



Report

Date: 13 September 2019

Security Level: IN CONFIDENCE

To: Hon Carmel Sepuloni, Minister for Social Development

Youth Service Pathways

Purpose of the report

The purpose of this report is to outline the pathway for young people in the Youth Service and how Youth Service clients are linked to the Ministry of Social Development's (MSD) work readiness and employment-related products and services.

Recommended action

It is recommended that you:

Note the A3 Youth Service pathway and how young people engage with MSD work readiness and employment products and services.

Note the changes to be implemented effective from 1 April 2020 as part of the re-design of the Youth Service following extensive consultation and engagement with young people and stakeholders.



Viv Rickard
Deputy Chief Executive – Service Delivery



Date



Hon Carmel Sepuloni
Minister for Social Development



Date

Background

1. The Youth Service, established in 2012, is a contracted service where community-based organisations support unemployed or disengaged 16 to 19-year olds.
2. MSD contracts 40 Youth Service providers nationally and has two In-House Youth Services (Whanganui and Wellington) to deliver intensive wrap around support to vulnerable youth to improve their educational and social outcomes.
3. As at 26 August 2019, a total 10,618 young people were enrolled in the Youth Service. There are 6,844 young people aged 16 – 17 years of age who are not receiving financial assistance and not in Education, Employment, or Training (NEET) and 3,774 in receipt of Youth Payment (YP) or Young Parent Payment (YPP).
4. Young people who are receiving financial assistance from the Government:
 - receive the Youth Payment (YP) or Young Parent Payment (YPP)
 - have youth activity obligations (education and budgeting, and for parents, parenting obligations) and can receive incentive payments where they meet these obligations
 - have their money managed by MSD and
 - for young parents, receive additional support to cover childcare costs.
5. The current outcomes for the Youth Service include:
 - sustained participation in education, training and work-based learning
 - attainment of NCEA level 2 or equivalent
 - a plan for further education or training on exiting the service, and
 - not receiving a benefit or serving a custodial sentence within three months of exiting the service.
6. The pathway for Youth Service clients towards education, training, work-based learning and employment is attached as an A3 – **Youth Service Pathway**.

Youth activities and social obligations

7. Young people receiving financial assistance from MSD have youth activity obligations to remain in, or be available for education, training or work-based learning that is leading towards at least NCEA level 2 or equivalent qualification. They are also required to participate in other approved programmes such as budgeting and parenting courses.
8. Guaranteed Childcare Assistance Payment (GCAP) is also available for those with children under the age of five, to ensure childcare costs are not a barrier to participation in education training or work-based learning.
9. Youth Service providers offer young people tailored and intensive programmes and support. Once a young person is referred to a Youth Service provider, the Youth Coach assesses the young person's needs, building a plan with them around how they are going to achieve their goals and aspirations.

Participation in the Youth Service is voluntary for NEET youth

10. Youth Service: NEET is a voluntary service option for young people that focuses on youth at risk of NEET who are not in receipt of a main benefit. It aims to actively identify, engage and support 16–17-year olds (and some 15-year olds) who are or are at-risk of becoming NEET to return to education, training or work-based learning.
11. Young people can self-refer to a Youth Service, be identified by whanau / community, government agencies or from the Ministry of Education (MoE) data feed, in which case, the Youth Coach will contact the young person to offer the service to them. The young person decides, independently, if they want to enrol in the service. The young person can leave the service at any time.
12. A risk profile assessment identifies those young people who are identified as low, medium, high. Where a young person does not identify as being 'at risk' they are not referred to the service. Risk profiling factors include (but are not limited to): education level, reason for leaving school, history of family welfare dependency and contact with Oranga Tamariki.
13. Youth Service: NEET providers work with young people to support them to participate in education, training or work-based training, achieve NCEA Level 2 or an equivalent qualification and plan and prepare them for their future employment, education, or training after exiting the service.
14. Changes to the Youth Service effective from 1 April 2020 will see only those identified as 'high' risk referred to the service and the language changed to intensity service level instead of risk profiles. The inclusion of employment as an outcome for NEET youth and delivery of in-work support for up to 6 months will reflect the Youth Service review changes to the service.

Young person moves into tertiary education, training or work-based learning

15. Young people can access work-based learning programmes. Work-based learning includes programmes that are more practical, hands-on learning than the school environment. For a young person to be considered to be in work-based learning they must be employed and undertaking on-the-job learning and undertaking a course or programme that is relevant to their employment.
16. While the young person is in paid work, all usual workplace conditions, including the applicable minimum wage, will apply to the work element of work-based learning in the same way that they apply to all other forms of employment.

17. Programmes that contain elements of work-based learning include:
- Youth Guarantee programmes
 - Red Shirts (The Warehouse programme)
 - Part-time industry partnerships

Young people transitioning from Youth Payment and Young Parent Payment to a main benefit

18. At times young people may require continued support as they age out of service as their needs are complex. Youth Coaches are notified four weeks prior to the young person ageing out of the Youth Service. The Youth Coach arranges a meeting with the young person to discuss transferring to the most appropriate financial assistance from Work and Income based on their circumstances.
19. YP / YPP clients are streamed to a Work Focussed Case Manager – Integrated Services Case Manager where they receive information from the Youth Coach that outlines the young persons level of motivation and engagement, goals set and proposed next steps to ensure continuity of support as they transition to the Ministry.

Access to MSD financial assistance and employment programmes

20. Young people receiving financial support from MSD (e.g. YP / YPP) who transition into employment can access the following MSD products and services:
- Accommodation Supplement
 - Disability Allowance
 - Employment and Training Seasonal Work Assistance
 - Transition to Work
 - Working for Families Tax Credits
 - Flexi-wage subsidy
 - In-work support
 - Mana in Mahi¹
 - 3k to work
21. Young people, via their Youth Coach, can access MSD products and services by contacting the Youth Service Support Unit (YSSU) who are responsible for processing financial assistance. Work and Income Work Brokers organise flexi-wage subsidy and Mana in Mahi assistance with the employer and Job Connect (MSD Contact Centre) is able to offer in-work support for the young person.

¹ This is subject to Cabinet changes as the Youth Service focus is currently on education, training and work-based learning.

Appendix 1

Youth Service client groups

The Youth Service have five client groups:

1. Youth Payment

- 16 or 17 years old
- have no dependent children
- have a parental support gap², or
- are married, in a civil union, or in a de facto relationship.

2. Young Parent Payment

- 16 to 19 years old
- have a dependent child or children or
- single or
- are married, in a civil union, or in a de facto relationship.
- if the young parent is single and 16 or 17:
 - have a parental support gap, or
 - are living at home with, or being financially support by, their parents or guardians, and they earn less than the Family Tax Credit income cut-off point

3. Young partner

- 16 or 17 years old
- have no dependent children
- are married, in a civil union, or in a de facto relationship with a MSD specified beneficiary (for example, Jobseeker Support)

4. Young parent partner

- 16 or 17 years old
- have dependent children
- are married, in a civil union, or in a de facto relationship with a MSD specified beneficiary (for example, Jobseeker Support)

² A young person is considered to have a parental support gap if:

- they left the care of Oranga Tamariki – Ministry for Children, or
- their parents or guardian can't support them. This could be because they are in prison, in hospital, deceased, or overseas, or
- the relationship with the parents or guardians has broken down and no one can support them financially, and
- there is a good reason why they can no longer live with their parents or guardian or be supported by them or anyone else.

A parental support gap would not be considered if there is an option of living with a parent or guardian, but they choose not to without a good and sufficient reason. MSD will offer Family Reconciliation Counselling for these cases.

5. **NEET (not in employment, education or training)**

- aged 16 or 17 years old
- aged 15 and have an early leaving exemption³
- not in employment, education, or training, or be at risk of becoming NEET
- not receiving a benefit from Work and Income
- not receive funding for a similar service.

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³ Parents may apply for permission for a student to leave school at the age of 15. The application must be based on the student's education problems or conduct, or the estimated benefit of them staying at school. Students granted early leaving exemptions take up training courses, or enter polytechnic, university, or full-time employment.

Client Group

Youth Payment



Young Parent Payment

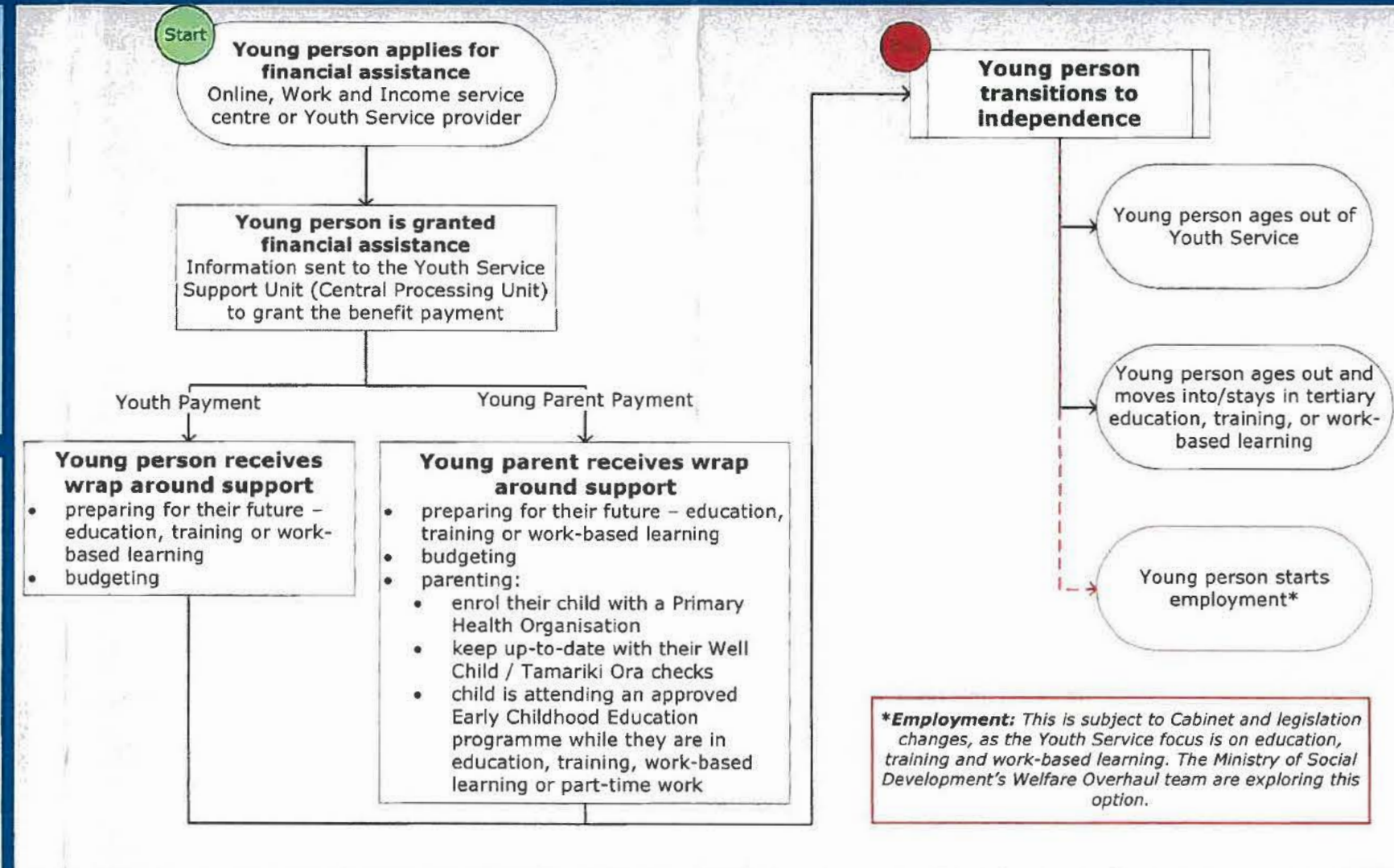


NEET

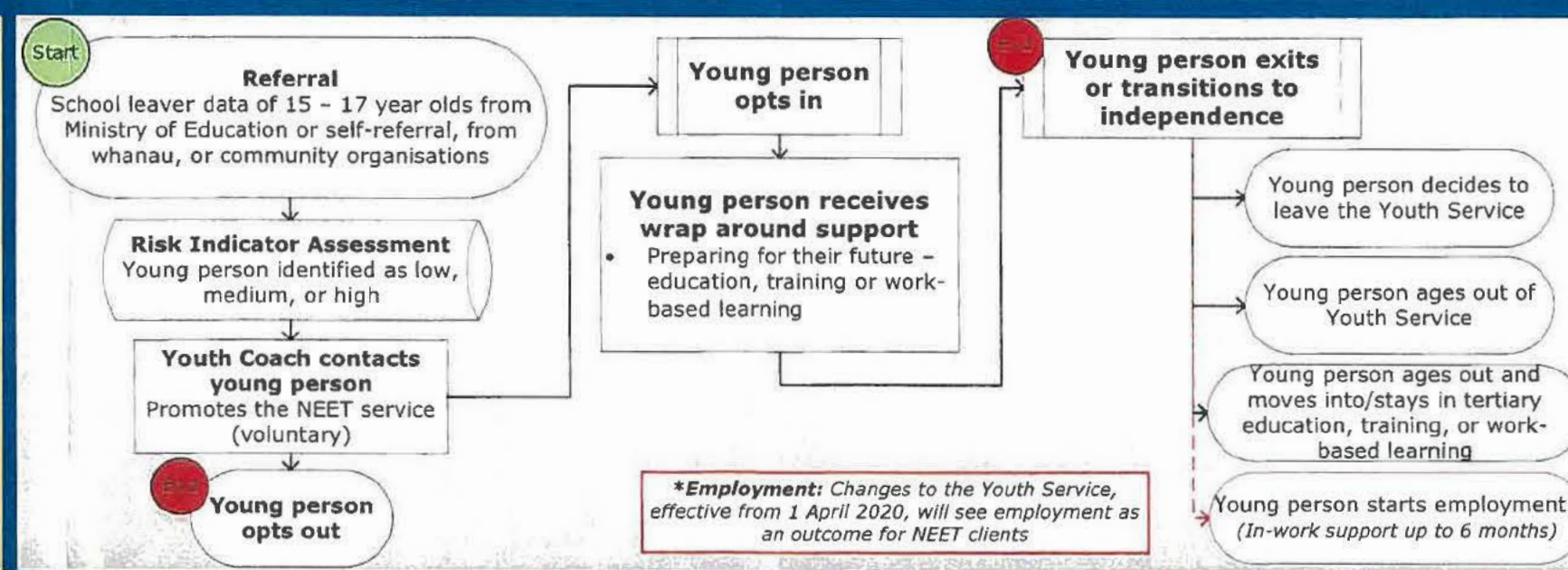
(Not in Employment, Education or Training)



Process Flow



***Employment:** This is subject to Cabinet and legislation changes, as the Youth Service focus is on education, training and work-based learning. The Ministry of Social Development's Welfare Overhaul team are exploring this option.



***Employment:** Changes to the Youth Service, effective from 1 April 2020, will see employment as an outcome for NEET clients

Transition to Independence

Young person ages out of Youth Service (18/20 years)

- Youth Coach completes a 'Youth Coach report' for the young persons new Work and Income Case Manager
- Engagement between Youth Coach and client on next steps and transition handover
- Young person referred to a designated Work and Income Work Focused Case Manager – Integrated Services Case Manager

Young person ages out and moves into tertiary education, training or work-based learning

- Youth Coach supports young person to apply for Student Loan and/or Student Allowance via StudyLink
- Youth Coach continues to provide wrap around support until they start tertiary education or work-based learning, e.g. Youth Guarantee / Industry Partnership programmes

Young person starts employment

Youth Coach supports Youth Payment and Young Parent Payment clients to apply for the following:

- Accommodation Supplement
- Disability Allowance
- Employment and Training Seasonal Work Assistance
- Transition to Work
- Working for Families Tax Credits
- Flexi-wage subsidy
- In-work support
- Mana in Mahi
- 3k to Work