



Ministry of Social Development

# Briefing to the Incoming Ministers



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

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# Executive Summary

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This briefing introduces you to the Ministry of Social Development and its relevant portfolios, including the current context, challenges and opportunities for improving outcomes for New Zealanders. This briefing is the start of the Ministry's ongoing advice to you during your term.

Within the social development portfolio, we understand that the Government's priorities will include building off recent reforms to further reduce the number of people receiving welfare support and drive the performance of the social housing system. Opportunities are emerging from these changes to achieve better outcomes for people as we improve our understanding of what works. We look forward to working with you to develop a comprehensive programme of work that meets your priorities.

The social development portfolio addresses some of the most complex issues facing New Zealand. These issues cannot be addressed in isolation. Cross-agency and community partnerships, coupled with more effective use of data to target interventions to the right people, at the right time, to maximise their effectiveness, are crucial to improving outcomes.

For the Ministry, meeting these expectations requires a new single integrated operating model providing a whole of Ministry view across our functions and services. This model will support the development of better integrated service delivery and address increasing financial pressures on the Ministry's baseline. It will allow the Ministry to make resourcing decisions and trade-offs to ensure spending is directed toward high-priority, effective services.

Fundamental changes are being made to the way government coordinates and provides support for vulnerable children and young people. These include significant reforms across the entire child protection system, a focus on shared responsibilities across agencies, the Children's Action Plan and the development of regional Children's Teams. This shift is providing the opportunity for Child, Youth and Family to modernise and to refocus on its core role – the care and protection of children who have suffered abuse or neglect and those children at greatest risk of such harm.

A cross-agency focus on agreed results has seen good progress in reducing long-term benefit reliance, and improving education outcomes and some health indicators. While these areas continue to be a high priority, there may be opportunities to address emerging social issues as resources become available. This might include addressing the implications of New Zealand's ageing population, and investigating options to improve routes out of hardship and counteract the effects of poverty through early investment.

The recent tragedy at the Ashburton Work and Income office has highlighted the potential risks and dangers faced by the Ministry's staff at the frontline. The Ministry has implemented new security processes across all sites and an independent review is underway that will recommend changes to our security environment. It is highly likely that the review will lead to changes in the way we engage with the people we work with and a lower tolerance of poor behaviour towards staff.

# Part 1: Roles and Responsibilities

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The social development portfolio directly influences the strength and fabric of New Zealand's society and economy. It impacts on nearly every New Zealander at some stage in their lives. The portfolio is responsible for over \$23 billion of expenditure each year.

## Role of social development Ministers

As a Minister with portfolio responsibilities relating to social development you will help set the direction for the portfolio, including the major policy settings and implementation of New Zealand's social welfare system. You will play an important role in helping the Government achieve its broader priorities and results.

You will be responsible for maintaining relationships with a wide range of stakeholders, including other social sector Ministers, the Work and Income Board, advocates, advisory groups, and non-government and community organisations. There are necessarily strong links to other portfolios such as Senior Citizens, Disability Issues and Youth Affairs. Information on these portfolios and their priorities are set out in Parts 6-8 of this document.

The Minister for Social Development is responsible for the Ministry of Social Development and for four Crown entities – the Office of the Children's Commissioner, the Families Commission, the New Zealand Artificial Limb Service and the Social Workers Registration Board<sup>1</sup>.

## Role and structure of the Ministry of Social Development

The Ministry of Social Development supports you to deliver your portfolio responsibilities by providing social policy advice and social support services for children and young people, working age people, older people, families and communities.

An overview of the Ministry is provided in the attached A3.

The Ministry delivers, or purchases from other providers, most of New Zealand's social services and administers benefits and New Zealand Superannuation. Services and assistance are provided to more than 1 million New Zealanders and 110,000 families every year.

Over recent years, the Ministry's role and functions have expanded. The Ministry is responsible for:

- managing the statutory care and protection of vulnerable children and young people, youth justice and adoption services
- providing employment, income support and superannuation services

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<sup>1</sup> Each of these entities will provide separate briefings.

- conducting social housing assessments and providing housing support
- coordinating social and support services and funding to family and community service providers
- providing student allowances and student loans
- providing access to concessions and discounts for seniors, and subsidised health care for older people, families and lower-income New Zealanders
- upholding the integrity of the benefit system and minimising debt levels of people we work with.

The Ministry is the lead government agency for the social sector. There is an increasing emphasis on working closely with other government agencies, non-government organisations, advisory and industry groups, and communities and iwi to improve the wellbeing of individuals, families and communities.

## **Our structure**

To deliver these services the Ministry is structured around three clusters:

- *Service delivery* provides services to people through Work and Income, Child, Youth and Family and Community Investment. Many of these services are provided through contracts with non-government and community organisations.
- *Policy* provides policy advice in the areas of Ministry responsibility and leads social sector-wide policy advice. It also includes the Ministry of Youth Development, Office for Senior Citizens and Office for Disability Issues.
- *Corporate* ensures the Ministry is governed efficiently and effectively, reports on key accountabilities, provides a centralised Data Hub and supports Ministers.

## Part 2: Operating Environment

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The social development portfolio is responsible for addressing some of the most complex social issues affecting New Zealand society. These issues are often intergenerational and cannot be addressed by any one agency or service provider.

No single factor drives poor outcomes for children and families. It is when multiple challenges or disadvantages are present, often through multiple generations, that poor outcomes are much more likely. Material wellbeing, family income, affordable and good quality housing, employment, education and skills all play roles in current and future wellbeing.

### **Social sector state and trends**

#### ***Progress is being made on a number of enduring social issues, but challenges remain***

New Zealand society has many strengths, including a lack of corruption and a relatively open and tolerant culture. The economy came through the global economic crisis in good shape compared with other developed nations and unemployment rates remain relatively low. However, there are enduring social challenges including intergenerational poverty, family violence, high levels of child abuse, and housing affordability. Progress is being made on these issues but ongoing attention is required to achieve lasting change.

#### ***New Zealand's demographic profile is becoming more diverse and is ageing***

New entrants to the labour market will increasingly be Māori, Pasifika and Asian. All young people, but particularly Māori and Pasifika, must be equipped to compete in the labour market to keep the economy competitive, reduce levels of welfare dependency and grow the tax base to support the growing older population. Supporting the needs and employment prospects of the 24% of New Zealanders who identify as having a disability or long term impairment is also important. Migration and increasing diversity contribute to the economy but may have implications for social cohesion.

The move away from rural areas to large urban population centres has increased the vulnerability of some rural communities. These communities face particular challenges, with limited access to jobs and social services, declining community resources, declining house prices and a smaller population base to cover rates and amenity costs.

The 'baby boomer' generation is beginning to retire. This will impact on the provision and cost of New Zealand Superannuation, and affect the residential care sector, health services and social connectedness. There is also a growing group of people nearing the age of eligibility for New Zealand Superannuation (aged over 45) with limited private retirement income and few assets.

***The pace of labour market change is accelerating with the rapid diffusion of new technologies and the impacts of globalisation***

As the economy improves, employment opportunities are increasing. Labour market changes mean that new occupations will emerge and some existing occupations will decline. Declining birth rates and an ageing population in much of the world are driving international demand for skilled workers and this is impacting on migration patterns. Improving the connection between labour market demands and the tertiary education sector will play an important role in ensuring New Zealand has the skills necessary for the future.

***The cost of housing has increased dramatically***

Poor quality housing and overcrowding are impacting on the transmission of infectious diseases, particularly rheumatic fever and respiratory issues.

Housing costs have increased dramatically over the last 20 years. Coupled with supply issues, this has led to declining rates of home ownership. Low-income people and families are less able to rent in the private market, increasing the demands on the social housing sector. Housing costs are a major contributor to child poverty and material deprivation.

***Māori continue to be over-represented among people needing support, with too many experiencing negative social, health, justice and employment outcomes***

Addressing this persistent over-representation and improving outcomes for Māori is a priority. Recent Treaty settlements have provided iwi with significant financial resources, though these are likely to be mainly invested in safe financial mechanisms in the short to medium term to ensure their inter-generational viability. Once iwi are more financially secure, there may be opportunities for local investment and the creation of employment opportunities. In the meantime there are increasing opportunities for iwi to partner with Government to address persistent social issues.

***Understanding what works in the social sector is complex***

The Ministry faces a growing demand for its services and supports. Although the New Zealand economic outlook is improving, tight fiscal restraints require funding to be targeted to where it gets the most effective results.

Attributing changes in behaviour and outcomes to a specific intervention is difficult, particularly as families and individuals may be receiving a range of supports. However, the meta analyses, longitudinal studies and systematic reviews that are more widely available, along with the increased use of data integration and analytics, are helping improve understanding of the effectiveness of interventions.

The new longitudinal study, *Growing Up in New Zealand*, will be an important source of up to date evidence on the experiences of this current generation of children and their families.



## **Cross-government leadership**

### ***Addressing the most complex issues requires agencies to work with each other, providers, interest groups and the community***

There is an increased emphasis on sector-wide accountability for addressing the entire needs of an individual or family. The Ministry's Chief Executive is currently responsible for leading action to reduce long-term benefit receipt and the cross-agency efforts to achieve results relating to the support of vulnerable children. The Ministry also supports the delivery of other results to boost educational achievement, reduce crime and improve access to online services.

This focus on a set of shared targets has influenced the Ministry's key priorities and work programmes, supported a shift to greater interagency collaboration and driven more effective use of data to target interventions and inform choices.

### ***The Social Sector Forum provides cross-agency leadership in the social sector***

The increasing oversight of, and accountability for, interagency initiatives through sector bodies provides an opportunity for assessing the choices and trade-offs that fiscal constraints require. This may sometimes mean that collective imperatives supersede individual departmental objectives.

The Social Sector Forum (SSF)<sup>2</sup> is currently mandated by, and reports to, the Cabinet Social Policy Committee. Recent practice has been for the Chair of the Cabinet Social Policy Committee to lead cross-agency work in the social sector. SSF collectively governs and drives cross-agency work in the sector to achieve better results for individuals, families and communities.

As Chair of SSF, the Ministry's Chief Executive has the lead responsibility for cross-agency work. He also chairs two associated governance groups - the Joint Venture Board, which oversees the Social Sector Trials, and the Vulnerable Children's Board, overseeing the Children's Action Plan.

SSF has prepared a Briefing to the Incoming Government that will give you more detail on cross-social sector leadership and its current areas of focus.

### ***The Ministry is the Functional Lead across government for property***

The State Services Commission has established Functional Lead roles to drive performance and efficiency across the whole public service in the areas of IT, procurement and property.

As the property lead, the Ministry is responsible for using the collective purchasing power of the public service to drive cost reductions and actively exploring co-location opportunities to make the most efficient use of space and resources. Property savings across the public sector are expected to produce approximately \$109 million per year by 2023.

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<sup>2</sup> The Social Sector Forum comprises the Chief Executives of the Ministries of Social Development, Health, Education, Justice, Business, Innovation and Employment and Pacific Island Affairs, Te Puni Kōkiri and Housing New Zealand Corporation.

## **Responding to the Ashburton Work and Income office tragedy**

***The Ministry is committed to providing a safe working environment for its employees and has a zero tolerance policy towards threatening behavior***

The events at the Ashburton Work and Income office on 1 September 2014 highlight the potential risks and dangers faced by the Ministry's staff at the front line. The Ministry employs over 10,000 staff who work at around 300 locations in New Zealand. The Ministry is committed to providing a safe working environment for its employees and it is unacceptable for people to threaten Ministry staff who are carrying out their professional duties.

Following this incident the Ministry implemented new security processes across its sites, including additional security staff and controlled access at all Work and Income sites. We also initiated a zero tolerance policy towards threatening behaviour at all our sites. Every threat is taken seriously and is dealt with swiftly by the Ministry and the New Zealand Police.

***The Ministry is implementing an independent review into its security environment***

The Ministry regularly reviews its security protocols and site safety plans but following the Ashburton incident it has been appropriate to undertake a further examination. An Independent Security Review into the Ministry's security environment was commissioned, with the objectives of:

- determining whether all practicable steps were taken to ensure the safety of Ministry employees in relation to the shooting at the Ashburton office
- developing recommendations for changing the physical security environment in Ministry workplaces to ensure the safety of staff and members of the public from threats and assaults.

The first phase of the review has focused on public-facing service centres, including those where the Ministry is co-located with other agencies. The second phase will look more broadly at remaining Ministry workplaces. The reviewers are supported by an external Advisory Group that is testing thinking and emerging recommendations.

The Ministry will keep you fully informed on the progress of the review and its findings. We are keen to discuss the report on the first phase of the review with you at your earliest convenience and we will keep you informed on the progress of the second phase. It is highly likely that the review will lead to changes in the way we engage with the people we work with and a lower tolerance of poor behaviour towards staff.

## **Christchurch and the Canterbury rebuild**

### ***The Ministry is part of the integrated, multi-agency approach to the Canterbury recovery***

The Ministry continues to play an important role in initiatives across the Canterbury region, including providing corporate support services to the Christchurch Earthquake Recovery Authority.

Supporting the psychosocial recovery of people affected by the earthquakes is a critical challenge. Research suggests the third and fourth years following a disaster can be the most difficult for people to deal with, as they experience issues relating to secondary stress, temporary accommodation arrangements, overcrowding, and mental health problems. The severe nature of the earthquakes and the magnitude of the rebuild mean that these effects are likely to be seen for up to 10 years. To address this, Earthquake Support Coordination Service, counselling services and community organisations are receiving funding so they can provide individual and family support and community resilience initiatives.

### ***Staff continue to be affected by the events of the last three years***

The accumulated impact of the earthquakes, rebuild and repair issues, the increase in flooding in some parts of the region, and the recent Ashburton tragedy, have had a significant impact on our staff and on the people we work with. We are actively working to support staff as they face these issues and we have appointed a wellbeing advisor with a special focus on these staff.

### ***The rebuild and repair programme provides opportunities to support people to move into more sustainable work***

Unemployment in the region decreased to 3.3% in March 2014 (from 5.5% in March 2013), the lowest rate in the country. Youth unemployment has dropped significantly to below the national average and the numbers of people on a benefit are at the lowest since 1996. Initiatives are in place to support the flow of labour from other regions to meet demand in Canterbury.

Particular issues relating to housing supply, demand and affordability exist in the region. Significantly fewer properties are available for low income earners and homelessness and the demand for emergency housing are increasing. The number of displaced households is expected to peak at approximately 3,000 by the end of 2014, placing pressure on social housing services.

The Greater Christchurch Recovery Briefing to Incoming Ministers sets out further information on the services to support the post-earthquake recovery in Canterbury.

## **Auckland**

***Auckland is the largest and fastest growing region in New Zealand, resulting in a wide diversity of social outcomes***

Auckland now represents one-third of New Zealand's population. Its economy generates the highest average household incomes in New Zealand and provides by far the greatest number and range of job opportunities.

However, size and growth are pushing up land prices so that, when regional housing costs are taken into account, Auckland's incomes are lower than those in Wellington and the West Coast, and are similar to those in Waikato, Taranaki and Southland. This places particular pressure on housing options for people with lower incomes.

The region also has a wide variation in living standards, education achievement, health outcomes and workforce participation. The region contains concentrated pockets of high deprivation with very poor social outcomes.

Improving outcomes requires a collaborative effort by all agencies working in the Auckland region. The Ministry is working in partnership with the Auckland Council and local communities to reduce overlaps and tailor the delivery of services to better meet the diverse needs of the region, to help increase income levels, address poverty issues, and create a skilled future workforce.

## **Fiscal challenges**

***Sustaining high quality services within tight financial constraints is a key challenge***

New Zealand's immediate economic outlook is strong. However, as an organisation the Ministry faces increasing financial pressures driven by population changes, operational demands and inflation.

The Ministry has a history of finding efficiencies and productivity gains to offset cost pressures. Savings of \$240 million have been identified over the next four years, and a major simplification project is underway to reduce costs by improving business processes. This project is expected to help address the estimated financial gap of \$60 million by 2017/18 indicated in the current Four Year Plan.

To continue to manage within baselines, spending needs to be directed towards high-priority areas. We need to continuously look for opportunities to improve efficiency, prioritise expenditure and make sure the services we invest in are targeted and underpinned by a strong evidence base for what works. Building capability to do this is a priority for the Ministry.

# Part 3: Towards a People-Centred Operating Model

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The Ministry recognises that to meet changing expectations we need to operate differently. A significant programme of work is underway to position the Ministry to meet the challenges of the present and the opportunities of the future. Technological changes, increasing expectations from those we work with, financial constraints and the need to integrate services and support across Government are fundamentally changing the way we think about how we operate as an organisation and how we design and deliver services.

## ***Implementing a new single integrated operating model***

The Ministry has a good track record of delivering results; however, we are acutely aware of the stewardship obligations we have to make sure the Ministry can meet medium and long-term issues and challenges. Our traditional approach of self-contained service lines is inefficient and unsustainable, making it difficult to work cohesively internally or across the sector. The Ministry is progressively moving towards a single integrated operating model providing a whole of Ministry view across our functions and services. We are investing in governance capability and corporate systems to guide decision-making.

The new model will support the development of better integrated service delivery, including how to achieve the best outcomes for people with complex needs, and ensure the needs of the people we work with are at the centre of our services. This will result in change for every part of the Ministry, as structures, services and ways of working are aligned with this model.

We are deliberately and actively shaping an innovative, open and constructive culture to support this new way of working. Culture change is a priority for the Ministry.

## ***Better use of data will improve our understanding of what people need***

Data, and the insights that can be generated from that data, are among the Ministry's most significant assets. A Data Hub has been established to ensure these assets are fully exploited to provide:

- a more comprehensive understanding of the needs of the people we work with
- a richer way of analysing policy options
- a more sophisticated method of targeting the level and intensity of service appropriate to the needs of an individual or family
- frontline staff with information about how services are working, helping them make decisions about the right services.

Improved data integration and analytics are critical for extending the techniques associated with the investment approach, introduced through the welfare reforms, to improve the effectiveness of our services.

### ***Simpler systems and processes will be easier for the people we work with and will generate efficiencies***

Transactional business processes represent a significant proportion of the Ministry's activity and operating costs. The Simplification project is redesigning these processes to be 'simple at the front and smart at the back'. It will remove duplication from different parts of the Ministry and streamline and automate the application, assessment and payment of financial assistance and support.

The Simplification project is also developing comprehensive online and mobile services to encourage users to take up self-service options.

Upfront investment in people, processes and systems will be needed to achieve the aims of Simplification. However, by making these processes easier and reducing duplication, the Ministry expects to realise efficiencies and savings that will help to manage cost pressures in future years and free up resources to reinvest in high-priority areas.

### ***Integrating service delivery at the front line***

While Simplification looks at redesigning and integrating internal systems and processes, the Service Delivery Learning Initiative is exploring what works in terms of integrating the delivery of services at the front line.

The initiative is not about designing a new service model, but rather about testing new and innovative ideas and strategies that improve the way people access the services and support they need from the Ministry, regardless of how they make initial contact. The challenge is to work together across service lines to provide integrated solutions.

The initiative, which began in May, is running from the Durham Street site in Christchurch and is set to run until the end of November. The lessons learnt through the initiative will help inform the development of the new operating model and the design of future service delivery so that it is more people-focused and meets the changing expectations of those we work with.

### ***Investment in technology and robust information governance is necessary to support these changes***

All of these changes will, over time, require significant investments in ICT and robust information governance. Better use of technology and improved management of information will allow us to meet the demand for more on-line and self-service options. Efficiencies will be generated by reducing the duplication and fragmentation of our current systems and platforms.

Increased agency collaboration depends on clear information-sharing processes and agreements. A key challenge will be managing the interface between different systems and capabilities across government agencies, community organisations and business partners. More integrated ICT and information management may not be welcome to some people, and it will be critical to address concerns about how we use people's information. It is important that New Zealanders have confidence in government agencies to do all they can to keep personal information safe. Practices and procedures are in place to maintain the security of

information, balanced against the insights and efficiencies gained from sharing information. Robust information management and security practices will be critical as we progress this work.

## Part 4: Key Demands and Challenges

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This section outlines the key demands and challenges facing the social development portfolio. As the use of data and evidence to inform interventions is improved, we are beginning to target services to where they deliver long-term, proven, high-impact results, for those who most need it.

### Supporting people into work

#### ***Recent changes to the welfare system focus on employment outcomes for working-age beneficiaries***

Legislative changes, the introduction of an investment approach and a new differentiated service delivery model have contributed to the most significant change to the welfare system in 50 years. These changes have provided a simpler benefit system and increased the focus on achieving employment outcomes for beneficiaries.

Underpinning the reforms is an investment approach. This improves understanding of the lifetime cost of the distinct groups of people that make up the total population of the benefit system. An enhanced case management approach helps identify the needs and barriers people face. As a result there is a stronger focus on those most at risk of becoming welfare dependent and who would benefit from intensive training or employment support, while continuing to support those who are unable to work.

The Work and Income Advisory Board was put in place in 2012. It is helping to challenge the Ministry's thinking and provide fresh ideas. The current Board members' experience in the insurance and finance industries, which already use investment approaches to reduce future liability, has proven valuable in embedding this approach at all levels of the welfare system.

As we weave together the different areas of work across the Ministry under an integrated operating model and seek further opportunities for cross social sector approaches, we may need to consider whether the Board's current scope and model are right for the future.

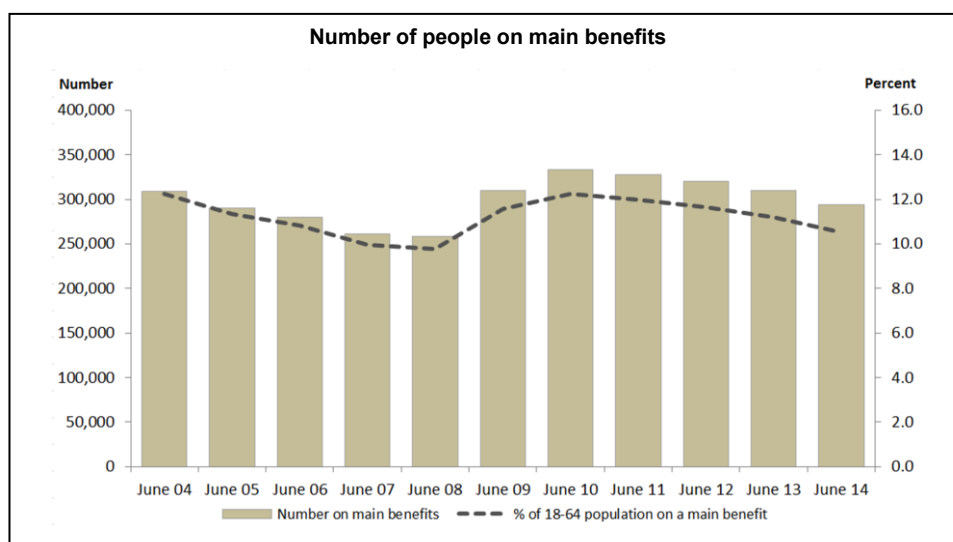
Each year, an actuarial valuation is carried out to determine the estimated future cost of the benefit system in New Zealand. This allows better decisions to be made on where and who to focus on for greatest return.

The latest valuation of the welfare system shows that the current long-term liability is \$76.5 billion as at 30 June 2013. This has decreased by \$10.3 billion from 30 June 2012; \$4.4 billion of this can be attributed to improved experience in areas where welfare reforms and management actions are able to have an influence. For instance, job seekers and sole parents are moving from dependence on a benefit into sustainable employment in greater numbers than expected.



### ***The number of working-age people receiving a benefit is falling***

Working-age benefit numbers have fallen from 320,000 in August 2012 to 294,000 in June 2014.



As at June this year, the number of working-age job seekers who have been on a benefit for more than 12 months has reduced by 13.4% in the last two years. The number of sole parents reliant on a benefit is at its lowest since 1988 and there has been a 5.6% reduction in job seekers receiving a health and disability related benefit.

In addition, more than 25% of the total number of working-age people who left a benefit for work in the last year were aged 18 to 24 years.

The rate of future reductions is likely to be lower as the pool of people we work with becomes increasingly dominated by those who are further away from the labour market.

### ***To reduce numbers further and faster, we need to expand what is working and look at new innovations***

A better understanding of who to invest in means increased services and support for those who need it most, while investing less in people closest to the labour market. This includes working more actively with people with health conditions and disabilities as well as those with more complex barriers to employment who require longer-term investment. A new multi-category appropriation (MCA) gives greater flexibility to target funding to investments that improve employment outcomes.

Trials are an important feature of the new approach. They allow the testing of assumptions about what works for different people and to continuously test, learn from, and refocus services. The MCA provides the platform to make these trials possible. Evidence from initiatives, such as the Youth Service and Work Focused Case Management, shows that a more intensive service and a level of specialisation are required for some groups.

We look forward to discussing with you what we see working well currently that can be built off and your priorities for further refining the system.

### ***Supporting young people into financial independence is a key factor in reducing long-term benefit dependency***

Young people as a group experience significant labour market disadvantage, because of their lack of work history and networks. Young people with no qualifications and few skills are at a particular disadvantage. People who first went on a benefit as a teenager make up 70% of New Zealand's future welfare liability.

The Youth Service was established in 2012 to address this long-term impact by looking at the drivers of long-term benefit receipt. It represents a new approach to working with vulnerable young people. Providers are contracted to work actively and intensively with young people to connect them with education, training and skills that will reduce their likelihood of needing income support in the future. Around 13,000 young people are involved with Youth Service.

The initial focus has been on getting youth enrolled in the Youth Service and engaging them with education, parenting support, training and work-based learning. It can take several months to build this engagement as many people who enter the Youth Service have experienced difficulties with mainstream education, are disengaged from school, and have complex issues that need intensive support.

Early evidence suggests the Youth Service is helping young people, particularly those receiving a Youth Payment benefit, to become independent of the benefit system. It also appears to be helping young people to gain NCEA qualifications. A recent evaluation shows that those receiving a Youth Payment benefit spend less time on a benefit and fewer transition to a working-age benefit.

### ***Improving outcomes for teen parents and their children requires strategic investment to reduce long-term benefit dependency***

Teen parents have the highest lifetime liability costs of all groups receiving a benefit and their children are at greater risk of poor outcomes. Services provided to teen parents and their children are being reviewed to make sure that support matches the needs of each family and is easy to access and use. In the longer term, work is needed to develop cross-agency interventions that provide integrated support to these families.

### ***Ensuring the welfare system is fair, transparent and accessible is an ongoing imperative***

Current opportunities to strengthen the system include bringing the obligations of the Emergency Benefit into line with other main benefits and ensuring benefit settings do not encourage recent migrants to quickly come on to a benefit.

There may also be opportunities to use levers in the income support system to help improve material wellbeing. These include:

- making sure hardship assistance is fit for purpose and has the right incentives and obligations

- ensuring the tax/benefit interface and effective marginal tax rates are fair and provide the right incentives
- considering how income support is granted and paid to align it better with the shifting patterns of family demographics, particularly for shared care arrangements for children.

For those who cannot work, the focus is on ensuring that they continue to receive timely and accessible services.

### ***Rewriting the Social Security Act will make it more coherent and easier to understand***

The Social Security Act establishes New Zealanders' fundamental legal entitlements to social assistance. Since it was introduced in 1964, the Act has been subject to 139 amending Acts and as a consequence is piecemeal, disjointed and in places lacks coherence and consistency. A rewrite is underway to ensure the legislation is fit for purpose and to address public criticism of the complexity of the Act. New legislation is due to be introduced by December 2015.

The rewrite is not planning to introduce major policy reform; rather the focus is on improving the clarity and consistency of the Act with a small number of policy changes aimed at supporting modern and efficient service delivery. However, the importance of the Act means any changes will attract significant public interest and comment.

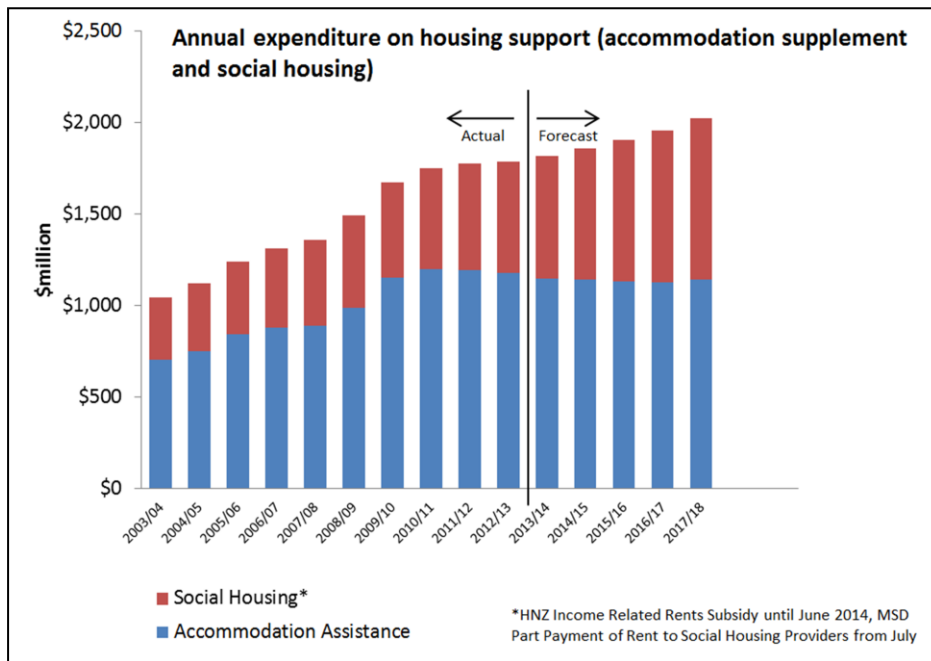
## **Transforming housing assistance for people on low incomes**

### ***The cost to government of housing support is increasing***

People on low incomes are increasingly finding it difficult to enter or stay in the private housing market. Increases in market rents, lack of affordable housing supply, and the proportion of income spent on housing related costs are increasing demand for social housing.

As at 30 June 2014, 5,840 people are on the waiting list for social housing. The greatest demand is in the bigger cities, particularly Auckland and Christchurch.

Over the next 20 years the demand for social housing and accommodation support is expected to increase significantly.



Between 58,000 and 64,000 people will receive an income-related rent subsidy in 2014/15, costing \$720 million. Approximately 300,000 will receive the accommodation supplement, costing \$1.2 billion, to assist with their housing costs in the private market (rent, board or home ownership). The proportion of people receiving the maximum accommodation supplement assistance has increased from 33% in 2007 to 39% in 2013.

***The transfer of social housing functions provides opportunities to improve housing outcomes***

In April 2014, the Ministry became responsible for the independent assessment of a person or family’s eligibility for social housing, managing the waiting list and administering income related rent subsidies. The transfer of these functions from Housing New Zealand Corporation to the Ministry is part of a broader programme of work to transform the social housing sector in New Zealand.

Over 80% of state housing tenants receive other support from the Ministry. The transfer of the housing assessments allow more comprehensive needs assessments, with housing included alongside employment, income and other social services. Having a single view of people’s social needs provides opportunities to deliver more efficient, wrap-around services to individuals and families. In addition, we are working on ways to use this new function to drive better performance from the social housing system.

As part of these changes, tenancy reviews began in July 2014. The reviews support more efficient use of social housing stock by ensuring the right people are in the right house for the right duration. This frees up more social housing for allocation to those with high needs. Reviews are initially focused on tenants who are most likely to be able to afford and sustain private housing, in areas where affordable housing is available.

### **More active purchasing of social housing services will improve and diversify social housing provision**

The transfer of housing functions is intended to support the growth of social housing provided by community housing providers. It creates a more level playing field by extending the income-related rent subsidy to these providers. Options are being explored to apply an investment approach to better target housing and other support to move more people into independence.

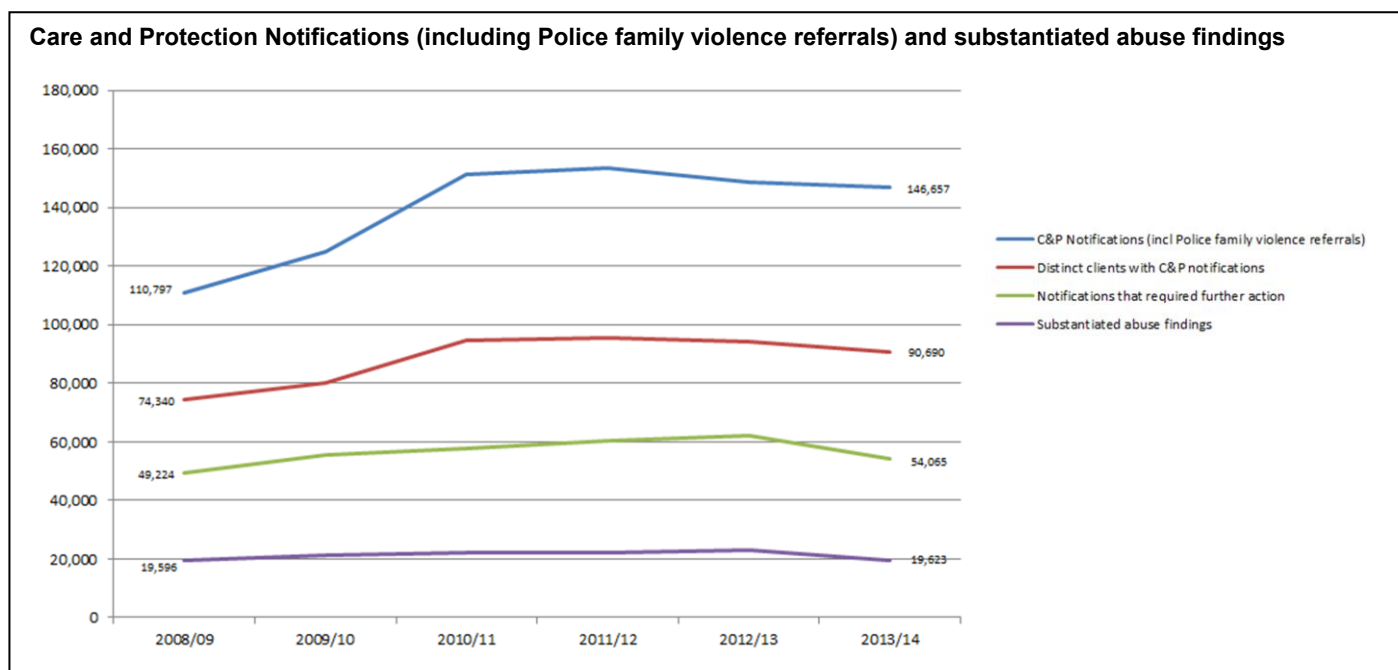
Social housing makes up only 5% of the rental market. The barriers low-income renters face in moving into, and remaining in, private sector housing also need to be addressed. A package of supports is available to help them make this move. Opportunities also exist to target services and support to specific population groups, such as young people who may lack the social and economic mobility to find quality housing.

## **Supporting vulnerable children**

### **Awareness and reporting of child abuse and neglect have increased significantly in the last decade**

The Ministry funds a broad range of interventions targeted at vulnerable children, including home-based early intervention programmes. The Ministry also delivers care and protection services to the most vulnerable.

Notifications to Child, Youth and Family (CYF) about the safety or well-being of a child or young person have increased from around 41,000 in 2004 to nearly 147,000 in 2014.



A key driver has been family violence incidents attended by police where children or young people are present. The 58,000 police family violence referrals to CYF in 2014 accounted for 39% of all notifications.

Alongside this, notifications have increased through the growing public awareness of child abuse and neglect. This has been informed by government campaigns such as It's not OK and Never Shake a Baby, and community awareness initiatives by CYF and community organisations.

The significant rise in notifications has resulted in more cases requiring CYF to take further action and an increase in substantiated findings of abuse and neglect. Nearly 19,000 children and young people had substantiated abuse and neglect findings in 2013. Despite this increase in demand, CYF's social workers see 99% of critical cases within 24 hours.

CYF works with about 32,000 children with care and protection and youth justice concerns each year. Of these, around 5,000 children and young people are in the custody of the Ministry's Chief Executive at any one time, and nearly 4,000 of these live in 'out-of-home' placements with extended family/whānau or non-kin caregivers.

### ***Legislative reforms have strengthened the framework for protecting and improving the wellbeing of vulnerable children and young people***

The Vulnerable Children Act 2014 and the Children's Action Plan are driving fundamental changes in the way government collectively protects and improves the wellbeing of children and young people. These legislative reforms will result in significant change, with resourcing implications for the Ministry. The successful implementation of these changes is likely to be a significant focus of the social development portfolio over the next few years.

The Vulnerable Children Act makes government agencies jointly accountable (through the Vulnerable Children's Board<sup>3</sup>) for measures to improve the wellbeing of vulnerable children. Both the Act and the Action Plan increase government's ability to support and improve outcomes for children and young people leaving CYF's care because they are living with a permanent caregiver or are moving towards independence.

From 1 July 2014, Chief Executives are required to produce, and report progress on implementing, a cross-sector agency plan called the Vulnerable Children's Plan. The Plan sets out how agencies will collectively achieve the Government's priorities for vulnerable children. The first plan is due to Ministers by April 2015.

A key feature of the Children's Action Plan is the development and implementation of new Children's Teams. These focus on supporting children who, while vulnerable, are not in need of statutory care and protection and whose needs are better met through a non-statutory/community service.

The Action Plan is also introducing a central Hub to act as the single point of contact for all concerns or enquiries about children and young people, a Vulnerable Children's Information System (ViKI) and initiatives to improve the children's workforce.

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<sup>3</sup> The Vulnerable Children's Board comprises the Chief Executives of the Ministries of Social Development (Chair), Education, Health, Justice, Business, Innovation and Employment and Pacific Island Affairs, Te Puni Kōkiri and New Zealand Police.

### ***Child, Youth and Family is modernising and refocusing on its core statutory role***

Aligned with the legislative changes, recent reports such as the Workload and Casework Review have indicated areas where services could be improved. Together, these components provide opportunities for CYF to focus more strongly on its core business - children being harmed through abuse or neglect, and those children at greatest risk of such harm.

CYF is modernising the way it operates, with a focus on improved outcomes for the children and young people it works with, particularly those in the care of the Chief Executive. These changes will address social work caseloads, enhance training and tools, and introduce an investment focus to make sure spending is going to where it gets the best results for the most vulnerable children. The operating model will also consider the interface between children in care and those with whom the Children's Teams are working.

The Workload and Casework Review found that, on average, a care and protection social worker spends nearly 50% of their time on administrative tasks. Resources are being refocused on core business by freeing up social worker capacity, reviewing caseloads, and improving the intake process and the way decisions are made.

Operational decision-making is being strengthened through a better understanding of the services that provide the best outcomes and a focus on funding the right volume and mix of those services. A new outcomes and measurement framework for vulnerable children will identify and measure key outcomes.

This work also includes the Children's Action Plan's multi-agency Strategy for Children and Young People in Care. The strategy provides clear outcomes to be achieved for those who need care and protection. Its key elements include better assessment, planning and support for all children in care, including for young people leaving care to independent living. There will also be a reinvigorated family group conference process and a broader range of care options for children and young people who cannot live with their own family.

## **Enhancing support in the youth justice sector**

### ***Youth crime rates are falling, but there are disparities in outcomes***

The earlier young people begin offending, the greater the odds they will re-offend. The drivers of youth crime are complex and can involve poor life and family circumstances, lack of engagement in schooling and negative peer influences. Persistent youth offending leads to a higher risk of offending as adults, negatively impacts on other life outcomes and earnings, creates more victims and affects community safety.

The Fresh Start for Young Offenders initiatives, introduced in 2010, provide a range of youth justice interventions. The initiatives allow more intensive work over time to help young people turn their lives around. The Youth Crime Action Plan, introduced in 2013, is a 10-year cross-agency plan that builds on existing initiatives and takes a practical approach to supporting youth justice services, frontline workers, service providers and volunteers. The plan aims to improve the way government agencies engage with and support communities, reduce escalation and provide young people with the right intervention at the right time to reduce reoffending.

Between 2009 and 2013, the youth crime rate dropped 37%, with significant decreases in the apprehension of young people by the Police, youth justice family group conferences and cases reaching the Youth Court.

A primary challenge for the future will be to address the issue of disparity. Youth crime trends are encouraging, but more work is needed to address offending rates for Māori young people, who are significantly over-represented in the youth justice system. While overall youth justice numbers are declining, the numbers for Māori are declining at a slower rate. Māori make up 17.8% of the youth population, but in 2012/13 Māori made up 55% of apprehensions (14 to 16 year-olds), 59% of youth justice FGC referrals (10 to 16 year-olds), and 58% of Youth Court appearances (14 to 16 year-olds). Opportunities also exist to explore the possibility of raising the age at which young people leave the youth justice system to improve outcomes.

## **Improving outcomes for communities**

### ***Investment is being targeted to services that are effective and align with government priorities***

The NGO and community sector is facing the twin pressures of increasing demand and a constrained fiscal environment. The Ministry invests over \$550 million annually in the provision of social services by non-government and community organisations. To ensure this funding is invested most effectively, the Investing in Services for Outcomes programme has been established. This will more clearly target services, streamline and simplify contracting and reporting requirements and provide more effective support for providers.

Investing in Services for Outcomes seeks to coordinate and tailor support for vulnerable people and communities according to need and will provide the flexibility to work differently in different communities. The Ministry's operating model changes will better support and achieve these aims.

A Strategic Investment Framework focuses funding on services that align with government priorities that are underpinned by a strong evidence base. The framework also supports interagency work to develop common business viability standards across agencies, common accreditation processes and innovative purchasing practices.

Investing in the capability and capacity of the sector is necessary to achieve these aims. A Capability Investment Resource provides funding for organisational development and mentoring, focused on supporting cooperative activity. This recognises that broader, sustainable social development comes from improving cross-sector coordination and collective vision.

### ***A long-term whole of government approach to reducing the impact of family violence is under development***

Reducing family violence requires fundamental change in how agencies work together and with the sector. Long-term, integrated approaches are required to prevent and respond to family violence. Interventions and support for victims and child witnesses are only one



component of a large and complex system that also seeks to hold offenders to account and to rehabilitate them.

This new approach, *Achieving Intergenerational Change*, recognises the harm that family violence causes across generations and focuses on the need to break the cycle. It also focuses on the need to protect older people from abuse and neglect by family members.

International research indicates that primary prevention is key to the long-term reduction in family violence. There is good evidence that programmes and initiatives such as the It's not Ok Campaign are working well to raise awareness of family violence and change people's perceptions. However, more evidence on what works well or is promising is required to develop improved responses to family violence. The Ministry is enhancing primary prevention initiatives and supporting communities to engage with hard-to-reach families, expanding current response systems, and connecting multi-agency resources to improve responses.

### ***A comprehensive strategy for addressing sexual violence is being developed with communities***

The Ministry is coordinating a cross-agency approach to sexual violence<sup>4</sup>. A review into the efficiency of funding provision, drivers of demand and service duplication and gaps has highlighted the need to focus on primary prevention.

A draft collaborative five-year National Sexual Violence Primary Prevention Strategy and Programme of Action has been developed. Its aim is to ensure children and young people are safe from sexual violence, to stop sexual violence before it occurs, and ensure that all communities have social norms that encourage safe and appropriate behaviour and interactions.

Alongside this review, the Social Services Select Committee is undertaking an inquiry into the funding of specialist sexual violence services. Submissions have highlighted funding issues in the sector. Interim funding of \$10.4 million over two years has provided immediate stability for specialist sexual violence service providers, with a comprehensive long-term funding strategy now under development.

### ***Youth mental health needs are being addressed through improving support, services and information***

The Prime Minister's Youth Mental Health Project is providing a cross-government approach to support the mild to moderate mental health needs of young people between the ages of 12 and 19 years. The project has three key streams – improving support in schools, providing innovative and integrated services, and increasing access to high-quality mental health information. The Ministry is supporting Youth One Stop Shops to access sustainable funding for current social service delivery and is leading the:

- development of Common Ground, an online hub for parents, family and friends of young people to access mental health

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<sup>4</sup> Services to address sexual violence are provided by the Ministries of Justice, Health and Social Development, the Department of Corrections, ACC and the New Zealand Police.

- Lifehack programme, which supports youth wellbeing through the innovative use of social media and online technology
- implementation of Youth Workers in Secondary Schools.

## **Sustaining community development and place-based initiatives**

### ***There is a growing demand for community input into the delivery of services***

Communities are becoming more diverse and there is a growing expectation that they are more involved in decisions about services, so that services reflect local needs. Beyond this, communities increasingly want input into the way these services are delivered. Building on local knowledge and the energy and commitment of the people who live in those communities is important for achieving better results.

Community development and place-based initiatives support and encourage communities to identify their specific needs and allow innovative local responses. The cross-sector Social Sector Trials, overseen by the Joint Venture Board<sup>5</sup>, are trialling devolved decision making and local ownership of service delivery targeted at specific population groups within a defined region.

Programmes and initiatives such as SKIP and the It's not Ok Campaign tailor their delivery to meet local needs, promoting community ownership. The Ministry has also worked with communities to develop innovative, specific place-based approaches to address local social issues, for example in Kaitia through Make it Happen Te Hiku.

Determining the future shape, locations and pace of community-led social service design and delivery is an important issue for both the Ministry and the social sector more broadly, allowing the various initiatives to be understood as part of a continuum of approaches. Agencies are jointly considering how to:

- identify better ways to assess the effectiveness of these approaches in shaping services
- determine where community engagement and involvement are the best way to shape services, engage communities and improve outcomes
- address questions across the social sector on issues of integration.

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<sup>5</sup> The Joint Venture Board comprises the Chief Executives of the Ministries of Social Development (Chair), Health, Education and Justice and the New Zealand Police.

# Addressing the needs of Māori and Treaty settlement obligations

## *Māori are over-represented among the people needing our support*

Māori make up:

- 50% of children in the custody of the Chief Executive
- 60% of young people in a youth justice residence
- 48% of young people on Youth Payment or Young Parent Payment
- 46% of sole parent support recipients
- 34% of job seeker support recipients.

This over-representation has remained largely unchanged over the last two decades. Māori youth, who feature strongly in these statistics, will become an increasing proportion of the New Zealand population as the non-Māori population ages. This young Māori cohort will represent a significant long-term liability if they continue to come in contact with social services at the present rate.

A range of initiatives is providing a coordinated approach to addressing this persistent over-representation and improve outcomes both for Māori and the overall wellbeing of the nation. These include building strategic relationships with iwi who have high numbers of children in care, developing service delivery guidelines for our work with Māori whānau and providing initiatives with strong community involvement such as E Tu Whānau<sup>6</sup>. Iwi and Māori providers are also involved in delivering work placement and readiness services.

The Ministry has lead responsibility for the Social Sector Accords that form part of the Treaty settlements with Ngāi Tahu and Te Hiku. These Accords provide a commitment on behalf of the Crown to work with iwi to identify shared priorities and actions to improve social outcomes. Both iwi have developed multi-agency work programmes and expect to meet regularly with Ministers to discuss progress on these.

Many iwi are seeking stronger relationships with Government and more involvement in determining priorities for addressing social issues. Consideration is currently being given to how best to manage the increased interest in such agreements, including how to support or implement them.

## Reducing fraud and accumulated debt

### *A stronger focus on preventative measures will help to tackle increasingly sophisticated fraud*

A range of initiatives aimed at preventing and detecting welfare fraud and improving the collection of debt from welfare fraud has been implemented over the last two years. Notably, the Social Security (Fraud Measures and Debt Recovery) Amendment Act 2014 makes

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<sup>6</sup> E Tu Whānau is a strengths based initiative that embraces Te Ao Māori concepts to support family wellbeing.

spouses and partners of beneficiaries accountable for welfare fraud. This will mean both parties are jointly and severally liable to repay debt and means the consequences of welfare fraud are appropriately shared.

Introduced in March 2013, the Information Sharing programme with Inland Revenue allows the Ministry to identify whether an individual receiving a benefit has under-declared or not declared their income. This, together with the increasing sophistication of fraudulent activity, has led to a stronger focus on prevention and on reducing overpayments through improvements to systems and processes to stop fraud before it happens.

In 2013/14, 7,650 fraud investigations were completed; 2,270 of these resulted in overpayments totaling \$64.4 million. Prosecution is sought where there is evidence of deliberate, planned fraud. There were 868 successful prosecutions in the year. More than \$280 million was recovered from all debt, of which 47% related to Recoverable Assistance (interest-free loans given for essential items such as school uniforms or a washing machine).

Improvements to the current operating model and new automated business processes are expected to increase the debt collection from former clients. As a result of these improvements, we expect increased debt revenue sooner, with sustained debt repayment arrangements and targeting debtors who can pay but refuse to.

## Part 5: Future Opportunities

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We are keen to discuss with you your priorities for your portfolio and the opportunities for further work to address or enhance responses to social issues. This section sets out areas and issues you may seek to address.

### Poverty and hardship

***In New Zealand, poverty and hardship are about exclusion, because of a lack of resources, from the minimum acceptable way of life in New Zealand***

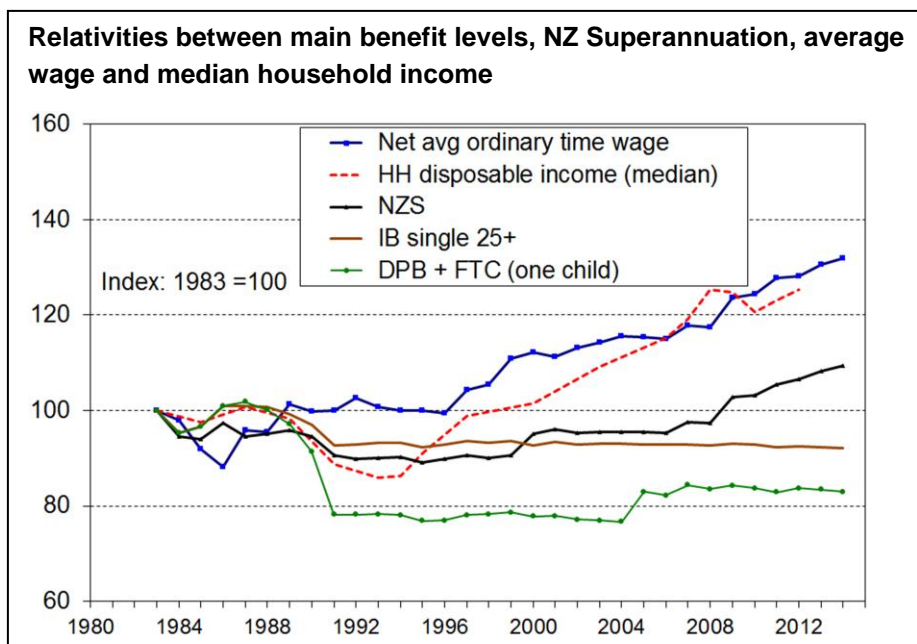
Poverty is not always a fixed state, nor is there a clear boundary between those who are in poverty and those who are not. People experience poverty on a spectrum that ranges from more to less severe, and a persistent or recurring experience of poverty can be more damaging to longer-term outcomes than a more transitory one.

The Ministry helps people who need support in addition to their own resources on either a temporary or a more permanent basis. Poverty and hardship have many causal factors, so efforts to address it must continue to be across multiple fronts including:

- paid employment with real progression opportunities, driven by economic growth and productivity gains
- in-work supports that encourage upward mobility and alleviate poverty among working families
- education, particularly early childhood education but also primary, secondary, and post-school education
- good parenting and healthy home environments
- health, in particular health in early childhood, and parental health
- income support that meets the core objectives of reducing hardship and promoting mobility
- housing that is affordable, healthy, warm and not overcrowded
- joined-up, wrap-around services for the worst problems and the most vulnerable families.

Overall, population rates of income poverty have largely returned to the levels before the Global Financial Crisis. However, for some groups, housing costs are now very high and household incomes have remained broadly static in real terms for beneficiaries, while New Zealand Superannuation, average wages and median household income are all rising.

When thinking about poverty in New Zealand, families with children are a particular concern. Families with children have high poverty rates after housing costs both in historical terms and relative to other age groups, and hardship rates above those for countries with whom we traditionally compare ourselves.



In light of the short and long-term costs of child poverty to individuals and communities and relatively flat trend lines in levels of child poverty and hardship, it is important to continue to make progress in this area. Alleviating hardship for children in the ‘here-and-now’ is an investment to improve life chances and child wellbeing in other domains, and reduces the potential harm and costs (including economic costs) to society. Within this multi-pronged approach, options could be explored to review the adequacy of the existing transfer payments, notably in the case of families with children.

## Supporting young people through transitions

### ***Building the resilience of young people as they enter adolescence will improve outcomes***

New research is drawing attention to the challenges that young people in the 10-13 age group face as they transition between schools and into adolescence.

Options for providing additional support to these young people and their parents are currently being investigated. Increased resilience will impact on mental health outcomes and youth offending rates throughout the teenage years. Initiatives to support this group fall into three broad areas of focus:

- enhancing parent and caregiver skills
- providing more accessible social and emotional support
- creating opportunities for young people to gain life skills through sport and cultural activities.

### ***Increasing social service support in secondary schools will improve achievement***

Education is a critical factor for young people at risk of poor social outcomes. Locating wrap-around services in secondary schools is an effective way to ensure that students are supported to achieve positive educational and social outcomes.

Opportunities exist to review and extend support provided to students by co-locating social services in a broader range of secondary schools. By partnering with the Ministry of Education we can assess how services are designed and targeted to best support young people, families and communities with the greatest needs.

## **Reducing the impacts of gang membership**

### ***Addressing the intergenerational transfer of gang membership will reduce benefit dependency and other poor social and health outcomes***

An interagency approach is being developed to address the social, economic and societal impacts of gangs. The focus is on reducing the likelihood of young people joining gangs, improving access and services to treat mental health issues and drug and alcohol addiction, support for victims of family violence, and improving outcomes for the children of gang members who are in prison.

Progress is also needed to improve connections with existing education, skills and employment opportunities for gang members and their families.

## **Addressing skill gaps**

### ***The response to skill gaps in the labour market can be improved by strengthening connections to the education sector***

A more buoyant economy provides opportunities to support more people into employment or training. Options include targeting better support and assistance to sole parents, older workers and those who regularly move on and off a benefit through short-term or seasonal employment. This support will help people whose jobs have disappeared with the advent of technology and outsourcing of work, such as in contact centres.

The Ministry is seeking to improve responses to skill gaps in the labour market and continue to support broader Government objectives in the labour market and tertiary education. This work could include:

- working across government on a programme to identify and address persistent skills shortages and contribute to economic growth
- improving the way immigration, labour market and welfare policies work together, to ensure these are cohesive and support New Zealanders having first access to employment opportunities
- examining how the tertiary and welfare systems operate together to improve outcomes for particular groups of people, investigating how target groups move between the two systems, and whether the right incentives are in place to support them to succeed

- influencing and implementing broader government aims in the student support area.

## **Addressing the needs of rural communities**

### ***Some rural communities are declining as a result of internal migration to larger urban centres to access education and employment opportunities***

In some areas, migration from rural areas is leading to social isolation and less connection with the wider family unit. It is also increasing the pressure on those remaining to meet rates and other amenity costs. This is compounded by a lack of transport options to access services that are delivered from larger population centres.

Opportunities exist to analyse the specific needs of people who live in disadvantaged rural communities and consider how to improve access to services, education, training and employment opportunities.

## **Barriers to full engagement in society**

### ***Assisting disabled people to experience equal rights of citizenship***

Disabled people as a group experience poorer outcomes than their non-disabled peers. The Disability Action Plan ensures disabled people can overcome barriers and experience equal rights of citizenship. Areas of work that are underway and could be further developed include:

- strengthening work programmes to increase the number of disabled people in paid work, and implementing the Health and Disability Long-term Work Programme
- reducing the number of disabled children and adults who are victims of violence, abuse or neglect
- reviewing the current care and support processes for disabled children who are (or are likely to be) subject to out-of-home placements. This might include making changes to legislation, operational policy, operational delivery and/or monitoring and enforcement
- transforming government-funded disability support services by enhancing and expanding the Enabling Good Lives approach, aimed at giving disabled people more choice and control over their lives. Demonstration sites are underway in Christchurch and Waikato.

### ***Sustained collaborative effort is needed to help people to address the barriers they face to fully participate in society***

Drug and alcohol abuse are particular risk factors for child maltreatment and family violence. Although the rates of hazardous drinking in 2012/13 (15.4%) had reduced from 2006/07 (18.0%), they are still high. One in four young people aged 15 to 24 is drinking at levels that are hazardous to their health.

New Zealand has one of the highest obesity rates in the developed world. Mental health disorders have increased by 16% since 2007, with those living in the most deprived areas



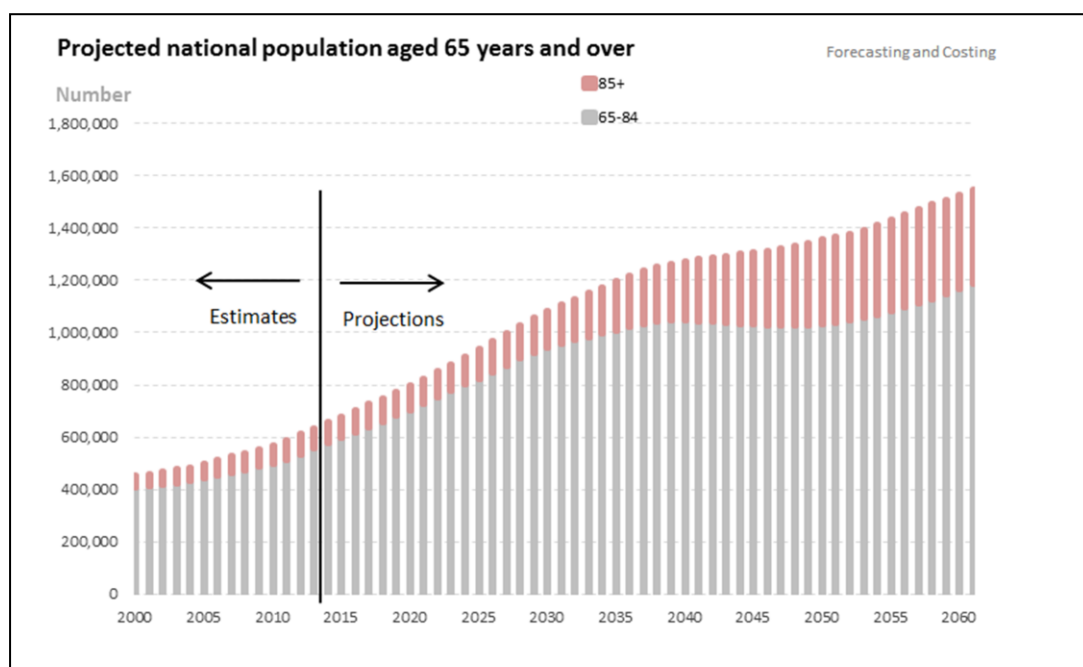
more likely to experience psychological distress and have a diagnosed mental health disorder. Both of these issues impact on people’s health, and their ability to gain employment and contribute to their communities.

Further work could be undertaken to understand the drivers of these issues and to develop effective strategies to address them.

## New Zealand Superannuation and retirement income

***New Zealand Superannuation represents nearly 50% of the Ministry’s total expenditure***

The number of people receiving New Zealand Superannuation is expected to grow from 661,600 in June 2014 to 756,100 in June 2018.



The great majority of older New Zealanders have sufficient income and assets to provide a reasonable standard of living. However, rates of home ownership are falling and hardship is increasing among older working-age people. This indicates that in the future more older New Zealanders may face constrained living standards, as well as greater health and housing needs.

Various policy options could be considered to address the sustainability and cost of New Zealand Superannuation and to adapt it to reflect contemporary social norms and structures. This includes exploring options relating to the age of eligibility, the unit of entitlement and the basis of indexation. Policy settings that impact on retirement income more generally could also be considered including:

- exploring asset accumulation and options for decumulation, such as home equity release and the use of KiwiSaver or other funds to purchase an annuity, along with the taxation rules applying to these products

- reforming supplementary assistance to provide a single means-tested add-on for New Zealand Superannuation recipients who have high costs relative to their income/assets
- reviewing the ACC/Superannuation interface and existing policies
- reviewing the use of trusts and benefit eligibility - the growing use of trusts is making it more difficult to administer some benefits, particularly the Residential Care Subsidy, and addressing the issues of equity and fairness if trust income is not assessed appropriately.

***Options exist for improving international social security agreements***

New Zealand has a range of international social security agreements and we are increasingly being approached to enter into additional agreements and to make our policies more consistent with other countries. A key feature of these discussions is our Direct Deduction policy. The principles behind this policy are sound, but it is still unpopular with other countries and with those affected by it.

There are policy and technical issues related to this policy that could be addressed. For example, one of the most unpopular aspects of the policy is that, where one partner of a couple has an overseas state pension that is more than their New Zealand Superannuation, the excess amount is deducted from the New Zealand Superannuation entitlement of the other partner.

The growing movement of people between countries and immigration and emigration trends provide an opportunity to consider whether there are alternatives to social security agreements that could provide better outcomes for people who have lived and worked in two or more countries during their working life. The movement of people between Australia and New Zealand has particular implications for the social security agreement with Australia. This agreement is complex, making it difficult for people to understand and expensive to administer. There may be a case for a fundamental review of this agreement.

# Part 6: Aligned Portfolios – Supporting the Contribution of Older New Zealanders

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## Role of the Minister Responsible for Senior Citizens

The Minister responsible for Senior Citizens has a whole of government advocacy role on behalf of older people, particularly in relation to policy development and decision-making. This supports positive ageing and the wellbeing of older New Zealanders in a range of areas including retirement income, employment, housing, transport, ageing in the community, disability support, community and voluntary sector involvement, and the protection of older people's rights and interests.

## Office for Senior Citizens

The Office for Senior Citizens acts as a focal point within government for information and advice on issues affecting older people and their wellbeing, based on sector engagement and good practice. The Office has three full-time staff, headed by the Director of the Office for Senior Citizens. A wider policy team within the Ministry provides support.

The Office promotes and supports engagement between agencies and older people across government, and provides independent and second-opinion advice to agencies. It also promotes international and local examples of leading practice to improve outcomes for older people.

## Current issues and trends

### ***Older people are working longer and are healthier, wealthier and better educated***

New Zealand's population is slightly younger than the OECD average as our fertility rates have remained higher over successive decades. Our population is, however, ageing.

Traditional concepts such as working age, retirement age and dependency ratios are becoming blurred. The older population itself is also becoming more diverse. Segmenting society into age groups is less appropriate today. We need to take a life-course perspective – people who lead full and successful lives in their younger years will take this success with them into their older years.

### ***Making the most of population ageing involves both addressing the challenges and maximising opportunities***

Economic growth, improved productivity and international competitiveness over the coming decades will rely heavily on the contribution of all New Zealanders, including older New Zealanders. Employers will need to recruit, retain and up-skill older workers. By 2051, it is

projected that older consumers will be spending around \$60 billion per year<sup>7</sup>, offering opportunities for business to expand in both existing and emerging markets.

The ageing population will have a significant impact on the health system and on supports to allow older people to remain in their own homes for longer. We need to be in a position to support people to remain independent.

Sustainable urban development and planning are required to meet the needs of the ageing population. Accessible, appropriate and affordable housing, public transport and community facilities, as well as the use of technology to support social connectedness, are all areas that both central and local government need to recognize in current planning.

## **New Zealand Positive Ageing Strategy**

***Creating a vision for a society where everyone can age positively, where older people are highly valued and recognised as an integral part of families and communities***

The 2001 New Zealand Positive Ageing Strategy promotes an inclusive, healthier and wealthier society for older people, which in turn benefits all New Zealanders. In 2013, the Minister for Senior Citizens released *Older New Zealanders: healthy, independent, connected and respected*. This document builds on the Positive Ageing Strategy and reaffirms the 2001 vision, goals and principles for positive ageing. It provides a summary of current actions being taken across government to shape the future for older New Zealanders and to deliver on the vision in the Positive Ageing Strategy. The strategy focuses on 10 goals:

- secure and adequate income
- equitable, timely affordable and accessible health services
- affordable and appropriate housing options
- affordable and accessible transport options
- older people feel safe and secure and can 'age in the community'
- a range of culturally appropriate services allows choices
- older people living in rural communities are not disadvantaged when accessing services
- people of all ages have positive attitudes to ageing and older people
- elimination of ageism and the promotion of flexible work options
- increasing opportunities for personal growth and community participation.

The next report on the implementation of the strategy is due in late 2014. We are keen to begin discussions with you on this report.

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<sup>7</sup> This impact on the economy is expressed in 2011 dollars, adjusted for the expected real growth in the value of wages between 2011 and 2051.

## **New Zealand Carers' Strategy Action Plan**

***There is a growing demand for family and friends to provide care in the community, alongside, or instead of, funded service providers***

Many carers of older people are themselves older adults and play a vital role in supporting older people to live in their own homes for longer. Substantial commitments to caring can, however, have a marked impact on the health, wellbeing, employment and financial security of the carer.

The New Zealand Carers' Strategy was launched in 2008. It aims to improve support for family, whānau and carers and was developed through a partnership between government agencies and the New Zealand Carers Alliance, representing more than 40 not-for-profit organisations. A new five-year action plan was launched in early 2014.

The strategy contains five priority areas for actions focused on carers' needs – encouraging them to take breaks, protecting their general health and wellbeing, keeping them informed and improving pathways to employment. It also focuses on increasing awareness and understanding of the role carers play in our communities.

## **Recognising and enhancing the contribution of older New Zealanders**

***There is more to demographic change than simply focusing on the increasing expenditure on superannuation and health care***

Older people are skilled workers, volunteers, carers, taxpayers and consumers. It is projected that older people (people aged 65 or over) will:

- make up 12% of the labour force by 2031, up from around 5% in 2011, with around 31% of older people engaging in paid work
- pay total tax of \$15.27 billion by 2051, up from \$3.48 billion in 2011
- contribute an estimated \$25.65 billion in unpaid and voluntary work by 2051, up from \$6.58 billion in 2011<sup>8</sup>.

Between now and the mid-2030s, continuing increases in labour force participation by older New Zealanders – and the resulting increase in tax revenue from paid work and consumer expenditure – could make a substantial contribution to funding the increasing cost of New Zealand Superannuation. These factors could also increase the purchasing power of older consumers.

There is, however, a risk that this potential economic contribution will not be realised in full. There is a role for government, employers, the business sector, communities and people of all ages to ensure the ageing population contributes to increases in productivity, economic growth and living standards.

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<sup>8</sup> This impact on the economy is expressed in 2011 dollars, adjusted for the expected real growth in the value of wages between 2011 and 2051.

The Office for Senior Citizens supports the ageing workforce by highlighting the critical role that older workers will play in addressing labour market issues. It also promotes flexible work opportunities and addresses the assertion that older workers simply take the jobs of younger workers. There are significant opportunities for businesses to target this growing market and to enhance the SuperGold card to increase value for cardholders and businesses.

### ***Innovating to deliver more effective services for older New Zealanders***

International experience shows that integrated service delivery is the most effective and efficient strategy in meeting the needs of a growing and increasingly diverse older population. The Ministry is leading the *Future Service Delivery for Older New Zealanders* work programme, which takes a collaborative approach to the design and delivery of services in partnership with the private sector, communities, non-government organisations and older people. It aims to improve older people's access to relevant, effective services, improve outcomes for those who have limited choices and who are more vulnerable to economic and social isolation, and focus on up-front investment to reduce future needs and costs.

The Ministry is well placed to lead collaboration on initiatives that support older New Zealanders, as 94% of older people engage with the Ministry as recipients of New Zealand Superannuation, Veteran's Pension or another social security benefit. In April 2014, this connection was strengthened with the transfer of the social housing assessment function to the Ministry, allowing a more holistic assessment of a person or family's support needs.

The first report on this work is due by December 2014.

### ***Improving labour market attachment and resilience for those aged over 46 is important for ensuring resilience and wellbeing in their older years***

People who are struggling at this age have a poor outlook for their older years. Improving resilience and wellbeing through a focus on the potential economic contribution of those aged over 46 (and the economic loss associated with non-contribution) offers opportunities to strengthen outcomes. Initiatives to improve rates of participation in paid work, and other economic contributions such as volunteering and caring work, may be justified.

Changing the attitudes of employers and other workers towards older workers in the workplace is an incremental process, but change will be needed as skill and labour shortages begin to bite. There will, however, be benefits for employers that make this shift earlier, as well as benefits to the wider economy. There are opportunities for the Government to lead through its own actions as an employer.

### ***Research indicates that between 3% and 10% of older people suffer abuse and neglect in New Zealand every year***

Elder abuse and neglect shares many similarities with other forms of family violence. It can be in various forms - physical, psychological, sexual or financial. It can also take the form of intentional or unintentional neglect. The majority of abusers are family members.

The Ministry part-funds specialist elder abuse and neglect prevention services to prevent or reduce the incidence of abuse or neglect through direct assistance to older people, their families and carers, and public, professional and family education. There are currently six contracts covering the delivery of these services in 26 locations throughout New Zealand.

Family members are generally very important to older people, as they are often the main social contact and support that person receives. For this reason, the elder abuse and neglect prevention services work to strengthen family relationships while putting measures in place to keep the older person safe and enhance their wellbeing.

***Approximately 10% of older people lack important social connections or relationships with others***

Social isolation and loneliness can lead to poor mental and physical health and increased need for health and social services. The Ministry is undertaking work to measure and identify social isolation among older people. This includes measuring and identifying social isolation to improve understanding of the issues, identifying options to address social isolation, and reviewing information and training for those working with older people and their families in government and community organisations.

This work is being informed by pilot projects such as Napier Connects. This is a collaboration of community leaders that, with support from local and central government, aims to encourage older people to connect with their community.

***Increasing the knowledge and use of enduring powers of attorney protects the rights of older people***

The review of the enduring powers of attorney (EPA) provisions in the Protection of Personal and Property Rights Act 1988 found that the 2007 amendments have been mostly effective in providing better protections for people. The review found that further changes are needed to achieve the right balance between protecting people and making EPAs accessible. This includes simplifying some of the forms and processes to make setting up an EPA more straightforward.

An information campaign is currently underway to increase awareness among the general public on what an EPA is and the value of having one in place sooner rather than later. The Campaign also aims to increase understanding of the roles and responsibilities of people named as an attorney for someone else.

# Part 7: Aligned Portfolios – Recognising and Valuing the Contribution of Disabled New Zealanders

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## Role of the Minister Responsible for Disability Issues

The Minister responsible for Disability Issues has a whole-of-government advocacy role on behalf of disabled New Zealanders. In particular, the Minister is responsible for developing a strategy for Government's overall direction for the disability sector and for improving disability support services. This includes consulting with organisations and individuals in the development of the strategy and reporting regularly on its implementation.

## Office for Disability Issues

The Office for Disability Issues supports effective and appropriate Government policy on issues related to disabled people through collaboration between disabled people, Disabled People's Organisations (DPOs) and their families, the wider disability sector, and Government. It has six full-time staff, headed by the Director of the Office for Disability Issues. The key functions of the Office are to:

- facilitate and coordinate development of cross-government actions to implement and monitor progress against the Convention on the Rights of Persons with Disabilities and the New Zealand Disability Strategy
- provide information and advice on issues affecting disabled people, based on sector engagement and understanding of good practice, statistics and other evidence
- assess, monitor and report on the overall progress and wellbeing of disabled people in New Zealand
- provide advice and information to support the Minister for Disability Issues to advocate for better outcomes for disabled people
- promote and support direct engagement between government agencies and disabled people
- provide independent and second-opinion advice to government agencies.

## Current issues and trends

### ***Disabled people represent a large proportion of the New Zealand population***

The number of people identifying as disabled is increasing. This is as a result of both the ageing population and changes in the public perception of disability, which may lead more people to report limitations on their ability to carry out daily tasks.



The 2013 Disability Survey showed 24% of New Zealanders (1.1 million people) identified as having a long-lasting physical, sensory, mental or other functional impairment that limited their ability to function. The survey found that:

- people aged over 65 were more likely to be disabled (59%) than adults under 65 (21%) and children under 15 years (11%)
- the most common disability was physical, except for children, for whom the most common disability related to their ability to learn (53%)
- the most common cause of child disabilities was a condition that existed at birth, while for adults it was disease or illness acquired after birth
- more than half of all disabled people (53%) had more than one disability
- Māori had an above average disability rate (26%), despite having a younger average age than the rest of the population. In contrast, the disability rate for Pasifika was below average (19%).

### ***Disabled people are a diverse population***

There is a wide range of voices and perspectives in the disability sector, typically based on impairment type (such as being Deaf, Blind, or having a learning disability and/or a physical disability). In addition, families and carers have their own concerns, as do support providers, who tend to focus on an impairment type and/or on a particular aspect of life (such as residential care or employment).

### ***Disabled people experience poorer outcomes against wellbeing indicators***

Disabled people share every New Zealander's expectation of getting a 'fair go' so they can make a good life for themselves and for those who depend on them. But some disabled people do not get the chance to lead ordinary lives. They experience barriers to equal opportunity, which can reinforce atypical outcomes (such as not being expected to work or contribute to society, having relationships or families, or living their lives in segregated settings).

## **Working to improve results for disabled people**

Government has a leadership role in seeing that disabled people have greater independence and the same choices and control over their lives as others. The key vehicles for achieving this are the United Nations Convention on the Rights of Persons with Disabilities, the New Zealand Disability Strategy and the Disability Action Plan.

### ***The United Nations Convention on the Rights of Persons with Disabilities (CRPD)***

The CRPD is an international human rights treaty that protects the rights and dignity of persons with disabilities. The CRPD has served as the major catalyst in the global

movement from viewing disabled people as objects of charity, medical treatment and social protection towards viewing them as full and equal members of society, with human rights.

Parties to the CRPD are required to promote, protect, and ensure the full enjoyment of human rights by disabled people and ensure they enjoy full equality under the law. One of the obligations of the CRPD is to consult closely with and actively involve disabled people, including children with disabilities, through their representative organisations in the development and implementation of legislation and policies to implement the Convention. This also includes other decision-making processes concerning issues relating to disabled people.

New Zealand ratified the CRPD in September 2008 and must report on its progressive implementation to the United Nations every four years. New Zealand's first report was submitted in 2011 and was examined in September 2014. Cabinet has recognised the Human Rights Commission, the Office of the Ombudsmen, and the Convention Coalition<sup>9</sup> as independent monitors of government's implementation of the Convention.

New Zealand's international leadership of disability issues was reflected in the nomination of Robert Martin as a candidate for the 2016 elections for the United Nations Committee on the Rights of Persons with Disabilities.

### ***The New Zealand Disability Strategy***

Developed in early 2001 in consultation with disabled people and the wider disability sector, the New Zealand Disability Strategy presents a long-term plan for changing New Zealand from a disabling to an inclusive society.

The Disability Strategy provides a framework for Government to use when developing and implementing policies and services that impact on disabled people's lives. This includes the concept of 'nothing about us without us' - the idea that no policy should be developed without the full and direct participation of disabled people affected by that policy.

### ***Ministerial Committee on Disability Issues***

The Ministerial Committee on Disability Issues provides leadership, accountability, and coordination across government on disability issues. It sets priorities for, and monitors, the implementation of the CRPD and the Disability Strategy. A Chief Executives' Group on Disability Issues<sup>10</sup> supports the Committee.

The Disability Action Plan sets out the priorities of the Ministerial Committee with an emphasis on areas that require cross-agency collaboration and the achievement of common results. The 2014-18 Plan was co-developed with DPOs.

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<sup>9</sup> The Convention Coalition is a group of national Disabled People's Organisations and consists of the Association of Blind Citizens of New Zealand, Balance New Zealand, Deaf Aotearoa New Zealand, Deafblind (NZ) Inc, Disabled Persons Assembly (New Zealand) Inc, Ngāti Kāpo o Aotearoa Inc, Ngā Hau E Whā and People First New Zealand Inc – Nga Tangata Tuahtahi.

<sup>10</sup> This group comprises the Chief Executives of the Ministries of Social Development (Chair), Justice, Health, Education, Foreign Affairs and Trade, Business, Innovation and Employment, and Transport, Housing New Zealand, ACC and a sector representative.

### ***Encouraging a fundamental shift in attitudes and behaviour towards disabled people***

Think Differently is a social change campaign to encourage and support a fundamental shift in attitudes and behaviour towards disabled people. It commissions research and evaluation to strengthen the campaign's messages and to use the best evidence about what makes people change the way they think and behave.

The campaign provides opportunities for all New Zealanders to make a difference by:

- bringing communities together to build capacity for change
- communicating through the Think Differently website and Facebook page
- administering the Making a Difference Fund, which provides funding for projects that support a fundamental shift in attitudes and behaviour towards disabled people.

The Think Differently campaign aligns with the priority areas in the Government's Disability Action Plan.

## **Future opportunities**

There are several emerging and strategic opportunities to progress government policy on issues related to disabled people that are within the influence/mandate of the Office for Disability Issues and the disability issues portfolio.

### ***Improving the relationship between the Government and disabled people***

Experience has shown that it is often difficult for Government to develop quality policies and plans on issues that concern disabled people given the complex range of interrelated barriers disabled people face.

The current Disability Action Plan was developed using a new collaborative and co-design approach between DPOs and agencies. This approach enabled agencies to be better informed about the barriers disabled people face, as well as to hear disabled people's ideas for practical solutions. It also helped DPOs to develop a good understanding of the way government works, which in turn helped agencies provide more relevant and targeted advice to government.

There is now an opportunity to use this experience to improve the relationship between agencies and DPOs, and the disability sector more broadly, to develop quality policies that make a real difference in the lives of disabled people.

### ***A coherent and modernised strategy for the future***

The Disability Strategy's vision of an inclusive, enabling society remains relevant to disabled people today. It is, however, a good time for the Disability Strategy to be reviewed so that it can bridge the gap between the CRPD and the Disability Action Plan. In this way, a new Disability Strategy can articulate the Government's vision of progressive implementation of the CRPD. It can also provide a framework for future Disability Action Plans, ensuring a coherent, coordinated and streamlined overarching framework.

A review also offers an opportunity to model good collaboration between DOPs and agencies.

### ***Promoting and maintaining New Zealand Sign Language***

Due to be established by the end of 2014, the New Zealand Sign Language (NZSL) Advisory Board will contribute to the promotion and maintenance of NZSL. The Board's functions are to:

- advise the Minister for Disability Issues on measures to give effect to NZSL as an official language in New Zealand
- progress government priorities for NZSL by developing and coordinating the implementation of a three-year action plan
- provide advice on allocation of the NZSL Fund (providing grants for projects that promote and maintain NZSL) and to oversee the expenditure of that fund.

The Office for Disability Issues provides the secretariat for the Board and administers the funding allocated through the NZSL Fund. We will work with your Office to provide advice and support on the establishment of the Board.

# Part 8: Aligned Portfolios – Supporting Young People to Participate Confidently in their Communities

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## Role of the Minister Responsible for Youth Affairs

The Minister responsible for Youth Affairs has an important role as an advocate for New Zealand's young people across government. The Minister ensures that, where necessary, policies from other Cabinet portfolios take into account youth issues and perspectives to enhance their wellbeing. The Minister is also responsible for the Youth Development Appropriations within Vote Social Development.

## Ministry of Youth Development

The Ministry of Youth Development's (MYD) focus is on supporting young New Zealanders aged 12 to 24. It has a small national office team in Wellington and four regional teams based in Auckland, Rotorua, Wellington and Christchurch, supported by the wider Youth Policy and Development Group within the Ministry of Social Development. Together they provide support and advice to the Minister of Youth Affairs on key issues and trends affecting young people. This includes:

- *Engaging with young people* through initiatives such as the Prime Minister's Youth Programme, Youth Parliament, Youth Week and youth attendance at local and international events. Young people are also connected to opportunities through MYD networks and social media tools to provide a youth voice in decision making.
- *Supporting organisations and government agencies to take a youth development approach* by providing advice and services to support young people and those working with young people. This is to make sure young people are appropriately engaged and informed on policies and services that reflect their needs.
- *Purchasing youth development services in communities* through the Services for Young People Fund (supporting organisations working with young people) and the Youth Development Partnership Fund (supporting local authorities to work with young people).

## Current issues and trends

### *The youth population is becoming more ethnically diverse*

In 2013, young people aged 12 to 24 years made up 18% of New Zealand's total population. As with general population trends, the youth population is becoming more ethnically diverse with growing numbers of Māori, Asian and Pasifika young people.

***Overall the outlook for most young New Zealanders is positive, yet adolescence remains a critical time***

Since 2001, the health and wellbeing of young people in New Zealand has improved significantly. In particular, risk-taking behaviours, such as cigarette smoking, binge drinking and use of marijuana have reduced. Education outcomes, school participation and achievement are also increasing, with 2,700 more young people achieving NZEA Level 2 in 2013 than if the achievement rate had remained the same as in 2011.

Many young people are actively involved in their communities, making meaningful contributions through sport, culture, arts, volunteering and academia. However, adolescence remains a critical period both developmentally and socially. It is a time when risk-taking accelerates, and many young people suffer stress and depression. Death rates for young people also climb dramatically during this period.

***Serious social issues persist for those living in areas of high deprivation, and for Māori and Pasifika youth***

Persistent poverty and hardship for children and young people increase the chances of poor outcomes later in life. Young Māori and Pasifika, and those in disadvantaged neighbourhoods, are over-represented in negative social indicators.

Specific challenges include the consistently high number of 16 to 21 year-olds not in employment, education or training, more young people reporting their family often or always worries about having enough money for food, and the high levels of depression, anxiety and suicidal ideation among these young people.

## **Supporting young people to achieve their potential**

***The Lesbian Gay Bisexual Transsexual and Intersex (LGBTI) sector is being supported to address issues of mental health, discrimination and wellbeing***

The LGBTI youth sector (12 to 24 year-olds who are sexuality or gender diverse) experience high incidences of bullying, discrimination, mental distress and suicide. Work is underway to support the sector to address these issues by supporting community and families to build leadership, networks and infrastructure, complemented by work to identify and improve inclusive government policies and processes.

***Youth enterprise initiatives are being expanded to promote innovation***

Social enterprise uses commercial methods to support social or environmental goals. Supporting young people to develop skills in innovation and entrepreneurship will help them contribute to the strength and resilience of their communities.

The Expanding Youth Enterprise Initiatives will support initiatives focused on financial literacy skills, business enterprise education and social enterprise projects.

### ***Connecting young people to their communities through the Youth in Emergency Services programme***

The Youth in Emergency Services programme is designed to strengthen community connections by providing young people with life skills and training in local emergency services. It is targeted at 16 to 19 year-olds in smaller, more disadvantaged communities and has increased the sharing of resources and collaboration between local emergency services.

The programme has been trialled across six communities and will be expanded to 20 more communities over the next two years.

## **Future opportunities**

There are opportunities to improve support and outcomes for young people.

### ***Increasing opportunities for active youth citizenship***

Youth citizenship helps young people to develop the knowledge, relationships, skills and conviction needed to play an effective role in their local, national and global communities. This empowers young people to have a voice in decisions and processes that affect them.

Supporting young people to understand their rights and responsibilities within a democratic society helps to remove the barriers they may face and enables confident participation. Strengthening civic education and understanding is an important part of providing young people with the tools they need to represent themselves and the issues that matter to them.

The skills and experiences young people gain through community work and volunteering are attractive to employers and build resilience in young people. There are opportunities to promote and facilitate citizenship by connecting young people with community activities and allowing them to track their efforts in real time through digital-media tools. The development of a social record, acknowledging community and voluntary contributions alongside educational achievement, is one way this contribution could be recognised. This would be a long-term and significant piece of work.

### ***Developing youth-friendly communities to provide a platform to ensure young people want to stay in, or return to, their communities***

The concept of child and youth-friendly communities is based on the idea that a city designed for its youngest citizens will benefit everyone. These communities provide opportunities for recreation, learning and fun, involve young people in community affairs and facilitate access to jobs. Whangarei is on its way to becoming New Zealand's first Child and Youth Friendly City. There are opportunities to expand on this beginning and support communities to come together to make their cities and towns the best possible places for children and young people to live.

### ***Supporting young people's engagement in building a sustainable environment***

Climate change, green technology and managing the needs of the agricultural and conservation sectors are pressing challenges future generations will continue to grapple with. Many young people are already actively involved in developing solutions to these challenges and there are opportunities to further invest in young people to develop kaitiakitanga for the environment.

Partnerships with local businesses, philanthropic organisations, the community sector and social sector agencies, will provide young people with greater opportunities to access environmental education, take part in decision-making processes, and contribute to economic, social and environmental sustainability.

### ***Partnering with agencies and communities to achieve healthy lifestyles and access to suitable health care***

One-third of all New Zealand children and young people are considered overweight or obese. The long-term effects of this include negative impacts on mental health and wellbeing, decreased engagement with education, and poorer employment outcomes.

International experience has shown success in strategic cross-government and community partnerships in addressing obesity and physical inactivity and providing accessible youth-friendly health care. Increasing young people's access to quality sexual and reproductive health care and education is also an important part of managing long-term health and wellbeing. There are opportunities to partner with key agencies and community organisations to make sure young people are well informed, stay healthy and access appropriate care when they need it.



## Part 9: Working with You

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We look forward to working with you and discussing the most effective ways we can support you and your priorities as Minister.

We are keen to discuss with you how frequently and in what form you wish to meet with the Ministry and the frequency and type of information you would like us to report to you on. We expect that you will wish to be kept informed of progress on initiatives and work programmes, as well as financial, human resources and performance data.

Through a 'no surprises' approach, we will ensure you and your office receive timely advice on the management of issues that arise, and will let you know about information the Ministry is required to release under the Official Information Act.

We will provide you with Private Secretaries with a strong understanding of the Ministry and its areas of responsibility to help us to help you achieve your priorities. We will continue to work with these staff to support their development.

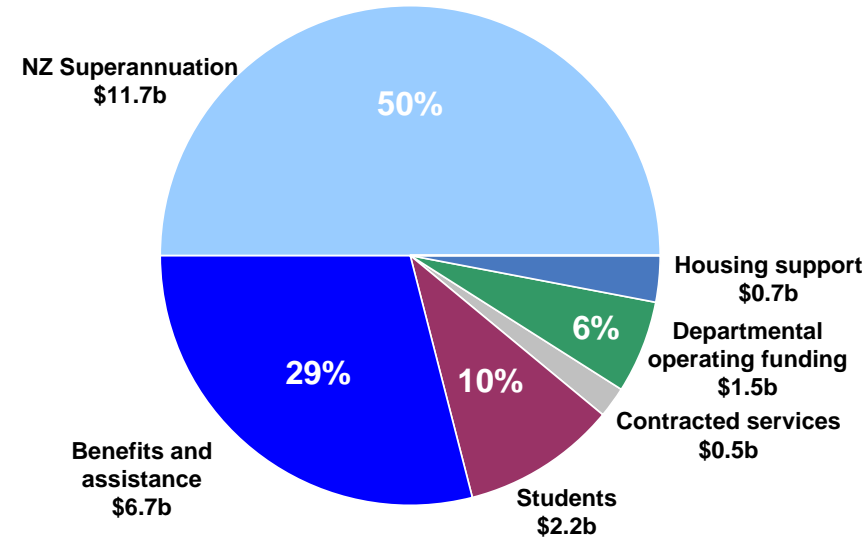
We are committed to providing high-quality policy advice that is free and frank, strategic and proactive, focused both on short-term needs and on issues that Government may want to focus on in the medium to long term. We will brief you fully on these issues, including any trade-offs that you may need to make.

We are looking to move towards a more transparent and active publishing culture. We intend this to stimulate debate and discussion across the sector and with key partners on a range of issues, through the timely publication of papers on critical issues. We will ensure that this process contains no surprises for you.

We look forward to the opportunity to work with you to achieve your priorities.

# A snapshot of the Ministry of Social Development...

We administer over **\$23 billion** of government expenditure each year...



We provide **leadership across government...**

- Chairing the Social Sector Forum; Vulnerable Children's Board; Joint Venture Board
- Housing the Children's Action Plan Directorate
- Hosting the Property Management Centre of Expertise
- Coordinating two Treaty Settlement Social Sector Accords (Te Hiku and Tuhoē)

Key pieces of **legislation we manage and administer...**

- Social Security Act 1964
- Children, Young Persons and Their Families Act 1989
- Adoption Act 1955; Adoption (Intercountry) Act 1997; Adult Adoption Information Act 1985 (operational administration)
- Vulnerable Children Act 2014
- New Zealand Superannuation and Retirement Income Act 2001
- Social Workers Registration Act 2003
- Children's Commissioner Act 2003
- Families Commission Act 2003
- New Zealand Sign Language Act 2006

We work with over **1 million New Zealanders** every year\* ...

- 294,000 receive a working-age benefit
- 3,000 young people receive a youth benefit
- 147,000 Child, Youth and Family notifications
- 5,000 children and young people in our custody, 4,000 in out-of-home placements
- Over 2,000 agreements for funding community-based social services
- 655,000 older people receive New Zealand Superannuation or other retirement income
- 48,000 assessments of people's social housing needs
- Over 244,000 student loan and 149,000 student allowance applications processed to help students into study
- Over 900,000 Community Services Cards help people access health care

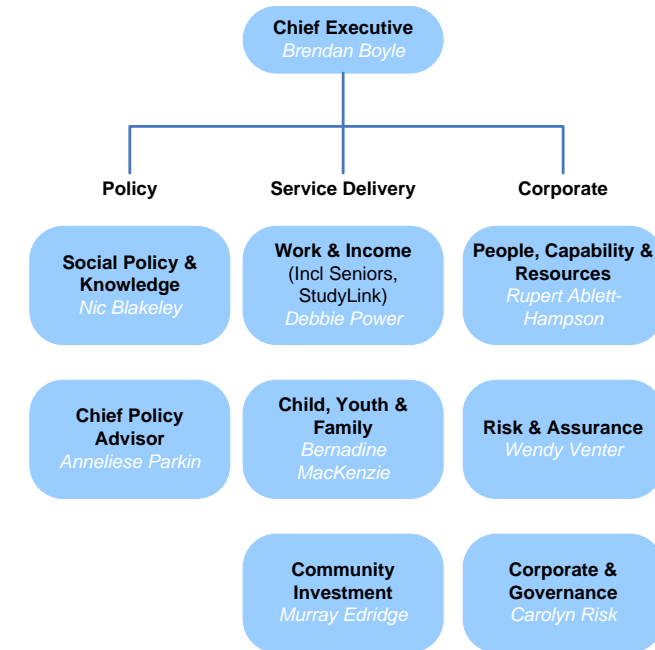
\* all figures approximate as at June 2014

We help New Zealanders to help themselves to be **safe, strong and independent**

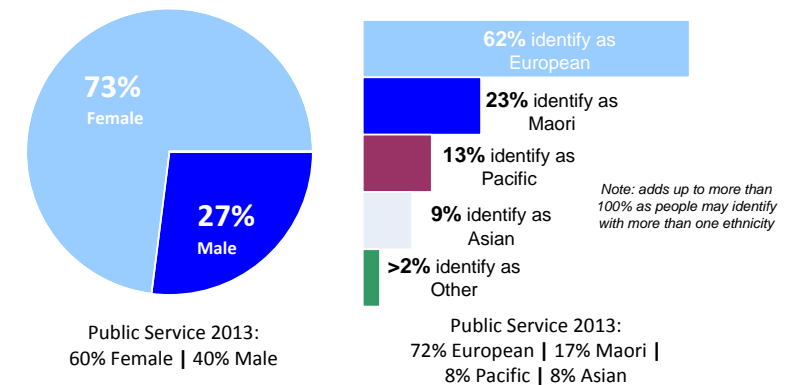
Through **our services** we work with almost every New Zealander by...

- providing care and protection for children and young people, youth justice services and adoptions
- providing financial assistance and support to working-age New Zealanders and helping people get into sustainable work
- assessing eligibility for social housing
- providing entitlements to seniors; and assisting students to overcome financial barriers to higher education
- contracting and funding a mix of services, programme delivery, and community development initiatives designed to strengthen local communities and families, such as parenting programmes
- focusing on specific groups through the Office for Disability Issues, Ministry of Youth Development and Office for Senior Citizens

Our **structure and people...**



We have approximately **10,000 people** working in **300 locations** across New Zealand



We monitor four **Crown entities...**

- The **Children's Commissioner** advocates for children, independently monitors and assesses services provided under the CYPF Act
- The **Families Commission** advocates for families, monitors and evaluates programmes and interventions across the social sector
- The **New Zealand Artificial Limb Service** provides individualised services to rehabilitate amputees
- The **Social Workers Registration Board** manages the registration of social workers, including overseeing the qualifications framework