



## Proactive Release

The following document has been proactively released by the Department of the Prime Minister and Cabinet (DPMC), and the Child Wellbeing and Poverty Reduction Group (CWPRG) on behalf of Hon Jan Tinetti, Minister for Child Poverty Reduction:

**Proactive Release: Briefing: Finalising changes to the CPRIs and approach to statutory reporting for 2021/22**

The following document has been included in this release:

- **Title of paper:** Briefing: Finalising changes to the CPRIs and approach to statutory reporting for 2021/22 (DPMC-2022/23-471)

Some parts of this information release would not be appropriate to release and, if requested, would be withheld under the Official Information Act 1982 (the Act). Where this is the case, the relevant section of the Act that would apply has been identified. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

### Key to redaction codes:

- S9(2)(a) protect the privacy of natural persons, including that of deceased natural persons;
- S9(2)(g)(i) maintain the effective conduct of public affairs through the free and frank expression of opinions.



# Coversheet

## Briefing: Finalising changes to the CPRIs and approach to statutory reporting for 2021/22

Date:	3/11/2022	Report No:	DPMC-2022/23-471
		Security Level:	<del>IN CONFIDENCE</del>
		Priority level:	[Routine]

	Action sought	Deadline
Rt Hon Jacinda Ardern Minister for Child Poverty Reduction	<b>discuss</b> approach to statutory reporting at officials' meeting <b>agree</b> to recommended changes	

Name	Position	Telephone		1 <sup>st</sup> Contact
Clare Ward	Executive Director, Child Wellbeing and Poverty Reduction Group	s9(2)(a)	s9(2)(a)	✓
Hugh Webb	Principal Analyst, Child Wellbeing and Poverty Reduction Group	s9(2)(a)	s9(2)(a)	

### Departments/agencies consulted on Briefing

Stats NZ; Ministry of Education; Ministry of Health; Ministry of Social Development were consulted on the recommended changes to the CPRIs

### Minister's Office

Status:

Signed

Withdrawn

Comment for agency

Attachments: Yes

# Briefing

## Finalising changes to the CPRIs and approach to statutory reporting for 2021/22

To: Rt Hon Jacinda Ardern  
Minister for Child Poverty Reduction

Date	3/11/2022	Security Level	<del>IN CONFIDENCE</del>
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### Purpose

1. This paper:
  - seeks your agreement to further changes to the Child Poverty Related Indicators (CPRIs) in line with the recommendations of the recent review of the CPRIs
  - outlines our proposed approach to next year's Child and Youth Wellbeing Strategy Annual Report (Annual Report 22) and CPRI report (CPRI Report 22).

### Executive Summary

2. Following the recent review of the CPRIs, we recommend you make minor changes to the currently gazetted age ranges for the regular school attendance, potentially avoidable hospitalisations (PAH), and food insecurity CPRIs.
3. These changes will ensure there is greater reporting consistency and alignment with the purpose of the CPRIs you have agreed. The changes will not substantively alter the longer-term trends we've previously reported.
4. The earliest these changes can be implemented is in CPRI Report 23 (delivered in the first half of 2024). To meet that timeframe, these changes need to be gazetted, and reported to Parliament, before 30 June 2023. We recommend gazetting and notifying Parliament of these changes at the same time as CPRI Report 22 is released and reported to Parliament. The CPRI Report 22 itself provides a useful vehicle for explaining the rationale for the upcoming changes.
5. We are also considering our approach to producing the Annual Report 22 and CPRI Report 22. There's an opportunity through these statutory reports to take the next step in shifting our overall monitoring and reporting approach, consistent with the recommendations of the review of the Child and Youth Wellbeing Strategy (the Strategy Review).
6. We propose engaging with selected external stakeholders about the Annual and CPRI reports – including seeking feedback on the draft reports – as well as drawing on qualitative data from children and young people in our reporting to provide a more holistic picture of wellbeing.
7. We also recommend changing our approach to reporting agency actions and progress in the Annual Report so that we provide an in-depth discussion of one or two major programmes under each Strategy outcome area (eg, the Attendance Strategy for the 'Learning and Developing' outcome area), rather than the approach taken in previous years of summarising

progress for a wide range of actions (30+) of varying scale. We consider this would continue to meet your statutory requirement to report annually on achievement of the outcomes sought [Children’s Act 2014 s7(B)(1)] and could better demonstrate the impact the Government is making.

8. We would welcome your feedback on this proposed approach and any other shifts you would like to see. We will continue to work with your office as we develop the reports, including managing impacts on our statutory reporting in the event that Stats NZ determines that Household Economic Survey data for 2022 (HES22) cannot be published or needs to be delayed.

## Recommendations

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1. **agree** to change the age range for the regular school attendance CPRI – which is currently the proportion of children aged 6-16 years that regularly attend school – to include all children enrolled in school aged 5-17 years YES / NO
2. **agree** to change the age range for the potentially avoidable hospitalisations (PAH) CPRI – which is currently the rate of children aged 0-15 years experiencing potentially avoidable hospitalisations – to include all children aged 0-17 years YES / NO
3. **agree** to change the age range for the food insecurity CPRI – which is currently the percentage of children aged 0-15 years living in households reporting that food runs out often or sometimes – to include all children aged 0-14 years YES / NO
4. **agree** to publish the Gazette notice (at **Attachment A**) and to notify Parliament about these CPRI changes at the same time that the CPRI Report 22 is released and presented to Parliament YES / NO
5. **indicate** your preferred approach to reporting agency actions and progress for the Annual Report 22

**EITHER**

- 5.1. **Option A – a broad approach**, summarising 4-6 agency actions for each outcome area (as per previous years) YES / NO

**OR**

- 5.2. **Option B (recommended) – an in-depth approach**, presenting in more detail one or two major programmes of work under each outcome area YES / NO



## Background

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9. As part of our recent review of the CPRIs [DPMC-2021/22-2489 refers] you agreed the Child Wellbeing and Poverty Reduction Group would do further work to better align the age ranges of the current CPRIs.
10. We've now completed this work and we're seeking your agreement to make changes. We need to Gazette any changes before 30 June 2023, and you will need to report them to Parliament, before they can be included in the CPRI Report 23<sup>1</sup> which will be released in the first half of 2024.
11. We are also seeking direction from you on proposed changes to the approach and focus of the Annual Report 22 and the CPRI Report 22. We are proposing a number of changes, as part of the broader suite of changes to our monitoring and reporting approach, to respond to the recommendations from the recent Strategy Review [DPMC-2021/22-2587].

## We recommend minor changes to the age ranges for three CPRIs so they're more consistent and aligned with the agreed purpose

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12. One of the recommendations from the recent review of the CPRIs was to align the current CPRI age ranges so they're more consistent and relevant, subject to available data.
13. You've confirmed the purpose of the current suite of CPRIs is to "provide insight into the lived experience of poverty for New Zealand *children*" [DPMC-2021/22-2489, recommendation 2, emphasis added].
14. The Child Poverty Reduction Act 2018 (CPRA) defines a child as a person aged under 18 years. Therefore, where possible and appropriate the CPRIs should reflect the experience of children aged 0-17 years.
15. Two of the five CPRIs are consistent with this age range (housing quality, housing affordability), as is reporting for the main child poverty measures under the CPRA. Age ranges for regular school attendance, potentially avoidable hospitalisations and food insecurity are not consistent.
16. We've summarised the current CPRIs and the changes we're recommending (or, in the case of the housing affordability indicator, the change that you have already agreed) at **Attachment B**.

## Changing the regular school attendance CPRI age range to include enrolled children aged 5-17 years would better align with the purpose of the CPRIs

17. The regular school attendance CPRI currently focuses on children aged 6-16 years. We understand that the original rationale for this range is that it aligns with the requirement under the Education and Training Act 2020 s35(1) for children aged 6-16 to be enrolled at school.
18. At a minimum we think this CPRI should be broadened to include 5- and 17-year-old learners given regular attendance at these ages for those who are enrolled – even if not a legal requirement – is an important determinant of a learner's wellbeing<sup>2</sup>. Irregular school attendance at these ages is also very likely to be correlated with, if not partly caused by, child poverty.

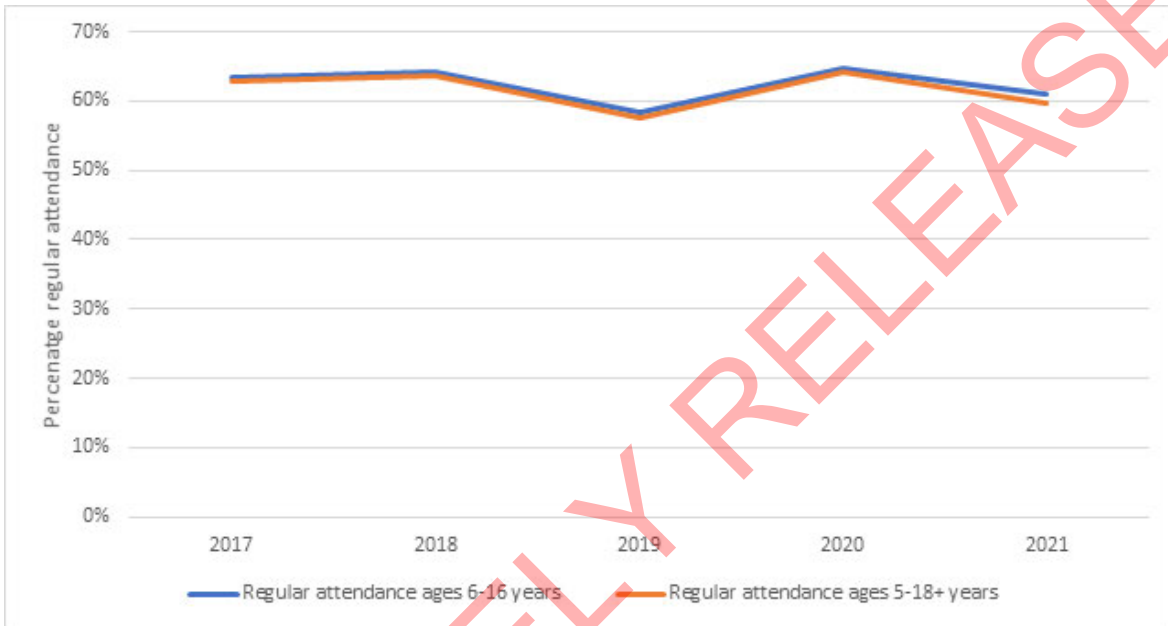
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<sup>1</sup> This is the earliest that these changes can take effect. The Child Poverty Reduction Act requires that any changes to the CPRIs for a given financial year must be gazetted before the end of that financial year. Given that the statutory review of the CPRIs was completed in July 2022 (ie, within the 2022/23 financial year) it would not have been possible to implement these changes any sooner.

<sup>2</sup> McGregor and Webber (2020)

19. There is a question about precisely how wide the age range should be. There's a trade-off between aligning this indicator with the agreed purpose of the CPRIs (ie, to focus on children under 18 years) or with the reporting that underpins the Ministry of Education's Attendance Strategy (which includes enrolled learners aged 5-18+).
20. Regardless of whether the age range is broadened to 5-17 or 5-18+ years, the long-term (worsening) trend that has already been reported would not materially differ. Figure 1 shows there is negligible difference between the regular school attendance rate trend for the current 6-16 age range and the 5-18+ age range<sup>3</sup>.

*Figure 1: Trend lines for the current 6-16 age range, and 5-18+ age range for regular school attendance*



21. On balance we recommend a more narrowly scoped age range (ie, 5-17) because it's consistent with the other CPRIs and the agreed purpose of the CPRIs. We propose using the wider age range (5-18+) in the Annual Report given the focus of the latter report covers both children and youth. We have consulted with the Ministry of Education and they are comfortable with this approach.

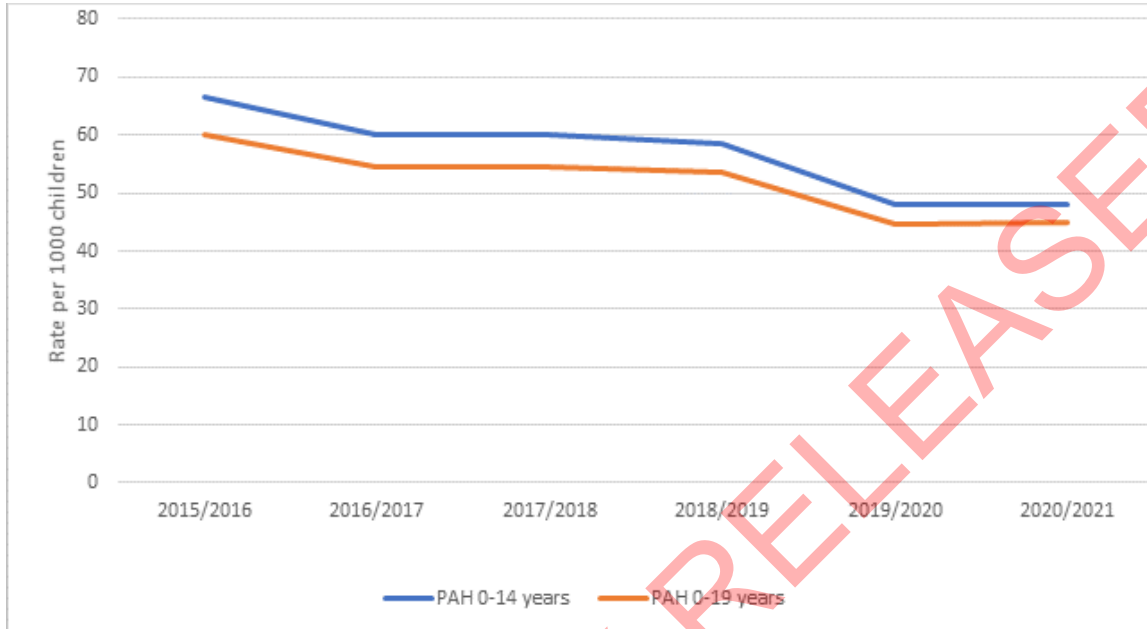
**Changing the PAH CPRI age range to include all children aged 0-17 years would also better align with the purpose of the CPRIs**

22. The PAH CPRI currently focuses on children aged up to 15 years. We understand this range was likely based on initial advice that this would align with the five-year age blocks that are routinely reported by Ministry of Health.
23. We've since determined there is no technical barrier to accurately reporting the PAH rate for children aged 0-17 years and so we recommend making this change, again to ensure consistency with the agreed purpose of the CPRIs.
24. This change will likely result in a very slightly lower PAH rate but it won't alter the longer-term (improving) trend that we have reported to date, as shown in Figure 2. We don't yet have the trend line for the 0-17 cohort but we know that this will very likely be between the 0-14 and 0-19 rate.

<sup>3</sup> We have not yet seen the trend for regular school attendance among children aged 5-17 years, but we can conclude that it will be somewhere in between the 6-16 and 5-18+ trend line.

25. We also propose adjusting the wording of the current Gazette notice – which currently refers to “potentially avoidable illnesses” – to the more technically accurate term “potentially avoidable conditions” – which encompasses both illnesses and injuries.

*Figure 2: Trend lines for the current 0-14 age range, and 0-19 age range for potentially avoidable hospitalisations*



**Changing the food insecurity CPRI to refer to children aged 0-14 (inclusive) will more accurately reflect the available data**

- 26. The food insecurity CPRI is currently gazetted as the percentage of children aged 0-15 years living in households reporting that food runs out often or sometimes.
- 27. The age range used in the New Zealand Health Survey data that this indicator is drawn from is children aged 0 to 14 years and 11 months. We therefore recommend changing the gazetted age range to 0-14 years so that it is consistent with the way the other indicators are gazetted (ie, inclusive of the upper end of the age range).
- 28. Ideally the food insecurity CPRI would encompass all children aged 0-17 years for consistency with the other CPRIs. However, we understand this would require significant changes to the administration of the New Zealand Health Survey, and is not feasible in the foreseeable future.

**The CPRI Report 22 is a useful vehicle for explaining, gazetting and reporting these changes to Parliament before they are formally introduced in the CPRI Report 23**

- 29. The CPRA requires that any CPRI changes:
  - for a given financial year can only be changed before the end of that year (s38(2)(b))
  - must be notified in the Gazette (s39(1)) and published on an internet site directed by you as the responsible Minister, and
  - must be promptly presented to the House of Representatives (s40).



30. This means the earliest the changes to the CPRIs could take effect is the CPRI Report 23 (released in the first half of 2024), providing you fulfil the requirements in paragraph 29 above by 30 June 2023.
31. We have drafted a Gazette notice (at **Attachment A**) for your approval, setting out the changes to the CPRIs that we recommend in this paper or that you have already agreed. The draft notice says the indicators will be published on the DPMC website.
32. We recommend the Gazette notice is published at the same time as we publish the CPRI Report 22<sup>4</sup>. This would allow us to include a brief note as part of the CPRI Report 22 itself that foreshadows the upcoming changes in the following year's report. This is not a legislative requirement but provides transparency about the rationale for these minor changes. It would also mean you can present the CPRI changes to Parliament at the same time as you present the CPRI Report 22 (in accordance with s47).

s9(2)(g)(i)

### **Next steps towards implementing recommendations of the Strategy Review through our approach to Annual Report 22 and CPRI Report 22**

34. The Annual Report 22 and CPRI Report 22 provide a good opportunity to further shift the way we approach our reporting in line with the recommendations of the Strategy Review and building on our recently recommended changes to the Monitoring Report [DPMC-2022/23-326].
35. The Strategy Review recommended changes to ensure our monitoring, measurement and reporting is more effective and efficient, including the need to involve a more diverse range of voices to develop a holistic knowledge and evidence base (recommendation 13) and help critically interpret the evidence (recommendation 14).
36. We propose taking a phased approach to implementing these recommendations in the context of our CPRI and Strategy Annual Reporting: delivering some initial, "quick win" changes, while we do further work to respond to the recommendations that will take longer to implement (eg, further work to embed iwi/Māori concepts of wellbeing into the Strategy reporting (recommendation 15)).

### **Seeking feedback and input from a more diverse range of stakeholders in the development of the reports will enhance their relevance and reach**

37. In previous years, our approach to engaging with stakeholders in the development of the Annual and CPRI reports has been to work with relevant social sector agencies to prepare the data and analysis, including sharing embargoed draft reports with policy and population agencies prior to publication.
38. For our Annual Report 22 and CPRI Report 22 we plan to inform, and seek input and feedback from, a range of external stakeholders on the sections of the reports relating to outcomes. We would seek this feedback approximately two weeks before the reports are released.
39. These stakeholders will include selected iwi/ Māori groups (eg, Pou Tangata), as well as selected community organisations (eg, the Child Poverty Action Group, the Office of the Children's Commissioner, and the Convention Monitoring Group).

<sup>4</sup> We have also assumed you would like to introduce these changes as soon as possible (ie for CPRI Report 23) but there is flexibility to postpone making these changes to later years should you wish.

40. The aim of this engagement is to provide an opportunity for a more diverse range of voices to be aware of, and provide input and feedback on, the reports, noting that the tight statutory reporting and data release time frames will limit the feasibility of more in-depth engagement.
41. Engagement will help ensure our reporting is more robust and nuanced and will help to develop a shared view about the progress that is being made, as well as areas for improvement. It also represents a practical initial step towards building a greater sense of ownership of the Strategy outside of Government.

### **Incorporating qualitative data and insights will better reflect the lived experiences of children and young people**

42. To date, our statutory reporting has had a strong focus on quantitative evidence based on survey and administrative data sources. While this form of evidence will continue to be a central part of our monitoring and reporting, there's also an opportunity to ensure that the Annual and CPRI reporting more directly reflects the voices of children and young people. Previous Annual Reports have included some quotes from children and young people – but only to a very limited degree and more as a design element than as part of the content.
43. Embedding more qualitative data into the content of our reporting can add texture and richness that helps paint a more vivid picture of children and young people's lived experience.
44. As a first step, we will look to incorporate selected qualitative findings – including anonymised quotes directly from children drawn from the What About Me survey -- as well as other data sources collected by partner agencies, in our Annual Report 22 and CPRI Report 22.
45. If this approach shows promise and is positively received, we will look to build on this in future reports.

### **Opportunity to provide more in-depth coverage of agency actions under each outcome area for the Annual Report 22**

46. In line with the recommendations from the Strategy Review, we are looking at ways to ensure our monitoring and reporting is more efficient and effective. We have recently recommended that we prepare a streamlined Child and Youth Wellbeing Strategy Monitoring Report that focuses on the top 20-30 priority actions that seek to address the most pressing needs of children and young people [DPMC-2022/23-326].
47. In previous Annual Reports we have described progress in the last year and planned next steps for 4-6 agency actions for each of the six outcome areas. The advantage of this approach is that it has provided a broad overview of the diverse actions being undertaken by agencies – vital in the early stages of the Strategy implementation. But this strength can also be a weakness: there's a risk we end up trying to cover too many actions of varying scale and lose sight of the biggest changes that Government is making to improve children's wellbeing.
48. We therefore recommend taking a different approach this year – providing more in-depth discussion about one or two major programmes of work under each outcome area. Examples of possible topics are set out in the table below.

Outcome Area	Possible topic for in-depth reporting (TBC)
Loved, Safe and Nurtured	Te Aorerekura Oranga Tamariki Action Plan
Have What they Need	Main Benefit Increases Ka Ora Ka Ako
Happy and Healthy	Mana Ake Access & Choice Primary Mental Health Services
Learning and Developing	Attendance Strategy
Accepted, Respected and Connected	National Action Plan Against Racism Bullying Prevention
Involved and Empowered	Youth Plan

**Other than the changes outlined above, we anticipate the form and content of the reports will be broadly similar**

49. Other than the changes noted above, our approach to the 2022 reports will be broadly similar to the previous year, including continuing:

- to note the impacts of COVID-19 on child and youth wellbeing, in particular the Delta and Omicron waves which are likely to have had a significant bearing on the results: both in terms of direct impacts on the outcomes of children and young people; as well as potential methodological impacts that need to be considered when interpreting the findings
- to include an updated technical appendix providing a more in-depth, technical coverage of COVID-19 impacts on the main data sources
- to include a wellbeing indicators data appendix to provide all available demographic breakdowns for populations of interest
- to note any statistically significant year-on-year changes, as well as longer-term trend changes (subject to available data).

### Next steps

50. We would welcome the opportunity to discuss the issues outlined in this report at our next officials' meeting, in particular to:

- confirm your comfort with the proposed changes to the CPRI age ranges and the proposed process for gazetting and communicating these changes, and
- discuss any particular areas of focus you would like to see in Annual Report 22 and CPRI Report 22 and our proposed approach to engagement.

51. If you agree to the recommendations in this report then we will work with your office to finalise further details as required.

52. We are also aware that Stats NZ's upcoming decision about whether HES22 data can be published may have implications for the content and timing of our CPRI and Annual reporting. Again, we will work with your office and Stats NZ to revise our approach if needed.

53. We will provide a draft CPRI and Annual Report for your review in February 2023.

Attachments:	Title	Security classification
<b>Attachment A:</b>	Draft Gazette notice of CPRI changes for approval	<del>IN CONFIDENCE</del>
<b>Attachment B:</b>	Recommended and agreed changes to the current CPRIs	<del>IN CONFIDENCE</del>

PROACTIVELY RELEASED

## Attachment A: Draft Gazette notice of CPRI changes for approval

### Notification of Change of Child Poverty Related Indicators Identified Under the Child Poverty Reduction Act 2018

In accordance with sections 38(2)(b) and 39 of the Child Poverty Reduction Act 2018 (“Act”), the Minister for Child Poverty Reduction gives notice of changes to the Child Poverty Related Indicators identified for monitoring reports from the 2023 Financial Year. The identified Child Poverty Related Indicators, as changed, are:

**housing affordability** – as measured by the percentage of children and young people (ages 0-17) living in households in the bottom 40 percent of the income distribution who spend more than 30 percent of their equivalised disposable income on housing.

**housing quality** – as measured by the percentage of children and young people (ages 0-17) living in households with a major problem with dampness or mould.

**food insecurity** – as measured by the percentage of children (ages 0-14) living in households reporting that food runs out often or sometimes.

**regular school attendance** – as measured by the percentage of children and young people (ages 5-17) who are enrolled and regularly attending school.

**avoidable hospitalisations** – as measured by the rate of children (ages 0-17) hospitalised for potentially avoidable conditions.

Dated at Wellington this 30th day of March 2023.

Rt Hon JACINDA ARDERN, Minister for Child Poverty Reduction.

The Child Poverty Related Indicators are available on the DPMC website:  
[www.dpmc.govt.nz](http://www.dpmc.govt.nz).

## Attachment B: Recommended and agreed changes to the current CPRIs

CPRI	Currently gazetted measure	Proposed change to current measure
<b>Housing Affordability</b>	the percentage of children and young people (ages 0-17) living in households who spend more than 30 percent of their equivalised disposable income on housing.	the percentage of children and young people (ages 0-17) living in households <u>in the bottom 40 percent of the income distribution</u> who spend more than 30 percent of their <u>equivalised</u> disposable income on housing. <b>Change previously agreed [DPMC-2021/22-2489 Recommendation 3 refers]</b>
<b>Housing Quality</b>	the percentage of children and young people (ages 0-17) living in households with a major problem with dampness or mould.	<b>No change</b>
<b>Food Insecurity</b>	the percentage of children (ages 0-15) living in households reporting that food runs out often or sometimes	the percentage of children (ages <u>0-14</u> ) living in households reporting that food runs out often or sometimes <b>Change recommended in this report</b>
<b>Regular school attendance</b>	the percentage of children and young people (ages 6-16) who are regularly attending school.	the percentage of children and young people (ages <u>5-17</u> ) who are <u>enrolled and</u> regularly attending school. <b>Change recommended in this report</b>
<b>Potentially Avoidable Hospitalisation</b>	the rate of children (ages 0-15) hospitalised for potentially avoidable illnesses.	the rate of children (ages <u>0-17</u> ) hospitalised for potentially avoidable conditions. <b>Change recommended in this report</b>