



Social Investment Agency
Toi Hau Tāngata

Social investment invitations - higher needs cohorts

Date:	4 October 2024
Security level:	Budget sensitive
To:	Nicola Willis, Minister for Social Investment
Tracking Number	SIA24/25-100

Purpose

This briefing identifies potential opportunities that could be the subject of Budget 2025 invitations to submit bids to establish social investment initiatives.

Context

1. One of your priorities for Budget 2025 is to establish three to five very tangible initiatives that provide clear examples of a social investment approach. We expect that some of these initiatives will be identified in the context of the Impact Reviews, recently completed by the Social Investment Agency (the Agency). A summary of all social investment opportunities is provided in a separate briefing [SIA24/25-105]. In addition, you have asked that other social investment initiatives be identified that might contribute to the achievement of the Government Targets [SIA24/25-085].
2. It is proposed that a small number of social investment initiatives be established by inviting departments to submit relevant bids as part of the Budget 2025 process, as agreed by you.

We have examined populations of interest for Government Targets

3. The Agency has, using the Integrated Data Infrastructure (IDI), looked at the needs, life experiences and characteristics of populations covered by the Government Targets. Some of the targets (eg, the health and education targets) implicate broad populations across a spectrum of need. Others (eg, crime, jobseeker and emergency housing targets) will need a focus on individuals who are generally in higher needs groups. Likewise, we looked at age

cohorts – again, some targets involve populations across the age spectrum (eg, health targets), while others focus attention on particular age cohorts (eg, education targets).

4. We examined disparities in target performance at regional levels, identifying some areas with relatively high numbers of people who are not achieving the outcomes indicated by the Targets (eg, Bay of Plenty, Gisborne). We included a summary of this work attached to our previous briefing outlining the Agency's programme of work to implement your social investment priorities [SIA24/25-085] and the full report will be shared with you in the next fortnight.
5. We further examined whether we could identify populations that were relevant to multiple targets. We found that populations in each target group are relatively distinct at any point in time. However, from previous analysis we know that taking a life-course view allows us to observe high-needs cohorts passing through target populations at different points in their lives. This lends itself to thinking about wider time horizons – for example, who is likely to be in different target groups by 2030?
6. Using the information derived from this analysis, previous analysis and review of the Delivery Plans that have been established by departments to achieve the Targets, we have identified some opportunities to intervene to achieve the targets that may be outside of the current focus of Lead Agencies. We suggest that these opportunities may provide options for you to establish social investment initiatives.

Social investment initiatives for Government Targets

7. Our previous advice identified two areas not well-covered in agency's target delivery plans:
 - 7.1 **Initiatives to prevent people presenting in target groups in the future:** Lead Agencies have focused delivery plans on groups already in the targets (eg children currently at school, young people currently offending) as these align with their operational activities and data, but it is possible to invest earlier across the system in response to indicators of developing (rather than realised) need.
 - 7.2 **Initiatives to solve for the 'hard end' of targets with universal populations:** It will be possible to make significant progress against Health, Education and Jobseeker targets without needing to address populations with significant and complex needs, but there is opportunity to invest for these groups in order to improve performance against other targets (eg addressing chronic truancy could have flow-on benefits for youth crime and future JobSeeker Support numbers).
8. Based on these gaps and our previous analysis, we have identified opportunities to establish social investment initiatives supporting the Government Targets, through the Budget 2025 process. Some of these overlap recommendations which already form part of the Impact Reviews of interventions in the First 2000 Days [SIA24/25-104] and to address Family Violence and Sexual Violence [SIA24/25-103]. The table attached in Appendix 1 lists detail of the additional opportunities outside of the scope of the Impact Reviews. We recommend that

departments be invited to submit a Budget bid to establish those initiatives you agree should be pursued further.

9. An invitation to submit such a bid would not constitute a guarantee that the bid would be accepted. We propose that any bids that are submitted should conform to some minimum standards for social investment, such as the key elements of the Checklist (with some flexibility to enable variation between agency approaches). If a bid does not meet the standard, it would not be accepted.
10. At this stage we consider that a quantum of between of up to \$30m over four years for any initiative is realistic. As per our cover report on the approach to Budget 2025 invitations [SIA24/25-105], we recommend that you set out your expectations that agencies will provide reprioritisation to offset the cost of initiatives via Budget letters, but don't strictly reprioritise options at a specific level. You will have a choice about how much of this will need to be funded through reprioritisation within votes, reallocation between votes, or new funding.

Requirements for Social Investment elements to be incorporated in these budget proposals

11. In the cover briefing [SIA24/25-105] we have indicated potential wording for invitations associated with any of the options you choose to pursue. We think this provides the right balance between being prescriptive while also allowing room for innovation. It focusses on:
 - 11.1 Identification of a specific cohort and outcomes, such as an identifiable group, potential locations, providers, services, and outcome measures;
 - 11.2 An intervention logic or theory of change that references the existing evidence base;
 - 11.3 Contracting for outcomes, such as working with providers to agree the programme's goals; and (at least in part) structuring payments in response to the outcomes that are achieved,
 - 11.4 Responsive monitoring and rigorous evaluation, such as designing the initiative in a way that allows an appropriate comparison group to be established, tightening feedback loops, and sharing system learnings.
 - 11.5 Requests for evidence and further analysis to back-up proposed approaches and for proposed reprioritisation.
12. Agency officials will make themselves available to support the development of bids, as appropriate. Additionally, supporting material developed by the Social Investment Agency (the Social Investment Checklist, Impact and Value Measurement Standards) will be provided along with Budget 2025 templates.



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Recommendations

It is recommended you:

- **Invite** a multi-agency bid to bolster existing or for new programmes to support youth at risk of disengaging from schools, including but not limited to: ☐ Yes ☐ No
 - » Young people who are at risk of, or who are, chronically absent or not enrolled in schools
 - » Young people at risk of, or who are, referred to Alternative Education services

- **Invite** a multi-agency bid to bolster existing initiatives or for new programmes to support early diagnosis and support for those living with ADHD ☐ Yes ☐ No

- **Invite** a multi-agency bid to bolster existing initiatives or for new programmes to support young people with the highest needs, including but not limited to: ☐ Yes ☐ No
 - » experienced abuse and neglect
 - » early victimisation, offending and contact with the justice system
 - » poor mental health: young person and/or a parent
 - » lower household and community financial resources
 - » early disengagement from school

- **Invite** a multi-agency bid to bolster existing initiatives or for new programmes to support young people transitioning out of state care in need of housing support ☐ Yes ☐ No

- **Note** we will work with the Treasury to operationalise your preferences in Budget 2025 letters ☐ Noted

Aphra Green
Deputy Chief Executive, Policy, Data and
Insights
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Hon Nicola Willis
Minister for Social Investment

Name	Position	Contact Number	First contact
Aphra Green	Deputy Chief Executive, Data, Policy and Insights	9(2)(a)	<input checked="" type="checkbox"/>

Attachments

Appendix 1 – Outline of evidence on cohorts to target, info on what works and options of which portfolios to invite



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Outcomes sought	Population of Interest	Why target this population?	What works?	Suggested portfolios to invite
<p>Increased school attendance</p> <p>Increased school achievement</p> <p>Reduction in youth offending</p> <p>Reduction in numbers on job seeker support</p>	<p>High needs children and young people aged 7-13 years, including but not limited to:</p> <ul style="list-style-type: none"> Youth not engaging in schools <ul style="list-style-type: none"> who are chronically absent or not enrolled in school in Alternative Education Young people living with ADHD Young people with the highest needs who have <ul style="list-style-type: none"> experienced abuse and neglect experienced early victimisation, offending and contact with the justice system poor mental health, or a parent with poor mental health lower household and community financial resources early disengagement from school 	<p>Research has indicated that increased investment in early-life support is effective at reducing poor outcomes.</p> <p>Outcomes for students who have been chronically absent or not enrolled are significantly worse than the total population. These young adults have significantly lower rates of achievement, greater usage of the benefit, worse health outcomes, and higher rates of crime.</p> <p>The cost to the Government and Aotearoa New Zealand's taxpayers is high, with young adults who have been chronically absent costing three times as much as other 20-year-olds. They are particularly costly in corrections, hospital admissions and benefits.</p> <p>Young people who attended Alternative Education have statistically significantly worse outcomes in adulthood than similar young people.</p> <ul style="list-style-type: none"> Many Alternative Education participants have had traumatic histories and have much higher rates of mental distress than other young people. Exclusionary discipline in schools is the biggest predictor of future Alternative Education participation. There are clear opportunities for the social system to provide earlier and enduring support for children, young people and their families, <p>Children with ADHD are:</p> <ul style="list-style-type: none"> 0.7 times as likely to obtain NCEA Level 2 2.5 times more likely to get stood down 3.6 times more likely to be suspended More likely to have long term reliance on the benefit 3.9 times more likely to criminally offend <p>It's important that children with ADHD get support early in life, and throughout each life stage, so they can learn to manage their ADHD and develop the skills and confidence they will need to lead a successful adult life.</p>	<p>What works:</p> <p>Universal prevention approaches</p> <ul style="list-style-type: none"> Increasing educational retention and attainment Increasing employment opportunities Reducing deprivation and increasing social cohesion <p>Community and school level prevention programmes:</p> <ul style="list-style-type: none"> Strengthening communities – including community-based programmes that support at-risk families and children. Strengthening schools and early childhood centres – training helps teachers and parents manage disruptive young people as well as teaching students' interpersonal skills. ECE programmes are beneficial when they target self-regulation, early cognitive abilities, and caregivers' warmth, responsiveness, and behavioural management strategies. <p>Individual and family prevention programmes:</p> <ul style="list-style-type: none"> Individual support with high-needs children – including young people diagnosed with conduct and oppositional/defiant disorders. Whānau support and prevention – combining ECE programmes for children with family support (eg, parent-management training) is most effective for addressing early conduct issues. Ensuring the support needed for successful pathways and transitions from 'Alternative Education' into further education, training, or employment. <p>ADHD-Specific programmes:</p> <ul style="list-style-type: none"> Diagnosis and treatment can help support children with ADHD to develop strategies, expand on personal strengths and learn specific skills for navigating these challenges. There is no single medication, intervention or strategy that can make ADHD "disappear", but ADHD behaviours/symptoms can be reduced and managed well by providing ongoing support that works well for the individual child. 	<p>Youth at risk of and who are not engaging in schools</p> <p>Lead Minister</p> <ul style="list-style-type: none"> Minister of Education <p>Supporting Ministers</p> <ul style="list-style-type: none"> Associate Minister of Education Minister for Social Development and Employment Minister for Māori Development Minister for Mental Health Minister for Children
				<p>Early diagnosis/support for youth living with ADHD</p> <p>Lead Minister</p> <ul style="list-style-type: none"> Minister of Mental Health <p>Supporting Ministers</p> <ul style="list-style-type: none"> Minister of Education Associate Minister of Education Minister of Health Minister for Social Development and Employment Minister for Māori Development Minister for Children
				<p>Young people with the highest needs</p> <p>Lead Minister</p> <ul style="list-style-type: none"> Minister of Children <p>Supporting Ministers</p> <ul style="list-style-type: none"> Associate Minister of Education

				<ul style="list-style-type: none"> • Minister for Social Development and Employment • Minister for Māori Development • Minister for Mental Health • Minister for Children
<p>Reduction in Emergency Housing</p> <p>Reduction in youth offending</p> <p>Reduction in victims of Serious and Violent Crime</p> <p>Reduction in numbers on job seeker support</p>	<p>Young people leaving (transitioning out of) state care or youth justice custody in need of housing support</p>	<p>Young people who have been in statutory care or a youth justice residence are among those who have the highest needs and require a significant amount of support. The current system does not adequately provide for the range or intensity of supports many of these young people need as they transition into adulthood</p> <p>Care-experienced young people transitioning out of care or custody have challenges non-care experienced young people do not face. These young people also experience worse outcomes than their non-care experienced peers. Evidence shows they are:</p> <ul style="list-style-type: none"> • up to 80 times more likely to be involved in serious offending • up to 20 times more likely to be involved in low-level offending • up to 7 times more likely to be on a benefit • up to 30 times more likely to access substance abuse services • up to 4 times more likely to be hospitalised • half as likely to achieve a tertiary qualification. <p>Emergency housing is short-term accommodation for people who need it because:</p> <ul style="list-style-type: none"> • they can't stay where they are, and • they have nowhere else to go. <p>Emergency Housing is not the service that should be accommodating those leaving state care or youth justice in need of housing supports.</p> <p>Evidence shows that providing early transition support to this high-needs cohort will help improve their stability and long-term outcomes.</p>	<p>The Supported Accommodation service creates safety, stability and improved outcomes for the care-experienced young people who use it. These young people:</p> <ul style="list-style-type: none"> • have safe and stable living arrangements • have the life skills they need to thrive as adults • are healthy and recovering from trauma • have a trusted adult in their lives and are engaged with family, whānau, cultural and community groups • are involved in education, training, employment or volunteering. • There are reduced disparities in outcomes and experiences for rangatahi Māori and their whānau. • The homes and supports provided vary in ways that reflect the different needs of the young people – depending on their circumstances and stage of life – and the capabilities of providers. • The service specifications are intentionally broad to allow partners to deliver services that reflect the needs of care-experienced young people and their communities. • As Supported Accommodation support is led by the young people's needs, they feel more listened to and understood. • Kaupapa Māori partners provide te ao Māori and tikanga Māori support, including developing connections to whakapapa and whānau. 	<p>Lead Minister</p> <ul style="list-style-type: none"> • Minister for Children <p>Supporting Ministers</p> <ul style="list-style-type: none"> • Minister for Social Development and Employment • Minister for Māori Development • Associate Minister for Housing