



COVERSHEET

Minister	Hon Tracey Martin	Portfolio	Children
Name of package	Proactive release of Transforming our Response to Children and Young People at Risk of Harm: Overview	Date of issue	02 August 2019

List of documents that have been proactively released		
Date	Title	Author
5 November 2018	Transforming our Response to Children and Young People at Risk of Harm: Overview	Office of the Minister for Children
31 October 2018	SWC-18-MIN-0148 – Cabinet Social Wellbeing Committee Minute	SWC Committee Secretary

Information withheld	
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Section of the Act	Reason for withholding
Section 9(2)(g)(i)	The release may undermine the future ability of Ministers to provide free and frank advice on Budget expenditure options. The importance of this process means it is not outweighed by the public interest in transparency.
Section 9(2)(f)(iv)	Maintain constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials.

BUDGET – SENSITIVE

Office of the Minister for Children

Chair, Cabinet Social Wellbeing Committee

TRANSFORMING OUR RESPONSE TO CHILDREN AND YOUNG PEOPLE AT RISK OF HARM

PAPER ONE: OVERVIEW

Proposal

- 1 This paper provides an overview of investment proposals to transform our service response to this country's most at-risk children and young people. It identifies the key policy directions being sought ahead of the development of detailed Budget proposals.
- 2 This is the first of a suite of six papers. The others provide more detail on: intensive intervention; care; youth justice; transition support; and giving effect to the Ministry's new obligations to improve the outcomes of Māori children and young people. The papers seek agreement to policy direction in each of these areas, and provide indicative costs. Subject to Cabinet agreement, detailed proposals will be developed with phasing and scaling options, for consideration for Budget 2019 funding.
- 3 The Ministry's outcomes framework and an A3 summarising the papers are attached.

Executive summary

- 4 Our response to this country's most at-risk children and young people requires fundamental transformation if we are to achieve our goal of making New Zealand the best place in the world to be a child or young person. Oranga Tamariki—Ministry for Children ('Oranga Tamariki' or 'the Ministry') was established on 1 April 2017 following a comprehensive review by the Modernising Child, Youth and Family Expert Panel (the Expert Panel). The Expert Panel found that the care, protection and youth justice systems did not sufficiently meet the needs of children and young people, and that a bold overhaul was needed.
- 5 Following a first year focused on essential foundation work, Oranga Tamariki is now in a strong position for further investment to reform our system of support for children and young people who are at risk of harm, and their families and whānau. Substantial investment in the Ministry is required if it is to fulfil its purpose, including to meet the significant additional accountabilities arising from amendments to the Oranga Tamariki Act 1989 (the Act).
- 6 The Ministry is building a system that aims to make a difference for a child or young person at the earliest possible point, by keeping more children and young people safely with their families and whānau; where that is not possible, providing children and young people with high quality alternative care; and ensuring that children and young people in care or custody can transition to independence with appropriate support. The core functions of the operating model are shown in the following diagram.



7 I am proposing investment to deliver significant changes to the Ministry's core functions, many of which are driven by legislative requirements taking effect by 1 July 2019:

- 7.1 **Early intervention.** I expect that significant initiatives in this area will be considered for funding through future Budgets after the first Child and Youth Wellbeing Strategy has been adopted. In the short term, I will be seeking a continuation of time-limited funding for Children's Teams to manage funding pressures while their future direction is resolved as part of the development of the Ministry's early intervention approach.
- 7.2 **Intensive intervention.** To keep children and young people, at risk of entering statutory care, safely with their families and whānau requires more intensive intervention with the families and whānau of between 5,700 to 6,750 children and young people. I propose the introduction of a new model, based on highly-skilled workers working directly with families and whānau on an ongoing basis to provide intensive intervention services. Initially, this will be done in a small number of sites.
- 7.3 **The care system.** The care system has historically lacked clear, comprehensive and effective accountability mechanisms. New regulations – the Oranga Tamariki (National Care Standards and Related Matters) Regulations 2018 (National Care Standards) – are due to take effect on 1 July 2019. The National Care Standards are intended to deliver a significant improvement in the quality of care and support to children and young people, and to their caregivers. To support this transformation, I propose investment to build frontline capacity and capability, deliver high quality services to children and young people, recruit and support high quality caregivers, and build capacity to support very high needs children and young people.
- 7.4 **The youth justice system.** Under the new legislative framework Oranga Tamariki will assume responsibility for accommodating 17 year-olds remanded into the custody of the chief executive in the youth justice system. I am proposing investment in purpose-built and redeveloped small facilities, to meet the likely increase in demand, and in support of the intention to move away from institutional settings. I am also proposing investment in quality improvements to meet the National Care Standards for young people in youth justice placements.
- 7.5 **Transition support.** Oranga Tamariki will need to meet new and amended obligations around supporting young people transitioning out of care or youth justice custody. I am proposing to establish a transition support service that takes a

relationship-based focus in which a transition key worker builds and maintains a relationship with the young person to support them as they transition into adulthood.

7.6 **Improving outcomes for Māori.** Māori children and young people are significantly more likely to enter into the care, protection and youth justice systems, and stay longer in these systems. Amendments to the Act coming into force in July 2019, that recognise and provide a practical commitment to the Treaty of Waitangi (te Tiriti o Waitangi), require a different approach to responding to the needs of Māori children and young people. The primary approach to meeting these obligations is to place an explicit focus on these duties in the development of each area of the operating model. I am also proposing additional investment that enhances these proposals, and has the specific intent of improving the outcomes of Māori children and young people who come into contact with the Ministry.

8 Successfully building the new model will require a collaborative process involving other government agencies, iwi and Māori organisations, and other non-government organisation (NGO) partners. Building the size and calibre of workforce required to implement this new model poses a significant challenge for the Ministry and the wider sector. Oranga Tamariki is putting in place a number of measures to develop the workforce required.

9 Oranga Tamariki works with New Zealand's most at-risk children and young people, and is responsible for delivering critical statutory care, protection and youth justice services. My focus for 2019/2020 is to ensure Oranga Tamariki is resourced to fulfil its core functions.

10 I nonetheless recognise that agencies in the children's system need to provide a holistic service for these children and young people; this may require additional resourcing. In 2019/2020, Oranga Tamariki will continue to use existing approaches to obtaining services for children and young people. From 2020/2021, I plan to focus on the joint work needed to improve outcomes for at-risk children and young people, through the Child and Youth Wellbeing Strategy and the cross-agency Oranga Tamariki Action Plan (OTAP).¹ More detailed information on children's needs collected as part of the implementation of the investment proposals will help inform the OTAP.

Background

Comprehensive change is needed to improve the wellbeing of New Zealand's most at-risk children and young people

11 The Government's goal is to make New Zealand the best place in the world to be a child or young person. The experiences of thousands of New Zealand children and young people, however, currently fall far short of this aspiration. A comprehensive review by the Expert Panel found that the care, protection, and youth justice systems did not sufficiently meet the needs of children and young people, nor do enough to improve their long-term outcomes. These findings were informed by hearing directly from young people who had experience with the system.

12 While there have been numerous past attempts to improve the performance of these systems, the findings of the Expert Panel point to the need for fundamental reform to improve the lives of those children and young people most at risk. The Expert Panel found that the current system was failing to provide the safe, stable and loving care that children

¹ The Child Poverty Reduction Bill, currently before Parliament, includes requirements for a child wellbeing strategy, and a cross-agency chief executives' Oranga Tamariki Action Plan (OTAP), which are both required to include a focus on the core populations of interest to Oranga Tamariki.

and young people need, and was not supporting them to fulfil their potential as adults. The Expert Panel noted the over-representation of Māori in the system, including that around 57 percent of children seen by Child, Youth and Family by age five were Māori. It found too that the system was not meeting the needs of disabled children and young people.

- 13 Where children and young people are at risk of harm, families and whānau are not effectively supported to care for them. Children and young people who require care experience high levels of instability, as well as repeat abuse and victimisation – and there is not enough focus on the recruitment, support and retention of caregivers, who are critical to the success of a high-performing care system. The youth justice system was found to be excessively reliant on institutional settings, and young people in the care and youth justice systems were shown to need much more support than they actually received to make a successful transition to adulthood. The Expert Panel concluded that a bold overhaul was required.
- 14 Oranga Tamariki was established on 1 April 2017, following this review. Oranga Tamariki works at the forefront of New Zealand's most complex social issues, and with New Zealand's most at-risk children and young people. The Ministry's core roles include:
 - 14.1 responding to and supporting children and young people at risk of harm due to abuse, neglect, self-harm, or behavioural issues, and their families and whānau. In the year to June 2018, the Ministry received over 92,000 reports of concern, and undertook 41,800 assessments and investigations
 - 14.2 delivering family-led decision-making to address care and protection concerns or offending by children and young people – over the past year around 8,150 care and protection Family Group Conferences (FGCs) were held for approximately 6,150 children and young people, with a further 4,600 Youth Justice FGCs for 2,250 children and young people
 - 14.3 providing care to children and young people who need it – at any one time around 6,350 children and young people are in care²
 - 14.4 providing care and supervision for children and young people who have offended or are alleged to have offended – 220 children and young people are in the custody of the chief executive in the youth justice context at any one time.
- 15 In 2017/2018 the Ministry's total departmental expenditure was \$855.6m. More key information on Oranga Tamariki is set out in Appendix A.
- 16 Most of the children and young people known to the care and protection system are living in families with multiple and complex needs, such as the combined impacts of long-term unemployment, low income, unaddressed physical and mental health needs, parental alcohol and drug addiction, and family violence.³ Analysis of administrative data on children and young people who have been in care has shown a greater prevalence of a range of poor long-term outcomes in this population, including criminal justice system involvement, use of mental health or addiction services, and long-term benefit receipt.⁴
- 17 A clear focus is needed on working with whānau, hapū and iwi to improve the outcomes of Māori children and young people; this is underpinned by new legislative obligations on the

² That is, in the custody of the chief executive under Part 2 of the Act.

³ Modernising Child, Youth and Family Expert Panel. (2015). *Expert Panel Final Report: Investing in New Zealand's children and their families*. p 42). Available from: <https://www.msd.govt.nz/documents/about-msd-and-our-work/publications-resources/corporate/expert-panel-cyf/investing-in-children-report.pdf>

⁴ McLeod K, Templeton R, Ball C, Tumen S, Crichton S and Dixon S. (2015). *Using integrated administrative data to identify youth who are at risk of poor outcomes as adults*. The Treasury. Available at: <https://treasury.govt.nz/sites/default/files/2015-11/ap15-02.pdf>

chief executive of Oranga Tamariki. Over two-thirds of children and young people in care identify as Māori and close to 80 percent of those in youth justice custody.⁵ In addition, the Ministry's services need to be effective for children, young people and families from all cultures, and respond to diverse needs. For instance, around 16 percent of children and young people in care, and 23 percent of those in youth justice custody, identify as Pacific peoples.⁶ The children and young people Oranga Tamariki works with also often have high and complex needs; international evidence indicates that children in care are more likely to have some form of disability.⁷

- 18 On 16 May 2018, the Cabinet Social Wellbeing Committee (SWC) noted: the progress Oranga Tamariki has made since its establishment on 1 April 2017; changes necessary to shape services that support the Government's priorities and shape the future of Oranga Tamariki; and the Ministry's contribution to the Child and Youth Wellbeing Strategy. SWC noted that the Minister for Children would report further to SWC in 2018 on the Ministry's future direction [SWC-18-MIN-0056 refers].

The Ministry's direction is aligned with the Government's child wellbeing approach

- 19 Transforming our response to children and young people at risk of harm aligns with three priorities in the Government's Budget 2019 strategy:
- 19.1 reducing child poverty and improving child wellbeing, including addressing family violence
 - 19.2 lifting Māori and Pacific incomes, skills and opportunities
 - 19.3 supporting mental wellbeing for all New Zealanders, with a special focus on under-24s.
- 20 The Child and Youth Wellbeing Strategy, once in place, will provide clear direction for those government agencies whose actions affect the wellbeing of children and young people. One of the six initial focus areas for the first Child and Youth Wellbeing Strategy is that 'children are safe and nurtured, in their whānau and their homes', co-led by Oranga Tamariki and the Ministry of Justice. Significant changes to the Oranga Tamariki operating model, as required by legislation, form a key part of the work programme to advance this focus area.⁸
- 21 Oranga Tamariki also has an important leadership role in the wider system responding to children and young people, through the new legislative functions of co-ordinating the Ministry's early intervention services with other similar government-funded services, and co-ordinating the development of the cross-sector OTAP.

The new service response is based on engaging with children and young people, the new legislation, and what has been learnt from the evidence

- 22 Oranga Tamariki is developing and implementing a new child-centred operating model to fundamentally transform the service response to this country's most at-risk children and

⁵ Twenty-six percent of children in New Zealand under 15 identify with the Māori ethnic group, according to Statistics New Zealand (2015), *How is our Māori population changing?* Available at:

http://archive.stats.govt.nz/browse_for_stats/people_and_communities/maori/maori-population-article-2015.aspx

⁶ Ethnicity data is as at 30 June 2018. Ethnicity data will not total to 100 percent as children may have more than one ethnicity recorded.

⁷ For example, Schofield et al (2007) in the UK found that of children who had been looked after (or in care) for four years or more, 34 percent of them were disabled or had an ongoing health condition: Kelly B, Dowling S & Winter K. (2016). *Disabled children and young people in out-of-home care: summary report*. Belfast: QUB & OFMDFM.

⁸ Another integral part of the work to advance this focus area is the work programme of the Family Violence and Sexual Violence Joint Venture.

young people and make a positive difference in their lives, and those of their families and whānau. In March 2016, Cabinet agreed that the operating model for the new Ministry would comprise five core service areas. I am seeking to focus initially on responding to children and young people whose wellbeing is at greatest risk, and who will be supported through four of these core functions: intensive intervention, care, youth justice and transition support.

- 23 The chief executive of Oranga Tamariki has obligations to ensure children and young people take part in decisions that affect them, such as those made through FGCs, and participate in the development of policies, practices and services. Children and young people have contributed to the development of a range of key changes, including the development of the National Care Standards, specialist foster care as an option for children and young people on remand, new models for site offices, and transition services. While the operating model is child-centred, it also recognises the value of a culturally responsive, whānau-centred approach, particularly for improving outcomes for Māori.
- 24 Recent amendments to the Act place new duties on the chief executive of Oranga Tamariki with the intention of improving the outcomes of Māori children and young people (new section 7AA), which will need to be reflected across every part of the Ministry's operations. Other principles guiding the development of services are summarised at Appendix A.
- 25 The repeal of sections 141 and 142 of the Act is one of the wider set of legislative reforms that will come into force on 1 July 2019.⁹ It is intended to ensure that severely disabled children and young people who cannot be cared for at home have the same protections as other children and young people requiring out-of-home care under the Act. Oranga Tamariki and the Ministry of Health are working together on the implementation of the repeal, and to ensure the Oranga Tamariki operating model and the transformation of the wider Ministry of Health-funded Disability Support Service system are aligned in the development of the new pathway for voluntary out-of-home care for severely disabled children and young people.

Investment is needed for Oranga Tamariki to deliver significant changes

- 26 Oranga Tamariki requires additional funding to implement significant changes to its core functions, including a number of those that are driven by legislative changes taking effect by 1 July 2019. I note that the Expert Panel estimated that the required future investment in the new operating model it had proposed would be \$1.398 billion per annum by 2019/2020. This is in a context where the level of public funding for children in New Zealand is, in a number of respects, beneath that of comparable jurisdictions.¹⁰
- 27 Government can choose to take different approaches for delivering these changes, from the minimum service response needed to comply with legislative requirements, through to comprehensive service responses that will best improve the wellbeing of children and young people. The following sections outline the problem definition, broad options and key policy directions being sought for key areas of the operating model. The recommended options are based on assessing options against the legislative requirements, evidence, the voices of children and young people, and feasibility considerations. The attached outcomes framework sets out what I seek to achieve through these changes and the attached A3 summarises the key issues and proposals. Subject to Cabinet's agreement to the recommended policy options, detailed scaling and phasing options will be provided through Budget processes, providing Ministers with flexibility to make specific investment decisions within these broad proposals.

⁹ Sections 141 and 142 of the Act cover voluntary out of-home placements for severely disabled children.

¹⁰ See, for example, OECD. (2009). 'New Zealand: Country highlights', *Doing better for children*, available at <http://www.oecd.org/els/family/43589854.pdf>. It notes that New Zealand government spending on children is considerably less than the OECD average.

Early intervention



Background and problem definition

- 28 Oranga Tamariki invests around \$150m each year in early intervention through community providers, including the Family Start and Social Workers in Schools programmes. Oranga Tamariki aims to ensure, along with other government agencies, that communities can resolve issues for children and young people, where possible, without needing statutory intervention. A key example is family violence, where there are opportunities to intervene early to provide the support needed before harm to children or young people escalates.¹¹ For children and young people reported to Oranga Tamariki as being at risk of harm, but who do not require further statutory intervention, the Ministry aims to ensure that their needs are assessed early and they receive appropriate help as quickly as possible from local partners – including other government agencies, and NGOs.
- 29 My immediate focus is on improving the wellbeing of those most at risk. Oranga Tamariki will, over time, develop a stronger role in early intervention, in line with the direction to be set by the first Child and Youth Wellbeing Strategy. I expect that significant initiatives in this area will be considered for funding through future Budgets after the first Child and Youth Wellbeing Strategy has been adopted. This early intervention approach will need to be developed in conjunction with other agencies and, in particular, with the work programme of the Joint Venture Family Violence and Sexual Violence (Joint Venture).
- 30 Oranga Tamariki is also working to improve its intake and assessment systems to help engage earlier with partners and referrers, so that children and young people who need full statutory assessments get them, and those better served through alternative responses are referred to these more quickly. This is likely to have benefits across all parts of the Ministry's operations, and is being done within baselines.
- 31 Children's Teams, established in 2012 [CAB Min (12) 34/9 refers], were created to bring partner agencies together for children and families assessed as being below the statutory threshold of risk of harm. Recent evaluation findings show that, while families and whānau value the approach and some aspects are working well, there are a number of challenges which mean we should look to develop new models that are more locally responsive. Cabinet directed me to report back on the results for children from Children's Teams; this paper (including Appendix B, attached) fulfils this direction [SOC-17-MIN-0038 refers].

Key policy direction sought

- 32 I am seeking to report back to Cabinet in November 2018 on the future direction of Children's Teams. My intention, taking into account these evaluation findings, is to move from the Children's Teams model over time to other local early intervention responses in line with the direction to be set by the first Child and Youth Wellbeing Strategy, but I am aware it will take time to build these responses.

9(2)(g)(i)

¹¹ Modernising Child, Youth and Family Expert Panel. 2015), p 42.

Intensive intervention (details set out in Paper Three)



Background and problem definition

- 33 Where possible, the best place for a child is in the safe, loving and stable care of their families, whānau, hapū, or iwi or family group. Of the children and young people Oranga Tamariki is working with, there are currently around 5,700 to 6,750 who are considered to be at greatest risk of entry or re-entry into care.¹² It is imperative that Government seeks to reduce the need for children and young people to be in care, and support families, whānau, hapū, iwi and family groups to care for their children and young people safely.
- 34 Under the Oranga Tamariki Act 1989, there is a systematic approach to assessing the risk of harm to children and young people, and for family-led decision-making and service referral through the mechanism of the FGC. The support that is then provided to children and young people, and their families and whānau, however, is variable, and often is not delivered at the required intensity to meet needs and to help keep children and young people safe at home.

Options

- 35 Two approaches have been considered for developing an intensive intervention function that keeps children and young people safe at home and reduces the need for entry or re-entry to care. These are both based on the primacy of a relational, trust-based approach to responding to the needs of those most at risk of entry to care:
- 35.1 **Option One: Oranga Tamariki-led.** This involves moving to a 1:10 social worker to child ratio that will allow increased social worker time with children and young people at risk of harm, and their families and whānau, and a dedicated fund to meet immediate material needs. These enhancements could contribute to improved identification of, and responses to, risk and protective factors, and the opportunity to strengthen relationships with families and whānau.
- 35.2 **Option Two: Partnered learn-and-grow.** This involves a highly skilled worker with a low caseload working directly with families and whānau. This will be accompanied by a slight increase in statutory social workers to ensure core statutory functions are fulfilled appropriately, and a dedicated fund to meet the immediate material needs of families and whānau.

Key policy direction sought

- 36 I am seeking agreement to developing the Oranga Tamariki function through Option Two, as this is expected to best achieve the outcomes being sought. It better meets key principles of intensive intervention identified through consultation and analysis of relevant research; better supports the implementation of recent amendments to the Act; can be developed and delivered flexibly alongside communities; and evolve in response to community need.
- 37 This would be a new type of service response for New Zealand, and a learn-and-grow model based on incremental implementation across sites is likely to be most suitable. Design and implementation will need to be closely linked with other cross-agency initiatives, such as Whānau Ora and the Joint Venture. There is a range of scaling and phasing options to be considered through the Budget process.

¹² Volumes have been estimated using data from January 2016 to June 2018 on the number of children either: at risk of entry to care (those who had an FGC during the period, but did not enter an out-of-home care placement within the next month), or at risk of re-entry to care (those who exited an out-of-home placement, excluding those who aged out).

Care (details set out in Paper Four)

Background and problem definition

- 38 There are 6,350 children and young people in the care of the chief executive of Oranga Tamariki.¹³ It is widely understood that children and young people involved in the care system have a much higher likelihood of experiencing poor outcomes, compared to the general population.
- 39 There has historically been a lack of clear, comprehensive and effective accountability mechanisms for the care system. New regulations – the National Care Standards – will take effect on 1 July 2019, and are intended to deliver a significant improvement in the quality of care and support to children and young people, and also their caregivers. While some changes have progressed, there are still major improvements needed to bring the system up to the quality of care required under legislative changes that come into force on 1 July 2019.

Key policy direction sought

- 40 I intend to seek funding from Budget 2019 to resource the changes required to the care system over the next four years. A significant level of investment will be needed to ensure that Oranga Tamariki is able to meet the legislative obligations and achieve the outcomes we are seeking for children and young people in care.
- 41 To support this transformation, I propose investment in the following areas:
- 41.1 **workforce** – building frontline workforce capacity and capability to provide quality care and support
 - 41.2 **services** – delivering high quality services and support for children and young people that address their individual needs
 - 41.3 **caregivers** – finding and retaining high quality caregivers and ensuring they are provided with the right support and training
 - 41.4 **placements** – building capacity to provide for very high needs children and young people.
- 42 As Oranga Tamariki refines the investment proposals through the Budget process, consideration will be given to how each initiative can be phased in over time and what the options might be for the speed and scale of implementation.
- 43 The National Care Standards include transitional provisions that allow compliance to be phased for children and young people already in care, and caregivers who have already been approved.¹⁴ This means that within year 1, all children and young people in care will have assessments and plans consistent with the National Care Standards, and for caregivers, this will be within year 2. This allows Oranga Tamariki to build the system so all children and young people in care, and their caregivers, are receiving a standard that fully delivers on the policy intent of the National Care Standards to provide high quality care.

¹³ As at 30 June 2018.

¹⁴ [Schedule 1](#) of the National Care Standards.

Youth justice (details set out in Paper Five)

Background and problem definition

- 44 From 1 July 2019, legislative changes will mean that the youth justice jurisdiction will include 17 year-olds for the first time. This change provides an opportunity to reconsider how 17 year-olds are supported, including through greater opportunities to be diverted from the formal justice system, access to a wider range of age-appropriate interventions, and opportunities to keep young people connected to, or form connections with, their culture.
- 45 This change means that Oranga Tamariki will need to accommodate 17 year-olds in its residential youth justice facilities. \$126.13m was provided to Oranga Tamariki through Budget 2018 to provide services to 17 year-olds in the youth justice system, and funding was also granted to develop a business case for new residential capacity. It is estimated that there is likely to be a shortfall of about 100 residential youth justice placements.

Options

- 46 There are a number of approaches for addressing this shortfall:
- 46.1 **Option One: demand reduction only, no new residential placement capacity.** This involves continuing work underway to reduce the demand for young people to be remanded in custody while awaiting the completion of youth justice proceedings.
 - 46.2 **Option Two: build new large youth justice residences.** New youth justice residences with 40 to 50 placements each would be established.
 - 46.3 **Option Three: establish small youth justice facilities through purpose-built and redeveloped properties.** This option would involve: new, purpose built, small facilities that could house five young people each; new small facilities in redeveloped property (either owned by other government agencies, or NGOs); other Oranga Tamariki property repurposed for youth justice placements.

Key policy direction sought

- 47 I am seeking to invest in 100 placements through small, community-based facilities, both newly built facilities and repurposed existing property (Option Three), while continuing with efforts to reduce demand. One of the repurposed properties will be a current Care and Protection Residence. This approach is intended to meet the likely increase in demand, and supports the intention to move away from large institutional settings. This community-oriented approach will also help develop and maintain stronger connections between the young people, their family and whānau and positive members of the community who are well placed to provide support and opportunities.
- 48 In order to meet the National Care Standards for young people in youth justice residences and improve the quality of interventions provided in current residences, I am proposing investment in workforce capability, new programmes and interventions, and new infrastructure to support those new programmes. I note that work is underway to develop a transitional plan to manage an expected shortfall in residential placements for an interim period before the new facilities have been built.

Transition support (details set out in Paper Six)



Background and problem definition

- 49 Young people leaving care or a youth justice residence are among those with the highest needs for support in New Zealand. The current system does not adequately support them to transition successfully to independence. For these young people, the transition to adulthood often comes early, abruptly, and with little in the way of a safety net.
- 50 New and amended legislative provisions in the Act intended to address inadequacies in the support available to these young people will come into effect by 1 July 2019. These include:
- 50.1 a new entitlement for young people who have been in care to be supported to live with a caregiver from age 18 up to age 21
 - 50.2 a new duty to take reasonable steps to maintain contact with young people up to age 21 when they have been in care or a youth justice residence
 - 50.3 an extension of the current duties around the provision of advice and assistance to young people up to the age of 25 who have been in care or a youth justice residence.
- 51 A transition support service needs to be established to meet these requirements, and to improve the wellbeing of these young people.

Options

- 52 Three options have been considered to implement the new legislative requirements:
- 52.1 **Option One: phone-based minimum service.** This would provide a minimum level of service in line with legislative requirements. Direct support would be primarily phone-based, and would require a small increase in frontline workers, and some investment in financial and housing support.
 - 52.2 **Option Two: strong preparation, continuing response through a relationship-based service.** This focuses on investing in relationship-based support at the time when a young person is preparing to transition from care or custody, and maintaining a moderately high level of similar support through the transition.
 - 52.3 **Option Three: high-intensity service.** This focuses on significant investment in relationship-based support throughout all stages of the transition, and higher levels of financial assistance and supported housing.

Key policy direction sought

- 53 I am seeking to develop Option Two, as the relationship-based approach aligns with what young people have said that they need, the available evidence, and approaches taken in comparable overseas jurisdictions. While Option Three would be most likely to improve outcomes for young people, it requires a level of increase in workforce capacity and capability that would be difficult for the Ministry to achieve in the short-term, in addition to the required increases in other areas of the operating model.

Improving outcomes for Māori (details set out in Paper Two)



Background and problem definition

- 55 The proportion of Māori children and young people in the Oranga Tamariki system remains consistently higher than that of non-Māori. While it is important to focus on improving outcomes for all New Zealand children and young people, a different approach is needed to address disparities in the outcomes and experiences of Māori children and young people.
- 56 Amendments to the Act strengthen and clarify the principles that apply to how Oranga Tamariki works with Māori children and young people (and their whānau, hapū and iwi) who are subject to the Act. They also place specific and enforceable obligations on the chief executive of Oranga Tamariki through section 7AA that recognise and provide a practical commitment to the Treaty of Waitangi (te Tiriti o Waitangi); namely, to:
- 56.1 set measurable outcomes to ensure that the Ministry's policies and practices have the object of reducing disparities for Māori children and young people who come to its attention
 - 56.2 ensure that departmental policies, practices and services have regard to mana tamaiti (tamariki) and the whakapapa of Māori children and young persons, and the whanaungatanga responsibilities of their whānau, hapū and iwi
 - 56.3 seek to develop strategic partnerships with Māori and iwi organisations
 - 56.4 report annually on measures taken to carry out these duties, including the impact of those measures on improving outcomes for Māori children and young people and their whānau.
- 57 These new duties require a greater level of accountability, and this entails a shift in the capability of the current workforce, partnership approaches, and provision of services that support the cultural wellbeing of Māori children and young people.

Key policy direction sought

- 58 I note that the primary approach to meeting the section 7AA obligations is through the development of the new operating model. In each area of the new operating model, there has been an explicit focus on these duties and how they will be reflected. In addition to these, there is a need for an organisation-wide approach. I am seeking agreement in principle to the following areas of investment to support the implementation of these duties:
- 58.1 funding to support the development of strategic partnerships with iwi and Māori organisations
 - 58.2 initiatives to build workforce cultural capability, including expansion of specialist Māori roles and iwi-based FGC co-ordinators
 - 58.3 enhancing cultural connection activities within Oranga Tamariki, including the review and redesign of the cultural component of the Tuituia assessment and co-development of initiatives with iwi and Māori that help improve a child or young person's positive cultural identity, connection and belonging.

Oranga Tamariki will also be putting forward other proposals for consideration in Budget 2019

59 In addition to the proposals needed to develop the operating model that are addressed in this suite of papers, there is a set of other proposals to meet cost and demand pressures and enable the effective functioning of the organisation, that will be submitted for consideration for Budget 2019 funding. These cover:

59.1 demand and cost pressures related to meeting the needs of children in care

59.2 other cost pressures, including those associated with the impact of workload increases due to the Royal Commission of Inquiry into historical abuse in state care, increase in demand for harmful sexual behaviour interventions, and corporate cost pressures such as shared services and insurance costs

59.3

9(2)(f)(iv)

60

9(2)(g)(i)

Getting these changes right will mean significant gains in the wellbeing of children and young people

61 The attached outcomes framework outlines some of the immediate benefits to children and young people we should expect to see from implementing these proposals, including: more children and young people being safe and flourishing at home; more children and young people in care having their full range of needs met; and more young people having the life skills they need to thrive as adults.

62 While improving the experiences of New Zealand's most at-risk children and young people is significant in and of itself, Oranga Tamariki is also using its Children's Wellbeing Model, as part of the Budget process, to calculate the expected benefits of proposals in terms of improved outcomes for children and young people. Across the different individual investment proposals lifetime wellbeing benefits can be expressed in terms of improvements in educational, employment and health outcomes, and reduced rates of offending. In addition, a range of benefits is anticipated that cannot be quantified using the Children's Wellbeing Model; for example, greater connection to community and culture, and stronger and healthier inter-personal relationships.

63 I therefore expect that investing to improve the wellbeing of the children and young people who Oranga Tamariki works with will lead to benefits across multiple sectors, and support the achievement of wider Government policy objectives such as improving mental health and reducing family violence, and the strategic direction of Hāpaitia te Oranga Tangata: Safe and Effective Justice.

The proposals require investment in the children's workforce to realise the Government's vision for Oranga Tamariki

64 The investment proposals have significant workforce implications.

This estimate is continuing to be refined as the Budget proposals are developed, and may increase. I

9(2)(g)(i)

expect that the vast majority will be frontline staff, and roughly half of these will be with partners.

- 65 This increase in resources is needed to deliver a significant improvement in the quality of care; new intensive intervention and transition services; and staffing and delivery of programmes in youth justice facilities. A larger workforce will not, in itself, be enough. We need to continue the work we have begun to lift the skills and capability of the workforce in order to achieve the objectives of these changes.
- 66 Building this size and calibre of workforce poses a significant challenge for the Ministry and the wider sector. The immediate measures being put in place to best ensure this workforce can be developed are:
- 66.1 quantifying the immediate need for statutory social workers to deliver an improved care system, and other core statutory roles and functions, and progressing the recruitment of these roles, including with NGO providers
 - 66.2 working to understand where there are opportunities to use support workers and paraprofessional roles to free the capacity of social workers to focus on working with children and young people and raise the quality of their practice – this will also allow Oranga Tamariki to provide a more diversely skilled workforce
 - 66.3 building on the expertise and capacity that already exists within the wider sector (ie NGOs, iwi and other organisations that are already delivering services aligned to the operating model)
 - 66.4 building capability through the continued embedding and sharing of the Ministry's practice framework
 - 66.5 undertaking joint capability building activities with NGO, iwi and Māori partners to share existing expertise
 - 66.6 ensuring change management practices are in place to support the current and future workforce to adapt to new ways of working
 - 66.7 strengthening appropriate governance and accountability arrangements across the workforce delivering the new model, to ensure consistent quality standards are achieved.
- 67 I expect that the pay equity settlement for Oranga Tamariki social workers will assist significantly in attracting and recruiting statutory social work staff, and help further professionalise the workforce. I note that the demand for other types of professionals may have an impact on other workforces – for example, the educational workforce, which employs paraprofessionals and psychologists.
- 68 More information on the Ministry's workforce development approach is in Appendix C.

Oranga Tamariki will work closely with its NGO, iwi and Māori partners to deliver services

- 69 The services and interventions needed to improve the wellbeing of children and young people are delivered by Oranga Tamariki employees and external partners. The operating model proposals will place additional demands on these partners.

- 70 The Ministry's approach is based on having centralised core processes and standards, while allowing for regional variation in delivery approaches. The Ministry already has a practice of working with iwi, government and NGO partners at a regional level to share information and develop collaborative responses. It is well positioned to expand on these practices to support the implementation of the new operating model as a whole.
- 71 More information on the Ministry's partnering approach is included in Appendix D.
- 72 Over the last ten years, NGOs delivering social services have been under significant pressures due to static funding, increasing costs, and rising demand. These pressures have affected NGOs' ability to recruit, train, reward, and support their workforce. It is recognised that the successful implementation of the Oranga Tamariki operating model will rely on a skilled and effective children's workforce, employed by government agencies and strong and stable NGOs. I intend, therefore, to seek funding through Budget 2019 not only for the new capabilities we need for the operating model, but in the stability and capability of our NGO partners. Oranga Tamariki will prepare a partnership strategy setting out the capability and capacity requirements of the NGO sector to implement the future operating model, and how these will be addressed. This strategy will inform any investment proposals to meet NGO sector cost pressures.
- 73 In the interests of taking a collaborative approach, and subject to Cabinet's agreement to the proposals in this suite of papers, I note that Oranga Tamariki will be engaging early with iwi, Māori and NGO providers on the development of these proposals.

Children and young people in contact with Oranga Tamariki will require services from other government agencies to meet their needs

- 74 The proposals in this suite of papers are based, in the first instance, on building the core service response the Ministry offers, and meeting its statutory accountabilities. The Ministry will, however, require externally delivered services, including those from other government agencies, to successfully give effect to the intent of these proposals. Agencies in the children's system need to work together to provide a holistic service for children and young people in contact with Oranga Tamariki. This may require additional resourcing. For example, additional education and health assessments to inform FGC plans, and flexible models of education provision for young people on remand in community homes, will require additional funding.
- 75 There is a range of reasons why services are not provided when required. Services may not be available or, when they are, access to those services may be limited due to needs assessment approaches that do not align with those of Oranga Tamariki. There is also high demand for other specialist support for children and young people. For example, in education there are waiting lists for behaviour and communication services. Obtaining such services through the NGO or private sector can also be problematic, as services may not be available; may lack the appropriate capability; or are more likely to be successful when integrated into a core service provided by government.
- 76 I propose that Oranga Tamariki continues to use existing approaches to ensuring services can be obtained in 2019/2020. The care investment proposal is also factoring in costs for direct purchasing while more detailed information is gathered in the first year to develop a more precise understanding of requirements.
- 77 From 2020/2021 onwards, however, to best address children and young people's needs and to achieve the benefits sought from these investment proposals, a concerted effort across agencies and Ministers is needed. The Child and Youth Wellbeing Strategy and the OTAP are key vehicles for ensuring agencies work together more effectively to improve outcomes

for the core populations of interest to Oranga Tamariki. The Child Poverty Reduction Bill, currently before Parliament, includes requirements for a child wellbeing strategy, and a cross-agency chief executives' OTAP, which are both required to include a focus on the core populations of interest to Oranga Tamariki.

- 78 The first Child and Youth Wellbeing Strategy is due to be adopted in 2019. As part of the development of the strategy and the OTAP, there will need to be a focus on the actions needed across children's agencies to ensure successful delivery of the Ministry's operating model. More detailed information on children's needs collected as part of the implementation of the investment proposals will help inform the OTAP.
- 79 In addition to the investments Oranga Tamariki is seeking, other agencies, such as the Ministry of Education, are seeking funding through Budget 2019 which will support the delivery of the new operating model. Other work programmes across government, for example work to improve New Zealand's mental health system, are also likely to contribute to improving the wellbeing of the children and young people Oranga Tamariki works with.
- 80 Further, the Joint Venture is leading the development of a national cross-agency bid for family and sexual violence for Budget 2019. While broader in its focus, this work will deliver important benefits for the wellbeing of children and young people. This work is likely to place similar demands on the government and wider workforce, and will face challenges akin to those involved in the implementation of the Oranga Tamariki operating model. There are opportunities for Oranga Tamariki to work with the Joint Venture to identify shared approaches to addressing these challenges.

Property implications

- 81 The shift away from large institutional settings to more community-based placement options for young people in the care and youth justice systems has implications for the Ministry's property portfolio. Efficiencies are being sought across these placement types to ensure the Ministry is making optimal use of them, such as working towards residential settings that can be shifted between care and protection and youth justice purposes in line with demand. However, more of these types of placement will still be needed. The associated costs have been taken into account in the development of the care and youth justice investment proposals.
- 82 The Ministry's digital workplace strategy will help to make better use of the Ministry's property. The Ministry will need to increase its frontline site capacity, however, to accommodate the considerable increase in staff required to deliver the proposals in this suite of papers. These costs have been built into the total indicative costs for each investment proposal, as is funding for site redesign to meet health and safety requirements and ensure fitness for purpose under the new operating model.

Information and technology requirements

- 83 Specific information and technology requirements have been taken into account in the calculation of costs for the investment proposals for each of the operating model functions. At the organisational level, the Ministry has an ageing technology and information environment, which requires significant improvements to deliver on the changes proposed. The Ministry has undertaken a series of initiatives to address immediate priorities, including implementing IT changes to meet the legislative requirements taking effect by 1 July 2019. In 2018/2019, Oranga Tamariki is focused on building foundations, such as through a digital workplace platform and a platform for caregiver recruitment functions, and implementing enhanced technology to support the National Contact Centre.

Evaluation, monitoring and continuous improvement

- 85 Each individual Budget bid will include a proposal for a suite of evaluation, research, analysis and monitoring activities designed to ensure services are implemented as expected, have the impacts anticipated and, where there are current gaps in knowledge, there is a plan to build the evidence base for what works.
- 86 These activities will be bespoke for each area of the operating model but will be centrally coordinated and form part of the Ministry's wider work of continuous improvement. Oranga Tamariki has also identified opportunities to strengthen the evidence base by carrying out 'cross-cutting' evaluation, research, analysis and monitoring activities across the individual bids.
- 87 I also note that the Ministry is establishing an ongoing children's experiences measurement approach, which will help Oranga Tamariki understand its impact on the experiences of children and young people, drive service improvements, and help monitor changes over time. The Ministry of Social Development (MSD) is planning to deliver a new Youth Health and Wellbeing Survey in mid-2019, and will ensure that this complements the Oranga Tamariki children's experiences measurement approach.
- 88 Oranga Tamariki also has a centralised compliments, complaints and suggestions process. This will be underpinned by a legal requirement, from 1 July 2019, for the Ministry to have child-centred complaints mechanisms in place.
- 89 I note that a robust framework for monitoring of the operating model and the wider system is also being put in place. Firstly, MSD, with support from the State Services Commission (SSC), is currently undertaking a review of independent oversight of the Oranga Tamariki system and children's issues.
- 90 Concurrently, MSD is also leading work, in consultation with Oranga Tamariki and SSC, to appoint an independent monitor to oversee compliance with the National Care Standards, as required by the Oranga Tamariki Act 1989. The National Care Standards also require the Ministry to develop a framework for internal monitoring, which will be progressed as part of the development of an integrated quality assurance system for Oranga Tamariki.

Change management /implementation

- 91 The Ministry is in a strong position for further investment to develop its operating model and build on the progress made to date. Work is already underway, with significant infrastructure having been developed over the last 18 months, to enable the Ministry to manage the extent of transformation and investment. This includes suitable governance arrangements, and the increasing maturity of the programme management approach within the Ministry.

Consultation

- 92 This paper was prepared by Oranga Tamariki. The following agencies were consulted in the preparation of this paper: the Ministries of Health, Education, Justice, Social Development, and Youth Development; the Ministry of Business, Innovation and Employment; the Ministry of Housing and Urban Development; the Ministry for Pacific Peoples; the Ministry for

Women; Te Puni Kōkiri; the Department of Corrections; the New Zealand Police; the Office of Disability Issues; the Accident Compensation Corporation; Inland Revenue; the Joint Venture Family Violence and Sexual Violence; the Tertiary Education Commission; the State Services Commission; the Treasury; the Policy Advisory Group, Child Wellbeing Unit and the Child Poverty Unit at the Department of the Prime Minister and Cabinet; and the Office of the Children's Commissioner.

[REDACTED] 9(2)(g)(i)

93 [REDACTED] 9(2)(g)(i)

94 [REDACTED] 9(2)(g)(i)

95 [REDACTED] 9(2)(g)(i)

96 Before Budget 2019, we expect to see significant progress made on developing workforce and partnership strategies, and on the Child Wellbeing Strategy and Oranga Tamariki Action Plan.

Financial implications

97 [REDACTED] 9(2)(g)(i)

Scenario Preferred/recommended options indicative estimates					
2019 Budget Bid					Total
	\$million	\$million	\$million	\$million	\$million
New Operating Model OT Operating expenditure					
Intensive Intervention Operating Expenditure					
Youth Justice Operating Expenditure					
Transitions Operating Expenditure					
Care Operating Expenditure					
Children's Team Operating Expenditure					
7AA					
Total New Operating Model OT Operating expenditure					
New Operating Model OT Capital Expenditure					
Intensive Intervention Capital Expenditure					
Youth Justice Capital Expenditure					
Transitions Capital Expenditure					
Care Capital Expenditure					
Children's Team Capital Expenditure					
7AA Capital Expenditure					
Total New Operating Model OT Capital Expenditure					
Total New Operating Model OT Expenditure					
OT Operating Model Capital Expenditure by Type					
Capital Expenditure office space property fit out					
Capital Expenditure IT Systems					
Capital Expenditure new community homes YJ Care					
Total OT New Operating Model Capital Expenditure					

98 This set of papers seeks agreement to policy proposals to develop or improve the Ministry's core operating model functions, and provides indicative costs. Subject to Cabinet agreement, these proposals will be developed into initiatives to be considered for Budget 2019 funding.

99 [REDACTED] 9(2)(g)(i)

100 I intend to report back to SWC to request pre-commitment funding in November 2018 in order to resource immediate work needed before 1 July 2019 to meet legislative requirements.

Legislative implications

101 New legislation is not required to implement the proposals in this suite of papers.

Impact analysis

102 Impact analysis requirements do not apply to this paper.

Human rights

- 103 The proposals in this suite of papers are consistent with the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993. The proposals will increase New Zealand's alignment with the United Nations Convention on the Rights of the Child (UNCROC), in particular Articles 19, relating to protecting children from abuse, neglect and violence from those caring for them, and Article 20, that relates to the entitlement to special protection and assistance for children who cannot remain in their family environment.
- 104 The proposals also align with New Zealand's statement of support for the United Nations Declaration on the Rights of Indigenous Peoples, including New Zealand's ongoing commitment to engaging with the Declaration's objectives in accordance with New Zealand's evolving domestic legal and constitutional frameworks and wider circumstances.
- 105 UNCROC also holds New Zealand to an obligation to hold young people in detention or imprisonment only as a measure of last resort and for the shortest possible time. The UN Minimum Rules for the Administration of Youth Justice set out that detention pending trial should be replaced by alternative measures whenever possible. Development of a wider range of youth justice placement options will help deliver on these obligations and rules.

Child Impact Assessment

- 106 Oranga Tamariki has used the Child Impact Assessment Tool to assess this suite of policy proposals.
- 107 This assessment confirmed that the proposals are expected to positively impact many of New Zealand's most at-risk children and young people. The proposals aim to target their specific needs, in order to improve their wellbeing and outcomes.
- 108 As part of this assessment, Oranga Tamariki has identified some next steps that will be considered in the remaining stages of service design, operational policy and guidance, staff and caregiver recruitment, training and support, and ongoing monitoring and information gathering to ensure the best possible impacts for children and young people.

Gender implications

- 109 Gender analysis has been undertaken on the proposals in this suite of papers. Women are more likely than men to be the primary caregivers for children and young people. Therefore, proposals that aim to provide families, whānau and foster caregivers with greater support and assistance, particularly those in intensive intervention and care, will benefit women and their whānau.
- 110 Boys and young men are slightly more likely to be in care and significantly more likely to be in the youth justice system, and are likely to benefit from the proposals. The operating model is being developed to be child-centred, which includes being responsive to the individual needs of each child, including those related to gender identity.

Disability perspective

- 111 The proposals in this suite of papers apply to all children and young people Oranga Tamariki works with, including those with disabilities. There is an over-representation of disability needs in the care and youth justice systems. International research indicates that abuse and disability often co-exist in the lives of children. Children and young people who are abused are at a higher risk of developing a disability, and children and young people with a disability are at a higher risk of being abused and neglected.
- 112 It is difficult to determine exactly how many of the children and young people Oranga Tamariki works with have a disability because this information is not captured consistently. We do know, however, that many of these children and young people will have a neuro-developmental or mental health need which, in many cases, adversely affects their wellbeing and behaviour.
- 113 I expect each part of the operating model to respond to the needs of disabled children and young people. The proposals in this suite of papers will help to deliver better outcomes for disabled children and young people, including by improving the scope and quality of needs assessment and services available to meet the needs of at-risk children and young people, and ensuring families, whānau and caregivers who have disabilities have the right support to care for at-risk children and young people.
- 114 Alongside this, many of these proposals are focused on ensuring children and young people are engaged with processes and decisions that affect them; this includes those with disabilities and communication difficulties.

Publicity

- 115 Any announcements relating to final Budget 2019 decisions for Vote Oranga Tamariki will be made following Budget release day in May 2019. Any announcements will be co-ordinated with the Office of the Minister for Children.
- 116 Any publicity around the evaluation of Children's Teams will be co-ordinated by my office in line with any new announcements in this area.

Proactive release

- 117 Consistent with section 9(2)(f)(iv) of the Official Information Act 1982, the content in this paper is under active consideration until final decisions relating to Budget 2019 have been made. Proactive release of this paper will be considered closer to Budget release day in May 2019.
- 118 I seek Cabinet's agreement to the public release of the attached outcomes framework that underpins the investment proposals in this suite of papers, subject to Cabinet agreement to the proposals in this suite of papers. This will assist Oranga Tamariki in its public communications about its strategy and direction, and in reporting on outcomes. Because the outcomes framework articulates the policy directions that this suite of papers is seeking agreement to, rather than the specific changes Oranga Tamariki will make to achieve these, releasing this outcomes framework should not anticipate Budget decision-making.

Recommendations

119 The Minister for Children recommends that the Committee:

- 1 **note** that Oranga Tamariki—Ministry for Children (Oranga Tamariki) was established on 1 April 2017, following a comprehensive review by the Modernising Child, Youth and Family Expert Panel that found that the care, protection, and youth justice systems did not sufficiently meet the needs of children and young people, nor do enough to improve their long-term outcomes
- 2 **note** that on 16 May 2018, the Cabinet Social Wellbeing Committee (SWC) noted:
 - 2.1 the changes necessary to shape services that support the Government's priorities and shape the future of Oranga Tamariki
 - 2.2 the Ministry's contribution to the Child and Youth Wellbeing Strategy
 - 2.3 that the Minister for Children would report further to SWC in 2018 on the Ministry's future direction [SWC-18-MIN-0056 refers]
- 3 **note** that the Ministry requires significant investment to meet legislative requirements taking effect by 1 July 2019 and to transform its core services, including:
 - 3.1 delivering on the Ministry's new obligations focused on improving the outcomes of Māori children and young people
 - 3.2 building on its statutory response to children and young people at risk of harm, by establishing new intensive intervention services to reduce the need for children and young people to enter care
 - 3.3 delivering a significant improvement in the quality of care, and improved support for caregivers, under the new Oranga Tamariki (National Care Standards and Related Matters) Regulations 2018
 - 3.4 providing for an expanded youth justice system, which will include many 17 year-olds
 - 3.5 establishing a new transition service for 18 – 24 year-olds, including the right to live with a caregiver until age 21
- 4 **note** that the Ministry's early intervention approach will be developed over time, in collaboration with other agencies, and in alignment with the direction to be set by the first Child and Youth Wellbeing Strategy
- 5 **note** that Children's Teams were established in 2012 [CAB Min(10) 34/9 refers] to bring partner agencies together for children and families assessed as being below the statutory threshold of risk of harm

6

[REDACTED]

9(2)(g)(i)

7

[REDACTED]

9(2)(g)(i)

8 **note** the a detailed bid to manage the funding pressure in paragraph 6 above will be developed for Budget 2019 consideration

9 **invite** the Minister for Children to report back to the Cabinet Social Wellbeing Committee in November 2018 on the future direction of Children's Teams

10 [REDACTED] 9(2)(f)(iv)

11 **note** that any investment proposals to meet NGO sector cost pressures will be further developed for consideration for funding through Budget 2019, informed by the [REDACTED] 9(2)(f)(iv)

12 **note** that, subject to Cabinet agreement to the proposals in this suite of papers, Oranga Tamariki will engage with iwi, Māori organisations and NGO partners on the development of these proposals in the interests of taking a collaborative approach

13 [REDACTED] 9(2)(g)(i)

14 [REDACTED] 9(2)(g)(i)

15 **note** that successfully giving effect to the intent of these proposals will require agencies in the children's system to work together, which is likely to have resourcing implications for other social sector agencies

16 [REDACTED] 9(2)(f)(iv)

16.1 [REDACTED] 9(2)(f)(iv)

16.2 [REDACTED] 9(2)(f)(iv)

16.3 [REDACTED] 9(2)(f)(iv)

17 **note** that the Minister for Children intends to report back to the Cabinet Social Wellbeing Committee in November 2018 to request pre-commitment funding in order to resource immediate work needed before 1 July 2019 to meet legislative requirements

18 **note** that, subject to Cabinet decisions on the proposals contained in this suite of papers, initiatives will be developed for consideration as part of Budget 2019

19 **note** that subject to Cabinet decisions on the recommended policy options, detailed scaling and phasing options for each proposal will be provided through Budget 2019 processes, thereby providing Ministers with flexibility to make specific investment decisions within these broad proposals

- 20 **agree** to the public release of the Oranga Tamariki outcomes framework that underpins these proposals, subject to Cabinet agreement to the proposals in this suite of papers.

Authorised for lodgement

Hon Tracey Martin

Minister for Children

PROACTIVELY RELEASED

Appendix A: Additional key information on Oranga Tamariki

Key achievements to date

- 1 Oranga Tamariki is a new Ministry, the purpose of which is to ensure that children are safe and nurtured; that all tamariki are in loving whānau and communities where oranga tamariki can be realised.
- 2 In its first year Oranga Tamariki focused on essential foundation work, including stabilising services, delivering some immediate service enhancements, starting to design future services, and building essential core capacity and capability, including new leadership.
- 3 The Ministry is in a strong position for further investment to develop its operating model and build on the progress made to date. Work is already underway, with significant infrastructure having been developed over the last 18 months to enable the Ministry to manage the extent of transformation and investment, including through commissioning and partnering with iwi and Māori organisations and the broader NGO sector.
- 4 Oranga Tamariki recognises that it cannot make these changes alone. It has developed an approach to engaging its partners at a regional level to jointly identify how the capability and capacity needs arising from the implementation of the investment proposals can be met.
- 5 Examples of key achievements to date include:
 - 5.1 the Ministry is now providing care to 17 year-olds as a result of the expanded jurisdiction of the care and protection system
 - 5.2 new regulations for National Care Standards have been made – these will come into force on 1 July 2019
 - 5.3 new social workers have been recruited – a net gain of 150 workers – as well as a number of new practitioner roles so social workers can spend more time working with children
 - 5.4 there has been a net gain of 220 caregivers between April 2017 and June 2018¹⁵
 - 5.5 the Ministry has established a Care Taskforce to help find emergency placements for children and reduce the number staying in motels and other less appropriate places
 - 5.6 the Ministry has developed and begun to implement a new practice framework to ensure high quality practice in all frontline services
 - 5.7 new sites have been created in Waikato, Tauranga and Whangarei
 - 5.8 the Ministry now has more than 70 percent of its contracted funding in multi-year contracts. This has increased from around 30 percent in the last year
 - 5.9 Oranga Tamariki is partnering with iwi and Māori organisations to deliver different approaches for working with tamariki and whānau Māori
 - 5.10 VOYCE – Whakarongo Mai, an independent advocacy service for care-experienced children and young people, has been established.

¹⁵ This figure excludes caregivers from NGO providers.

Principles guiding the development of the operating model

- 6 Key principles guiding the development of the Oranga Tamariki operating model include:
 - 6.1 having high aspirations for children and whānau
 - 6.2 taking a preventative approach in every part of the operating model
 - 6.3 the need for therapeutic and evidence-based approaches across all services
 - 6.4 relationships between workers, children and whānau being central to development of services; and for those to be strengths-based and for there to be continuity for children and whānau
 - 6.5 the importance of stability, including a commitment to better support for caregivers to provide more stable and supported placements
 - 6.6 the importance of ensuring transitions – between placements, and into and out of care – are well-planned and supported
 - 6.7 a focus on facilitating strong, nurturing connections between children and young people and their families, whānau and communities, rather than institutions (eg moving away from residences to community-based placements in care and youth justice)
 - 6.8 making best use of all resources across the whole child wellbeing sector, especially iwi and Māori organisations, Pacific providers, NGOs and other government agencies
 - 6.9 the need for better assessments and planning, informed by more face-to-face work with children and young people, in order to understand and meet their individual needs better.

Appendix B: Children's Teams Evaluation – Summary Report

EXECUTIVE SUMMARY

Children's Teams are a community-based initiative, designed to support children and young people, and families and whānau on the edge of statutory care

- 1 This report summarises the findings of an evaluation exploring the implementation and operation of three Children's Teams – Canterbury, Horowhenua/Ōtaki and Rotorua. Inputs to this summary report include: two prior Oranga Tamariki Evidence Centre evaluation reports, based on qualitative interviews with key stakeholders, and families and whānau currently or previously involved with the teams; monitoring data relating to the timeliness of key Children's Teams processes, along with referral and transition information; and findings from past evaluation reports.
- 2 Since their establishment, a total of 2,171 referrals have been made to the three evaluation sites. Most of these referrals (82 percent) were subsequently accepted by Children's Teams. As of April 2018, 460 children and young people were still engaged, while 1,327 had transitioned from the teams. Of those no longer engaged, 46 percent had a planned exit, 15 percent were escalated to a statutory care and protection response, 17 percent disengaged, and 21 percent had some other exit status. On average, children and young people with a planned exit engaged with Children's Teams for just over a year.

Families and whānau, and stakeholders, support the concept of Children's Teams

- 3 Feedback suggests that the fundamental concept of the Children's Teams model is sound, particularly the direct support provided to families and whānau by Lead Professionals. Families and whānau reported an excellent experience with the teams overall, which was associated with relationship-based support and enhanced access to required services. Stakeholders also acknowledged these areas of strength, and expressed strong conceptual support for the model.

There are structural barriers to delivering the model

- 4 Beyond frontline engagement, feedback from stakeholders highlights several challenges to successfully delivering the Children's Teams approach. Stakeholders identified implementation, process and community-level issues, which constitute structural barriers to the teams' successful operation, and challenge their ability to support children and young people, and their families and whānau. Many of these findings are reflected in past evaluation reports and monitoring data.

Feedback indicates a new Children's Teams operating model could be introduced

- 5 Overall, this feedback highlights opportunities to improve how Children's Teams function and indicates introducing a new operating model would be beneficial. This model should be responsive to the range of structural barriers identified. Efforts to undertake this work can be usefully informed by the following success principles, identified through this evaluation. These principles also highlight key lessons from Children's Teams, which can contribute to developing a new Oranga Tamariki intensive intervention function.

Designing, implementing and supporting collaboration

- Communities must be committed and ready to engage in collaboration.
- The implementation and design of collaborative approaches should be led by local communities.
- Cross-agency contract arrangements should reflect and facilitate collaboration.

Investing in communities

- Cross-agency investment in services for vulnerable children and young people, and families and whānau, is required.
- Providing adequate resourcing is central to effectiveness and sustainability.
- Cross-agency capability and capacity building within the children's workforce is required.

Supporting families and whānau

- Support should be whānau-centred, relationship-based and empowering.
- Families and whānau benefit from timely access to required supports.
- The relationship between, and respective thresholds of, statutory responses and community-based preventative approaches must be clear.
- Enabling functions¹⁶ should support, rather than challenge, work with families and whānau.
- Collaborative approaches must be culturally responsive and support the wellbeing of Māori children and young people, and their whānau.
- The process of transitioning families and whānau from Children's Teams should balance meeting their needs and the risk of creating dependency.

Roles and responsibilities

- Having a key person lead a team working with families and whānau is important; these professionals must be competent and supported in their work.
- 6 All success principles identified have the potential to support future work; however, it is worth acknowledging their relative importance. In particular, this evaluation and others identify ongoing challenges to the model's sustainability associated with the Children's Teams implementation process. In particular, a need for appropriate balance between local and national ownership has been highlighted. This finding is a key lesson for Oranga Tamariki.
- 7 Ensuring future design work considers lessons from Children's Teams will support efforts to deliver effective intensive intervention services. This work is especially important given the Oranga Tamariki commitment to valuing the wellbeing of children and young people, and supporting them to thrive in loving families, whānau and communities.

Publication

- 8 Copies of the summary report are available on request. The publication and any publicity around the evaluation will be co-ordinated by the Office of the Minister for Children in line with new announcements in this space.

¹⁶ These functions include the referral process, assessment tool and case management system.

Appendix C: Additional information on workforce development approach

- 1 The investment proposals have significant workforce implications. [REDACTED]
9(2)(g)(i) [REDACTED]. This estimate is continuing to be refined as the Budget proposals are developed, and may increase. The vast majority are expected to be frontline staff, and roughly half of these will be with partners. This increase in resources is needed to deliver a significant improvement in the quality of care; new intensive intervention and transition services; and staffing and delivery of programmes in youth justice facilities.
- 2 The new operating model is based on practice being relational, restorative and culturally responsive, which is reflected in the Ministry's new practice framework. A range of skills and knowledge is needed in the organisation, and in partner organisations, to meet the needs of individual children. In particular, there is a need for greater expertise and understanding of Te Ao Māori, collaboration and multi-disciplinary working, trauma-informed practice, identifying disability and supporting disabled people, parenting advice and therapy skills, and in quality supervision to ensure frontline staff can adhere to the appropriate standard of practice.
- 3 The approach the Ministry has taken is to understand the total workforce needs, based on a model of the 'team' of social workers, supervisors and other workers needed around each child in different parts of the operating model, and then determine the extent to which services are best delivered by the Oranga Tamariki workforce or by iwi or community partners in the short and long-term.
- 4 This has led to an initial set of workforce requirements for the operating model, as a foundation for its workforce development and sourcing strategies, which is aspirational about the outcomes sought for children, but realistic about the constraints under which the workforce will need to be developed. This includes considering the best use of support and paraprofessional¹⁷ teams around social workers to ensure services are provided in the way that best improves the wellbeing of children.
- 5 The principles on which the workforce requirements are based are that:
 - 5.1 children and young people need to have one primary relationship with a trusted key worker
 - 5.2 the role of social workers needs to be clearly focused to make best use of their particular expertise – this role will still need to include elements of both service delivery and service brokerage
 - 5.3 a multi-disciplinary workforce is required, including roles such as brokers, youth workers, kairaranga, and psychologists.
 - 5.4 the workforce should comprise a mixture of staff from Oranga Tamariki, NGO partners, iwi and Māori organisations
 - 5.5 accountability and governance over quality should be a fundamental requirement, irrespective of the delivery approach.

¹⁷ A worker who would come alongside a qualified member of staff, and provide a range of support functions to the families and whānau, and children and young people.

Appendix D: Additional information on the Ministry's partnering approach

- 1 The services and interventions needed to improve the wellbeing of children and young people are delivered by Oranga Tamariki employees and external partners. The operating model proposals will place additional demands on these partners. To ensure services are available, where they are needed, Oranga Tamariki will:
 - 1.1 map, by region and by iwi, the combined needs of children and young people, and families and whānau, for support through the operating model
 - 1.2 undertake regional assessments to identify existing capacity and capability, including innovative models of service delivery
 - 1.3 work at a regional level with its NGO, iwi, Māori and other partners to identify appropriate responses to address gaps
 - 1.4 work collaboratively with its partners to address gaps, by sharing expertise and resources
 - 1.5 progress strategic partnerships with iwi and Māori organisations to increase the role they play in addressing the needs of Māori children and whānau
 - 1.6 work with new organisations with the potential to provide services within the Oranga Tamariki operating model to build their capability and become accredited where required eg Pacific health providers, disability organisations
 - 1.7 be flexible in how it works in each region depending on the partnerships it has with iwi and Māori organisations, the capability and capacity of local providers, and the readiness of providers to work together.
- 2 The Ministry's approach is based on having centralised core processes and standards, while allowing for regional variation in delivery approaches. This is driven by the need to take into account local differences in demand, and the current number and capability of partners. In addition, aspects of the operating model require the participation of a wide range of iwi and community stakeholders, who will need to be engaged at a regional and local level. The Ministry already has a practice of working with iwi, government and NGO partners at a regional level to share information and develop collaborative responses. It is well positioned to expand on these practices to support the implementation of the new operating model as a whole.
- 3 The Ministry needs to build sustainable partnerships with iwi and other NGOs in order to improve the wellbeing of children. The Ministry has identified, following a series of nationwide engagement hui with its iwi, Māori and NGO partners, that this could be better achieved through more flexible, high trust contracts, and contracting processes that encourage more innovative, tailored and collaborative responses to identified needs. The Ministry believes that encouraging collaborative approaches to service delivery will help achieve better outcomes, particularly for Māori children and whānau.
- 4 Whānau Ora initiatives, through the North and South Island Commissioning Agencies, enable a focus on the characteristics, aims and aspirations of communities. This helps ensure that any response is culturally responsive and effective for families and whānau. As part of the implementation of intensive intervention proposals, it is intended that consideration will be given to the use of services delivered through Whānau Ora commissioning, or similar approaches to working with iwi and Māori organisations.



Cabinet Social Wellbeing Committee

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Transforming Our Response to Children and Young People at Risk of Harm - Paper One: Overview

Portfolio Children

On 31 October 2018, the Cabinet Social Wellbeing Committee (SWC) **agreed to recommend** that Cabinet:

- 1 note that Oranga Tamariki—Ministry for Children (Oranga Tamariki) was established on 1 April 2017, following a comprehensive review by the Modernising Child, Youth and Family Expert Panel that found that the care, protection, and youth justice systems did not sufficiently meet the needs of children and young people, nor do enough to improve their long-term outcomes;
- 2 note that in May 2018, SWC noted:
 - 2.1 the changes necessary to shape services that support the government's priorities and shape the future of Oranga Tamariki;
 - 2.2 the Oranga Tamariki contribution to the Child and Youth Wellbeing Strategy;
 - 2.3 that the Minister for Children would report further to SWC in 2018 on the Oranga Tamariki's future direction;

[SWC-18-MIN-0056]
- 3 note that Oranga Tamariki requires significant investment to meet legislative requirements taking effect by 1 July 2019 and to transform its core services, including:
 - 3.1 delivering on Oranga Tamariki's new obligations focused on improving the outcomes of Māori children and young people;
 - 3.2 building on its statutory response to children and young people at risk of harm, by establishing new intensive intervention services to reduce the need for children and young people to enter care;
 - 3.3 delivering a significant improvement in the quality of care, and improved support for caregivers, under the new Oranga Tamariki (National Care Standards and Related Matters) Regulations 2018;
 - 3.4 providing for an expanded youth justice system, which will include many 17 year-olds;

3.5 establishing a new transition service for 18 – 24 year-olds, including the right to live with a caregiver until age 21;

4 note that Oranga Tamariki’s early intervention approach will be developed over time, in collaboration with other agencies, and in alignment with the direction to be set by the first Child and Youth Wellbeing Strategy;

5 note that Children’s Teams were established in 2012 [CAB Min (12) 34/9 refers] to bring partner agencies together for children and families assessed as being below the statutory threshold of risk of harm;

6 [Redacted] 9(2)(g)(i)

7 [Redacted] 9(2)(g)(i)

8 note that a detailed bid to manage the funding pressure described in paragraph 6 will be developed for Budget 2019 consideration;

9 invite the Minister for Children to report back to SWC in November 2018 on the future direction of Children’s Teams;

10 note that Oranga Tamariki will prepare a partnership strategy setting out the capability and capacity requirements for the non-governmental organisation (NGO) sector to implement the future operating model, and how these will be addressed;

11 note that any investment proposals to meet NGO sector cost pressures will be further developed for consideration for funding through Budget 2019, informed by the [Redacted] 9(2)(f)(iv)

12 note that Oranga Tamariki will engage with iwi, Māori organisations and NGO partners on the development of these proposals in the interests of taking a collaborative approach;

13 [Redacted] 9(2)(g)(i)

14 [Redacted] 9(2)(g)(i)

15 note that successfully giving effect to the intent of these proposals will require agencies in the children’s system to work together, which is likely to have resourcing implications for other social sector agencies;

16 [Redacted] 9(2)(f)(iv)

16.1 [Redacted] 9(2)(f)(iv)

16.2 [Redacted] 9(2)(f)(iv)

16.3



9(2)(f)(iv)

- 17 note that the Minister for Children intends to report back to SWC in November 2018 to request pre-commitment funding in order to resource immediate work needed before 1 July 2019 to meet legislative requirements;
- 18 note that initiatives will be developed for consideration as part of Budget 2019;
- 19 note that detailed scaling and phasing options for each proposal will be provided through Budget 2019 processes, thereby providing Ministers with flexibility to make specific investment decisions within these broad proposals;
- 20 agree to the public release of the Oranga Tamariki outcomes framework that underpins these proposals.

Jenny Vickers
Committee Secretary

Present:

Rt Hon Jacinda Ardern
Rt Hon Winston Peters
Hon Kelvin Davis
Hon Grant Robertson
Hon Andrew Little
Hon Carmel Sepuloni (Chair)
Hon Dr David Clark
Hon Nanaia Mahuta
Hon Jenny Salesa
Hon Tracey Martin
Hon Aupito William Sio
Michael Wood, MP
Jan Logie, MP

Officials present from:

Office of the Prime Minister
Department of the Prime Minister and Cabinet
The Treasury
Ministry of Education
Office of the Chair
New Zealand Police
Oranga Tamariki–Ministry for Children
Officials Committee for SWC

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