with temporary accommodation where insurance entitlements are not available or have been exhausted.

Earthquake Support Coordination Service: Staff members provide intensive case management to assist individuals to deal with a range of issues (financial, accommodation, health, etc.) that have arisen as a consequence of the earthquakes.

At the beginning of August 2013 the *Temporary Accommodation Portal* was launched on the CETAS web site. This webpage was developed to enable people to independently resolve their short term accommodation needs. It allows landlords to list their property or room directly on the CETAS website at no cost and people seeking accommodation to search the

listings and contact landlords directly (prior to contacting CETAS for accommodation assistance).

Recent significant recovery focused activities include:

- A new temporary village, Rangers Park, was opened in early September 2013. This is the fourth government housing supply initiative to help support the demand for short term temporary accommodation. It brings the total number of units managed by CETAS to 124. The official opening was followed by an open day for the public.
- Over the last few months staff from CETAS and the Earthquake Support Coordination Service have attended various community events and talked to a number of organisations to raise awareness of the services offered.
- In July CETAS and IAG established a focus/working group for frontline staff members. This provided an opportunity for staff to form relationships and discuss current key issues/concerns on an ongoing regular basis. Staff members from Southern Response joined these meetings in September.
- The Bank of New Zealand (BNZ) has created a 'Future Hub' which aims to assist people with important financial decisions they face during the recovery period. The initiative is available to all Cantabrians (not just BNZ customers). BNZ is working with a number of partners involved in the recovery to deliver this service. This includes CETAS, the Residential Advisory Service, insurance experts at IAG and Aon, legal professionals, accountants and a property firm. CETAS has been identified as a key referral point for 'Future Hub' customers needing additional support.

1.3 Services to support the psychosocial recovery

MSD funds range of services to support the psychosocial recovery. The Canterbury Social Support Fund has resourced:

- Canterbury Earthquake Support Coordinators
- trauma counselling – face-to-face and telephone
- 0800 Canterbury Support Line
- community based organisations providing both individual and family support, and community resilience initiatives.

Canterbury Earthquake Support Coordinators

Through the Canterbury Social Support Fund, the Ministry funds NGOs to employ 29.5 Earthquake Support Coordinator (ECS) positions. After the February 2011 earthquake the ESC service was expanded from its initial focus on relocating families. The service covers greater Christchurch (this includes Waimakariri and Selwyn districts). The service uses broad criteria to identify potential recipients, and provides assistance:

- to individuals and families displaced due to the quake who have to move out while homes are repaired and/or land remediated
- to those who have lost their home completely and require assistance to move
- where there is potential displacement and people are in uncertain situations awaiting clarity from for example, from EQC and Insurance companies.

Since 2011 ESCs have helped around 8,170 households.

Counselling

Since the September 2010 earthquake, Relationships Aotearoa Incorporated has administered and overseen the delivery of counselling services to the greater Christchurch area for both adults and children. This has included both telephone counselling and face to face counselling. Adults make up 80 per cent of the recipients with the most commonly cited issues being anxiety and stress, exhaustion, concerns about their children, relationship issues, employment, financial and housing issues.

The April 2013 Wellbeing Survey conducted by CERA indicates that the proportion of those experiencing high levels of stress has not decreased substantially, with insurance and rebuild-related issues now causing the greatest stress. Relationships Aotearoa report that the emerging TC3 land issues are causing significant stress for residents in that area.

Community building initiatives

A key aspect of the Ministry's work in Canterbury is supporting community engagement and development, in partnership with NGOs and other agencies. These multi-agency responses support psychosocial recovery through encouraging community well-being. Using Investing in Services for Outcomes we encourage NGOs to share resources and networks to achieve greater collective impact. Examples include

- MSD in partnership with Red Cross, Department of Internal Affairs and Local Government is working to develop a network of local / neighbourhood community settings where residents can connect, access information and services and where social services have a local neighbourhood presence. In particular this initiative is also designed to develop community leadership and practice development.
- Supporting the sustainability of the time banks and newcomer groups. These are community initiatives which provide an opportunity for people to give back to their community and to develop a sense of identity and connectedness. Through investing in services for outcomes the time banks and newcomers networks have been able to connect up, learn and share resources with each other in the Christchurch area.

1.4 Support to those in in the Red Zoned Areas

In June 2011 the Government announced decisions about the zoning of land in Christchurch city. Four separate land zones were created. Land that was zoned 'Red' was deemed to be land that for a variety of reasons would not be remediated. As a consequence people who were living in 'Red Zone' areas would need to relocate elsewhere. Significant swathes of 'Red Zoned' land were located in parts of Christchurch's deprivation band which stretches from the city centre east wards to the Pacific Ocean. In total nearly 8,000 homes were within 'Red Zoned' areas.

A number of people supported by the Ministry were living in 'Red Zoned' areas. Those who were home owners received support from organisations such as CERA and CETAS. However, those who were renting did not have access to the same level of support. To assist these people, around 300, we contacted them by telephone to ensure that they were aware of the support available to them from us and Housing New Zealand. As we were unable to contact them all by telephone we sent a staff member to visit their home. Those who were at high risk of homelessness were offered accommodation through Housing New Zealand.

1.5 Accommodation Concerns

The earthquakes have had a significant effect on Christchurch's residential housing stock and accommodation options. A recent report from the MBIE found that:

- Greater Christchurch has lost around 11,500 homes.
- House prices and rental costs have increased. Christchurch house prices have risen 13 per cent since August 2010.
- The rental housing market is very competitive. The number of properties available for low income earners has decreased significantly.
- The average price for weekly rentals has increased more acutely than house prices and at a faster rate than in other areas in the country, including Auckland.
- There is a decline in the availability of lower priced rental accommodation.

With the staggered arrival of workers expected over the next few years, a projected increase in the region's population, the peak of repair/rebuild work likely to occur over 2014/2015 and the prediction of no increase in the Official Cash Rate until 2014 it seems unlikely that the pressure on accommodation in the Christchurch area will ease in the medium term.

This situation has impacted upon some of the people we support. To ensure that we are up to date with the situation and contributing to solutions the Work and Income Regional Policy Advisor regularly attends a number of interagency forums that have a focus on housing/accommodation and the general wellbeing of people in adverse situations.

1.6 Young People

In 2012 CERA undertook a survey of Cantabrians. The aim of the survey was to help provide a picture of community wellbeing through the earthquake recovery process. In 2013 CERA, in conjunction with a number of partner organisations, has undertaken a survey amongst Canterbury's young people (aged 12-24 years). The aim of the 'What's Up Youth Wellbeing' survey is to identify the consequences of the earthquake on young people, reveal their future plans and understand what is important to them in the recovery process.

The Ministry of Youth Development (MYD) are a partner organisation in the survey and have used their extensive youth related networks and contacts with young people to promote the survey.

MYD has been involved in initiating the 'Strengthening the Youth Sector Group' project. So far two youth sector hui have been held and from these meetings four streams of work are underway. MYD continue to provide secretarial support to some of the key stakeholders involved in this project.

1.7 Youth Shop

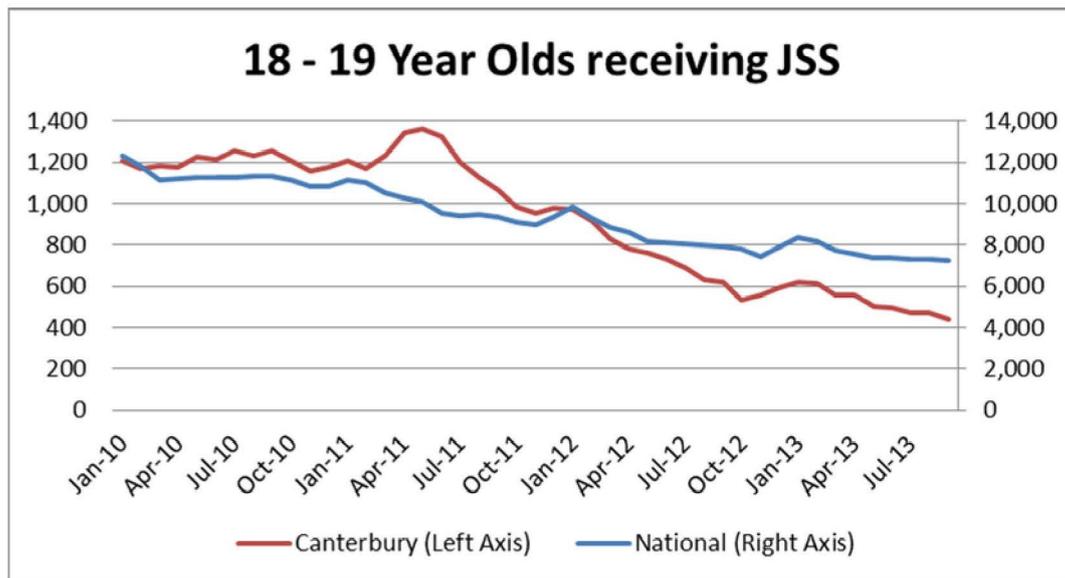
The establishment of the 'Youth Shop' was part of MSD Canterbury's response to a nationwide request from the Minister for Social Development to address youth unemployment in the latter half of 2011. The 'Youth Shop' is an initiative that works with young people in receipt of a main benefit to assist them into training, further study or employment.

The 'Youth Shop' focuses on 18-19 year olds who are in receipt of Jobseeker Support (JSS), Sole Parent Support and 16-19 year olds in receipt of Supported Living Payment.

The objectives of the 'Youth Shop' are to:

- reduce the flow of young people leaving study and applying for benefit
- reduce the number of young people remaining on benefit
- support young people to gain a career.

These objectives are achieved through the provision of a specialist service for young people located within a wider environment of other youth services. Staff members take the time to engage with and develop a rapport with the young people involved so they can support them to achieve their goals. The ability to work intensively with young people who need a higher level of support is a strength of the 'Youth Shop'.



The graph shows the reduction in the number of young people receiving JSS. At the end of September there were 715 18-19 year olds receiving JSS. We expect to see a further reduction in youth numbers as the hospitality and retail sectors become re-established, with new hotels, cafes and fast food outlets planned to open in the coming months.

1.8 In the Future

Our longer term aim is to continue to offer those in the region an efficient and effective service that takes into account their individual situation and needs within the context of the wider environment created as a result of the earthquakes.

Over the next few years it is our intention to continue:

- our leadership role in the Canterbury Family Violence Strategy
- our involvement in interagency forums that focus on identifying and addressing accommodation/housing issues
- to focus on supporting young people to move into employment
- our support for the psychosocial response

- our involvement in inter agency projects that are focused on supporting the region's young people through the recovery
- our 'Youth Shop', focusing on enhancing relationships with a range of key stakeholders.

2. Supporting People with Labour Market Opportunities

2.1 Labour Market Recovery Programme

The intention of the Labour Market Recovery Programme (LMRP) is to help coordinate efforts across government agencies and others to support the local labour market in responding to the challenges of the rebuild and the wider recovery. MBIE leads the implementation of the LMRP, working closely with others such as the Ministry of Education (MoE), the Tertiary Education Commission (TEC), MSD, and CERA; as well as with local bodies such as the Canterbury Development Corporation and the Canterbury Skills and Employment Board.

Within Canterbury's Economic Recovery Programme sector workforce plans are envisaged as part of the LMRP. The plans will focus on the following:

- attracting and retaining skilled and talented people in the region
- developing skilled and talented people
- engaging people who are currently outside the workforce in work
- improving the utilisation of skills in the workplace (improved productivity)
- better connecting schools, tertiary providers and businesses.

The Canterbury Skills and Employment Hub (the Hub) is an initiative that has grown from the LMRP.

2.2 Canterbury Skills and Employment Hub

The Hub is a joint initiative of MBIE, CERA, TEC, and MSD. Its purpose is to facilitate the resolution of increased demand for labour in Canterbury as a result of the earthquakes.

The Hub is a 'one stop shop' to help employers access workers, including newly graduating trainees, from Canterbury and across the country. Where there are no suitable or trainable New Zealanders available, the Hub will provide employers who want to access migrant workers with confirmation to enable the immigration process to be fast-tracked. The Hub provides these labour market services for all sectors, but its initial focus is on industries associated with the rebuild, in particular the construction industry.

The Hub is comprised of six full-time 'Skills Brokers' (with support from the Work and Income vacancy management team), and an administrator/support person. Two of the Skills Brokers are seconded from Immigration New Zealand and hold Immigration Licences, which means they can give generic immigration advice to employers. Hub operations are supported by a website, branded 'Opportunity Canterbury', which provides information and a job board enabling the registration of employers and job seekers; the listing of jobs; and the matching of job seekers to those opportunities.

2.3 BaseBook

BaseBook is the use of an existing social media channel (Facebook) to create a 'one stop shop' for employers to list vacancies and for those seeking employment to apply for them. BaseBook was created in the aftermath of the Canterbury earthquakes and is operated through the Work Services unit of Work and Income Canterbury.

The primary purpose of BaseBook is to connect any job seeker with appropriate job opportunities: provide people with guidance, support and encouragement to make job applications. It provides employers seeking staff with an active job seeker pool. In addition to lodging vacancies other supports are available for employers on the site, such as links to the New Zealand Police (to enable the completion of background vetting) and MBIE immigration services.

2.4 Partnership with the Department of Corrections

The Ministry and the Department of Corrections (Corrections) are working together in Canterbury to optimize employment outcomes for mutual service users. Two initiatives are underway, Job Club and Community Work into Employment. These programmes have been developed to link people to employment opportunities; hopefully employment will reduce their risk of future reoffending.

The Job Club programme provides people with a one on one employment search service. This supports them with financial services, training and employment opportunities, while permitting them to participate in other Court imposed activities. Suitable people are assessed and referred to the programme by their Probation Officer. We have one MSD staff member based at Corrections coordinating the service.

Community Work into Employment (CWIE) caters for people who have been sentenced to community work. Historically, people with this sentence were difficult to match to training and employment opportunities. The CWIE programme ensures people have the opportunity to complete Community Work (CW) hours in a shorter time period while learning relevant skills (New Zealand Qualification Authority unit standards) which will equip them for the many opportunities currently available in the Canterbury rebuild.

People must complete their CW hours at a minimum of 24 hours per week on approved programmes relating to the Christchurch rebuild. They will also be required to attend job search interviews and employment information sessions as part of this programme.

2.5 n the Future

The Canterbury wide repair and rebuild programme presents us with significant opportunities to support people we are working with to move into sustainable employment opportunities. We are working hard to take maximum advantage of this opportunity. The reducing numbers of people in receipt of Jobseeker Support reflect Canterbury's buoyant labour market and the work of our staff.

In October 2012 there were 10,281 people who would have been eligible for Jobseeker Support. As at 18 October 2013 there were 8,179 in receipt of Jobseeker Support.

Over the next few years it is our intention to:

- continue to work with other partners in the sector to ensure labour market opportunities are available to Cantabrians we are assisting

- continue to explore innovative methods to support New Zealanders we are assisting and employers
- maximize opportunities offered by the Canterbury rebuild.

3. Re-establishing our Presence in the Community

3.1 NZ Government Site

Since the early 1990s MSD had been delivering services to people in southern Christchurch through its building in the suburb of Sydenham. However, the February earthquake rendered this building unsafe to use and as a result people were directed to other MSD locations.

In early 2013 an MSD presence in southern Christchurch was re-established with the opening of the NZ Government Services building in Durham Street. The site contains a number of MSD Service Lines as well as staff members from IR.

We have been working with the Digital Service Council to explore opportunities to move services online.

3.2 Russley Road

In late 2012 staff from the MSD Contact Centre and the Collections Unit moved in to a new building into western Christchurch. This building is also shared with staff members from IR's Contact Centre.

3.3 CYF Reconfiguration

The Canterbury earthquake had a significant impact on the CYF property configuration. Although disruptive and unsettling, this period of uncertainty provided an opportunity to change some of the arrangements that operated pre-earthquake and consider new innovative ways of providing the best service possible to the children, young people, families and communities that we work with across the greater Christchurch area.

A consultation process was held with both staff and the community. This resulted in strong feedback. We learnt that people wanted to see CYF based, and accessible, within the communities where service recipients are located – working in a connected way within and alongside our communities and families.

Christchurch's re-designed CYF service went live in May 2013. This involved a new boundary configuration, five care and protection sites and two youth justice teams located across the city. The addition of a site based in the eastern suburbs is a significant addition as part of the redesigned service. A caregiver social worker has also been based in each site. This new role maintains strong links to a centralised care services team.

The redesign and re-organisation of sites has been a really positive step forward and has meant that services are based in the right areas and is structured in a way that allows timely and effective services to be delivered to children, young people, families and caregivers across the greater Christchurch area.

Throughout the staff consultation period a number of innovative ideas were put forward and it was agreed that further exploration and development was warranted. 'Opportunities for Innovation Working Groups' were established to advance some of the innovative ideas that came out of the staff consultation period and 'Going Live' provided the platform to further explore and develop these innovations.

The working groups include:

- Improving outcomes for Māori – The concept of a whānau unit, whakapapa researching, and the establishment of a Christchurch Māori Advisory Group is being explored.
- Multi-Agency Centre Model – This group are exploring teaming up with our Police and Health partners to specialise in the management and investigation of our serious abuse cases.
- Care Services – This group is considering the changes to how care will operate, flesh out the structure of care and how it will work in practice.
- Effective Youth/Drug Court services for young offenders – The current model of Youth/Drug Court services is being reviewed to ensure it is responsive to the current environment and sustainable over time.
- A model of Practice Leadership across greater Christchurch – Consideration was given to developing a model of practice leadership across the domains of Care and Protection, Care and Youth Justice and across all sites.

These working groups continue to provide great opportunities for staff to be involved in shaping the future look of service delivery across the greater Christchurch.

3.4 Repopulating the Central Business District

In mid-2013 the Government announced that a number of public servants will be moving back into the CBD.

The Christchurch Integrated Government Accommodation Project is being led by the Property Management Centre of Expertise (PMCoE). The business case and procurement process covers 1,700 staff across 17 agencies. PMCoE is now leading negotiations for 4 new buildings, for approval by joint ministers in early 2014. The costs will largely be recovered on a pro-rata basis from the 17 agencies.

Around 200 MSD staff are scheduled to be part of this over the next few years.

3.5 n the Future

Over the next few years it is our intention to:

- move selected staff from the Firestone site into the MSD Winston Ave building
- find a suitable use for the space available at the Firestone site
- move the Firestone Portacom building to Nga Hau E Wha Marae
- move selected MSD staff into the CBD.

4. Co-locating our Funding and Contracting Teams

The damage to MSD property caused by the earthquakes presented us with the opportunity to co-locate Service Line staff members who are involved in community Funding and Contracting activities into one location. Bringing these teams together promotes the sharing of information, best practice ideas, and the identification of synergies that may lead to organisational efficiencies.

5. Civil Defence Welfare Related Activities

5.1 Rapid Welfare Assessment Form

Following the February earthquake responding agencies used a number of different templates to collect information from Cantabrians that helped to assess and understand their immediate welfare related needs. The use of different assessment forms prevented data being easily compared across the city and district councils and other responding agencies.

The use of multiple assessment forms was identified as problematic in the 2012 review of the Civil Defence Emergency Management response to the earthquake, the McLean Report.

In response the Welfare Coordination Group⁶ developed one template that was acceptable to all Councils in the Canterbury Civil Defence Emergency Management (CDEM) Group area. The 'Rapid Welfare Assessment' form was accepted by members in August this year and has been widely distributed for use in any future CDEM events. The use of one template will assist in the collation and analysis of information and this will help with the planning and delivery of welfare services to the public.

5.2 Reviewing Welfare Coordination Group

An updated and comprehensive Terms of Reference for the structure and operation of the Welfare Coordination Group was also agreed in August. This will be reviewed when the final version of the CDEM National Plan is released.

5.3 Welfare Forum

At the end of September 2013 we helped organise a day long Welfare Forum with staff from the Canterbury Emergency Management Group Office. This was attended by a large number of our partner agencies, including local government representatives that have welfare responsibilities following an emergency event. The Forum provided an opportunity to share information on the hazards that Canterbury faces, discuss proposed changes to the national CDEM Plan, continue to build relationships, and share best practice ideas.

5.4 n the Future

Our aim is to continue to enhance all aspects of the operation of our Welfare Coordination Group (WCG); to fully participate in CDEM exercises, and to maintain our positive relationships within the sector. We believe that over the last few years we have gained some valuable experiences and developed a number of processes and tools that will be of use to other WCGs across the country.

Over the next year it is our intention to:

- complete our annual work programme that has arisen from lessons learnt from the earthquakes and our recent Welfare Forum
- successfully implement any necessary changes to the structure and/or operation of the WCG that are required by changes to the CDEM National Plan
- participate in Canterbury CDEM group exercises as requested

⁶ Formerly known as the Welfare Advisory Group.

- participate in other activities as requested-for example; contribute to the rewrite of the Canterbury Group Plan.

6. A multi-agency and integrated approach to support the psychosocial recovery

6.1 CERA Led Activities

MSD representatives (RC and FACS Regional Manager) continue to attend the CERA led 'Community Wellbeing Planners' monthly meetings. This forum is currently focused on the Greater Christchurch Psychosocial Recovery Strategy-Community in Mind, and a programme of action.

Currently MSD provides ICT services to CERA. We are working closely with CERA as they transition to a new phase. We recognise that the intellectual property and other information will need to be transferred to other agencies for safe keeping. We will have a big part to play in this. Close working relationships will continue to be maintained to ensure the transition is as smooth as possible.

6.2 Working with other agencies

MSD (FACS) is working with other agencies on an integrated agency response to address the next stages of the psychosocial recovery. This integrated response will provide for a consistent model of care, with multiple entry points and common assessment, triage and referral frameworks. There will be a menu of help options – including self-help resources and activities, linkage to community support networks, e-therapy, and individual and group counselling. The service response would not only be integrated across the continuum of care, but also across agencies.

We are also working with the Ministry of Education to look at ongoing delivery of the Check and Connect programme in Christchurch schools. This preventative programme aims to keep young people at school, who are at risk of disengaging.

7. Supporting MSD Staff Resilience and Recovery

Shortly after the 2011 earthquake sequence a range of wellbeing supports and interventions were put in place for all Canterbury MSD staff. These included initiatives like:

- engineers' checks on the structural integrity of staff members' houses
- the granting of earthquake related leave for staff
- a temporary travel allowance for staff who were working in different locations
- delivering staff forums
- the appointment of a part time Human Resources staff member to develop a range of other staff supports.

In 2012 two large scale surveys were undertaken to gauge the health and wellbeing of Cantabrians. The first was conducted by the CERA and the second by the Mental Health Foundation (MHF) and the Canterbury District Health Board (CDHB). The findings from both these separate surveys were congruent.

The results of the survey by the CDHB and MHF, paint a picture of how Cantabrians are coping in the aftermath of the earthquakes. As part of the survey the authors included five questions developed by the World Health Organisation (WHO-5 Wellbeing Index) that gauge

emotional welfare. These self-rated questions were administered to 800 people across Canterbury. Although the findings need to be interpreted with care they suggest that emotional wellbeing is not high across the greater Christchurch population and that there may be a number of people experiencing potential mental health problems.

In addition to these type of findings was the warning sounded by Australian disaster psychology expert, Dr Rob Gordon, who believes that that the third and fourth years following a disaster can be the most difficult for people's levels of stress.

Awareness by senior Canterbury MSD leaders of these findings prompted the contracting of a health consultant to develop a structured plan for the delivery of interventions for staff. Since the completion of this plan in early 2012 the following has been achieved:

- An Across MSD Wellness Committee established.
- A survey of Work and Income staff members' personal situation undertaken. This had a focus on accommodation changes.
- A Staff Wellbeing Advisor appointed.
- A wellbeing plan, known as 'Bounce Back Better', developed.
- During the May-August period around 175 Managers and staff attended a resilience training workshop provided by the Resilience Institute (Dr Sven Hansen). The aim of the workshop was to introduce participants to a number of activities and concepts that promote resilience. On 7 and 8 November a further two workshops were held. These will be attended by around 25 union delegates and a group of Work and Income Managers.
- Over the last few months a registered Nurse has been offering all staff a free health check (weight, blood pressure, blood glucose, Body Mass Index). The aim of these checks is the early identification of health concerns that can be addressed by lifestyle changes such as diet and exercise. Since early August 135 staff members across six sites have taken up this opportunity.
- To date ninety staff members have completed 'sleep well' clinics facilitated by Dr Alex Bartle. Thirty more staff members are enrolled to attend another clinic in early November. This intervention is designed to help staff counter the harmful effects of disrupted and disturbed sleep patterns which have been a consequence of night time aftershocks.
- Two Work and Income Service Centres have completed training provided by the Mental Health Education Resource Centre. This training was delivered in the Linwood Community Link and Hornby Service Centre. Linwood is located in eastern-Christchurch and is an area where our staff members are supporting people who have a range of complex earthquake related issues.
- In August all Canterbury frontline Work and Income staff attended a half day forum. These meetings provided Regional Office staff with a chance to update staff on the organisation's strategic direction, local labour market opportunities, key local events, and reinforce messages about personal wellbeing and health.
- In November three workshops have been offered to staff. These are on: financial management; physical activity; and healthy thinking/optimism.

To get a recent picture on the personal situation and wellbeing of MSD Canterbury staff a second survey was undertaken in October. From the 236 responses received:

- only 32% of respondents had no earthquake related issues/concerns in their personal lives
- 27% of respondents do not expect to be living in the same home in two years from now
- 24% of respondents have changed accommodation in the last 12 months as a result of earthquake related repairs
- 30% of respondents expect to move accommodation within the next 12 months (or longer) as a result of earthquakes
- 22% had ongoing family related issues
- 3% had ongoing children's schooling issues
- 3.5% had ongoing child care issues
- 22% had accommodation issues
- 17% had health related issues
- 25% had financial related issues
- 39% had insurance issues
- 19% had earthquake repairs/rebuild issues

7.1 n the Future

Our longer term aim is to embed a strong culture of staff wellbeing and resilience activities and practices so that they become part of our everyday experiences across MSD Canterbury.

Over the next few years it is our intention to:

- Continue to fund the Staff Wellbeing Advisor position. This arrangement will be reviewed in 2014.
- Firm up opportunities for interventions that have been identified in the second staff survey.
- Continue to attend intra organisational forums where information on staff welfare and wellbeing is shared by Human Resource practitioners.
- Review recruitment processes to ensure that we are recruiting staff who are resilient.
- Review induction and training processes to ensure that new staff are getting the right support and skills to help them work optimally in the current Canterbury context.
- Enhance and refresh our main communication mechanism to MSD staff.
- Better understand why our staff chose to move on to other employment and identify options to retain staff.