



23 October 2024

Tēnā koe

Official Information Act request

Thank you for your emails of 5 August 2024, in which you made five separate requests for the following reports:

- REP/24/6/526
- REP/24/7/657
- REP/24/7/685
- REP/24/7/705
- REP/24/7/613
- REP/24/7/604
- REP/24/7/617
- REP/24/7/682

I have considered your request under the Official Information Act 1982 (the Act).

Please find attached the requested documents as appendices 1-7. As information has been withheld, I have provided you with a table enclosed with this letter as **Appendix A** which outlines the documents we are releasing to you, and documents we have withheld, followed by the relevant sections of the Act they have been withheld under.

I note information has been withheld under the following sections:

Section 9(2)(f)(iv) of the Act to maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials. The release of this information is likely to prejudice the ability of government to consider advice and the wider public interest of effective government would not be served.

Section 9(2)(g)(i) of the Act to protect the effective conduct of public affairs through the free and frank expression of opinions. I believe the greater public interest is in the ability of individuals to express opinions in the course of their duty.

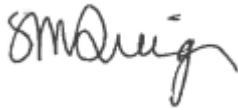
Section 18(d) of the Act on the basis that the information requested will soon be publicly available. This information will be published as soon as possible this year.

I will be publishing this decision letter, with your personal details deleted, on the Ministry's website in due course.

If you wish to discuss this response with us, please feel free to contact OIA_Requests@msd.govt.nz.

If you are not satisfied with my decision on your request, you have the right to seek an investigation and review by the Ombudsman. Information about how to make a complaint is available at www.ombudsman.parliament.nz or 0800 802 602.

Ngā mihi nui

pp. 

Magnus O'Neill
General Manager
Ministerial and Executive Services



Appendix A

Document	Withhold/Release	Section of the Act
Appendix 1- Report REP/24/6/526 Confirming the functions of the Child Poverty Related Indicators	Released in part	Section 9(2)(f)(iv)
Appendix 2- Aide mémoire REP/24/7/685 Summary of engagement on the refresh of the Child and Youth Strategy: June-July 2024	<ul style="list-style-type: none">Released in partAppendix 1 withheld in full	Appendix 1 withheld under section 18(d)
Appendix 3- Aide mémoire REP/24/7/705 Supporting information and talking points for Child and Youth Ministers Group 1 August meeting	<ul style="list-style-type: none">Released in partAttachment 1 withheld in fullAttachment 2 released in partAttachment 3 withheld in full	<ul style="list-style-type: none">Attachment 1 withheld under section 9(2)(f)(iv)Attachment 2 released in part with redaction under section 9(2)(f)(iv)Attachment 3 withheld under section 18(d)
Appendix 4 Report REP/24/7/613 Ministerial Satisfaction Survey 2023/24 for the Child Poverty Reduction portfolio	Release in full	N/A
Appendix 5- Aide mémoire REP/24/7/604 Meeting with the Child Poverty Action Group (CPAG) and other non-government stakeholder organizations	Released in full	N/A

Appendix 6- Report REP/24/7/682 Statutory Review of the Child Poverty Related Indicators	<ul style="list-style-type: none"> Released in part Attachment A is same as Attachment 2 for Aide mémoire REP/24/7/685 Summary of engagement on the refresh of the Child and Youth Strategy: June-July 2024 	Section 9(2)(f)(iv)
Appendix 7- Report REP/24/7/617 Timing of Cabinet decisions on key aspects of your child poverty reduction portfolio work programme	Released in part	Section 9(2)(f)(iv)
Appendix 8- Report REP/24/7657	Withheld in full, including title	Section 9(2)(f)(iv)

Refresh of the Child Poverty Related Indicators (CPRIs)

I am refreshing the CPRIs as part of the wider refresh of the Child and Youth Strategy (the Strategy)

There are currently five CPRIs under the Act

Under the Child Poverty Reduction Act 2018 (the Act) I must set one or more CPRIs which are defined as “causes, consequences, or correlates of child poverty”.

The Act requires the CPRIs to be publicly reported on for each financial year, within the following financial year.

There are currently five CPRIs, established by the previous Government:

- Housing affordability
- Housing quality
- Food insecurity
- School attendance
- Potentially avoidable hospitalisations

My officials have reviewed these indicators on my behalf and identified opportunities to refresh the indicator set to ensure alignment with our priorities as a government.

s9(2)(f)(iv)

s9(2)(f)(iv)

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Report



MINISTRY OF SOCIAL
DEVELOPMENT
TE MANATŪ WHAKAHIATO ORA

Date: 5 July 2024

Security Level: IN-CONFIDENCE

To: Hon Louise Upston
Minister for Child Poverty Reduction

File Reference: REP/24/7/617

Timing of Cabinet decisions on key aspects of your child poverty reduction portfolio work programme

Purpose of the report

1. This briefing seeks decisions on your preferred option for the timing of advice to Cabinet that addresses four key items on your Child Poverty Reduction portfolio work programme:

- s9(2)(f)(iv)
- setting a poverty persistence target
- updating the Child Poverty Related Indicators (CPRIs), and
- refreshing the Child and Youth Wellbeing Strategy (the Strategy).

Executive summary

2. You have indicated your preference to seek Cabinet decisions on the four key matters identified above, via a single Cabinet paper later in 2024.

3. Timing considerations create some challenges in addressing all these matters in a single paper. s9(2)(f)(iv)

4. s9(2)(f)(iv)

- the second paper, in October, would address the CPRIs, release of the refreshed Strategy and the poverty persistence measure.

Recommended actions

It is recommended that you:

- note** that timing considerations make it challenging to seek Cabinet decisions on four key matters ^{s9(2)(f)(iv)} [REDACTED], setting the poverty persistence target, updating the CPRIs, and approving the refreshed Strategy) in a single paper

Noted

- indicate** your preferred approach to seeking Cabinet decisions on these matters:

Either

- Option 1:** Take a single paper to Cabinet in October 2024 seeking decisions on all four items on your work programme, ^{s9(2)(f)(iv)} [REDACTED]

Agree / Disagree

Or

- Option 2:** Take two papers to Cabinet:

- ^{s9(2)(f)(iv)} [REDACTED]
- one in October 2024 that seeks decisions on the CPRIs, the refreshed Strategy, and the poverty persistence target

Agree / Disagree

- ^{s9(2)(f)(iv)} [REDACTED]

Noted

- note** that under both options we propose that you seek agreement from Cabinet to set the child poverty persistence target following receipt of Stats NZ initial poverty persistence estimates at the end of October

Noted

5. **agree** to discuss the content of this paper at your meeting with Child Wellbeing and Poverty Reduction Group officials on 8 July 2024.

Agree / Disagree



04/07/24

Hannah Kerr
Director
Child Wellbeing and Poverty Reduction
Group

Date

Hon Louise Upston
Minister for Child Poverty Reduction

Date

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Background

5. Your recent meeting with child poverty reduction officials on Tuesday 25 June included an agenda item on s9(2)(f)(iv) [REDACTED]. The Child Poverty Related Indicators (CPRIs), and timeframe for completing the refresh of the Child and Youth Wellbeing Strategy (the Strategy) were also discussed.
6. At the meeting you indicated that you wished to take a single paper to Cabinet later in 2024, seeking the following inter-related decisions:
- agreement to the poverty persistence target (under the act, this must be set by the end of 2024)
 - s9(2)(f)(iv) [REDACTED]
 - confirmation of an updated set of CPRIs
 - agreement to the refreshed Strategy.
7. We have undertaken further work to understand the key considerations that impact on the timing of such a paper, and the feasibility of covering off all four of the matters you would like it to address. These considerations are discussed in further detail below.

s9(2)(f)(iv)

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Stats NZ work on persistent poverty

12. Stats NZ expects to confirm the definition of persistent poverty by the end of August, and to have initial estimates of persistent poverty available by the end of October. These initial estimates provide the baseline data that is necessary to support advice and decisions regarding the poverty persistence target for households with children.
13. Stats NZ has advised that, due to the nature of the work involved in developing the persistent poverty measure, it is not possible to bring forward these timeframes. Given this, officials consider that mid to late November is the earliest that Cabinet agreement to the poverty persistence target could be sought. The target must be gazetted by 31 December 2024.
14. An alternative approach would be for you to take a paper to Cabinet at an earlier date (e.g. October) and seek agreement to set the child poverty persistence target once the Stats NZ initial estimates are available. ^{s9(2)}
_{(f)(iv)}
[REDACTED]
[REDACTED] You could indicate to Cabinet that you will consult with specified Ministers (e.g. children's Ministers and / or the Minister of Finance) before setting the poverty persistence target.

Timing of changes to the CPRIs and the refresh of the Strategy

15. There are fewer constraints on the timeframes for changing the CPRIs and publishing a refreshed Strategy. Key considerations include:
 - the time needed to complete the work to finalise the Strategy, including synthesising information from targeted external consultation, finalising the measurement framework, and engaging with agencies and Ministers on matters relevant to their portfolios
 - timeframes for related work led by other agencies (e.g. priorities for social investment; the development of second Te Aorerekura Action Plan)
 - the role of the Strategy in influencing Budget 2025 and wider social investment priorities and decisions
 - your preferred timing for the publication of the refreshed Strategy ^{s9(2)(f)(iv)}
[REDACTED]
[REDACTED], and
 - the timeframe for the development of the CPRIs.
16. The CPRIs are an integral part of the public-facing measurement framework for the refreshed Strategy, meaning decisions on them are best made in the context of wider decisions about the Strategy. Following our recent report (REP/24/6/526 refers) and discussion with you on the CPRIs, we will provide you with advice by mid-July on proposed new CPRIs. There is an opportunity

to discuss these at the next Child and Youth Ministers Group meeting on 1 August.

17. Given these considerations, we believe that October would be the optimal timing for Cabinet to confirm the CPRIs and approve the Strategy for publication.

We have identified two timing options for progressing Cabinet decisions

18. Based on the various timing considerations outlined above, we have identified two options for progressing Cabinet decisions on the four key items on your child poverty reduction work programme. The two timelines are represented visually in Appendix 1.
19. Irrespective of which option you choose, we recommend you seek Cabinet agreement to set the child poverty persistence target (following consultation with specified Ministers), as discussed in paragraph 14 above. Without this agreement, you would need to wait until November to seek Cabinet confirmation of the poverty persistence targets, with the risk of further delays to other aspects of your portfolio work programme.
20. Option 1 is to proceed with your preferred approach of **a single paper to Cabinet in October** seeking decisions on all four items on your work programme. ^{s9(2)(f)(iv)}

21. Option 2 is to take two papers to Cabinet, as follows.

• ^{s9(2)(f)(iv)}

- **A further Cabinet paper in October**, seeking agreement to set the poverty persistence target, confirmation of the CPRIs, and approval of the refreshed Strategy. This would enable you to launch the refreshed Strategy (including the CPRIs as key measures) in November and meet your legislative requirements to set the poverty persistence target by 31 December.

Next Steps

22. We would appreciate the opportunity to discuss the contents of this briefing at our next child poverty officials meeting on Monday 8 July.
23. Once you have confirmed your preferred way forward, we will work with your office to confirm the key deliverables and decisions that will be required to support the development of final Cabinet paper(s).

Author: Barbara Annesley, Chief Advisor, Child Wellbeing and Poverty Reduction Group

Responsible manager: Hannah Kerr, Director, Child Wellbeing and Poverty Reduction Group

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Report



MINISTRY OF SOCIAL
DEVELOPMENT
TE MANATŪ WHAKAHIATO ORA

Date: 24/7/2024 **Security Level:** In Confidence
To: Hon Louise Upston, Minister for Child Poverty Reduction
File Reference: REP/24/7/682

Statutory Review of the Child Poverty Related Indicators

Purpose of the report

- 1 This report:
 - 1.1 provides a statutory review of the Child Poverty Related Indicators (CPRIs) under s42(1) of the Child Poverty Reduction Act 2018 and
 - 1.2 sets out provisional recommendations for a refreshed set of CPRIs for discussion with your colleagues at the Child and Youth Ministers meeting on 1 August.

Executive summary

- 2 There are currently five CPRIs, established by the previous Government, relating to housing affordability, housing quality, food insecurity, school attendance and potentially avoidable hospitalisations. We've reviewed these indicators, summarised at **Appendix 1**, and found that mostly they've performed adequately against the function that the previous Government had intended them to serve, which was to paint a wider picture of the circumstances of children in poverty.
- 3 We note you would like the CPRIs to serve a somewhat different purpose and also want to ensure the indicators have a clear line of sight to relevant Government and Portfolio Target measures. s9(2)(f)(iv)

- 4 s9(2)(f)(iv)

s9(2)(f)(iv)

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10 We note the refresh of the CPRIs is proceeding concurrently with the refresh of the Strategy (including the Strategy measurement framework). We therefore expect that the provisionally recommended CPRIs may need to be iteratively adjusted to ensure alignment ahead of seeking final agreement to the refreshed Strategy and CPRIs through your October Cabinet Paper.

Recommended actions

It is recommended that you:

- 1 **note** this report concludes the statutory review of the current CPRIs
- 2 **agree** to discuss the provisionally recommended CPRIs set out in the A3 at **Attachment A** with Child and Youth Ministers on 1 August.

Agree / Disagree



24/07/2024

Hannah Kerr
Director
Child Wellbeing and Poverty Reduction Group

Date

Hon Louise Upston
Minister for Child Poverty Reduction

Date

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Background

- 11 The Child Poverty Reduction Act 2018 (the Act) requires you as the Minister for Child Poverty Reduction to identify one or more Child Poverty Related Indicators (CPRIs) that must be reported against annually. A CPRI must be a measure that is, or may be, a cause, consequence or correlate of child poverty.
- 12 The Act requires the current CPRIs to be reviewed within three years of the most recent review of the Child and Youth Strategy (which was undertaken in July 2022).
- 13 While there's no urgency to review the CPRIs, you've previously agreed to a statutory review of the CPRIs now [REP/24/6/526 refers], partly to ensure there's a clear public record documenting the rationale for any major changes to the CPRIs.
- 14 Reviewing the CPRIs now is also a good opportunity to ensure alignment between the indicators and the wider refresh of the Child and Youth Strategy (the Strategy), including the Strategy measurement framework. In our earlier advice [REP/24/6/526 refers] we noted we're proposing to develop a measurement framework with three "tiers", with the CPRIs forming a key part of the first tier, as shown in Table 1 below. We expect the final approach to the measurement framework will iteratively evolve as we finalise the Strategy refresh.

Table 1: Three-tiered Strategy measurement framework (subject to revision)

Strategy Function	Monitoring and Reporting Function	Indicator Set
Public communications Tool	Tier 1: Public facing monitoring and Statutory reporting on key indicators	CPRIs, plus a small set of other child- and youth- relevant indicators aligned to Government and Portfolio targets and Strategy Priority areas
Strategy and Investment Framework	Tier 2: Ministerial monitoring of key supporting indicators for Strategy	Additional supporting indicators for monitoring Strategy, eg "lead indicators" dashboard
	Tier 3: Routine agency monitoring of a wider set of child and youth outcomes data and trends	Existing administrative and survey datasets relating to a wider range of child and youth outcomes.

This review is based on the framework developed as part of the first statutory review of the CPRIs

- 15 The previous, and first, review of the CPRIs established a framework for assessing whether the CPRIs are fit for purpose. We use this framework (with some minor modifications) to review the current CPRIs and for recommending potential new CPRIs.
- 16 The review framework emphasises that the CPRIs need to be assessed in the context of the intended rationale and function of the CPRI indicator set. This is because the Act doesn't prescribe in any detail the purpose of the CPRIs, and a potentially wide range of indicators satisfy legislative requirements for being a "cause, consequence, or correlate" of child poverty. Confirming the rationale and function of the CPRI indicator set therefore underpins the assessment of whether indicators and measures are "fit-for-purpose".
- 17 The main modification to the previous review framework is that it's outside the scope of the current review to assess reporting arrangements. We consider it's best to review reporting arrangements holistically, after finalising the refresh of the Strategy.

Table 2: CPRI review framework

Overarching Design Principles	Broad review questions	Specific design considerations
<ul style="list-style-type: none"> • Form follows function • Concision • Continuity 	What is the rationale for and function of the CPRIs?	<ul style="list-style-type: none"> • Does the proposed function align with the Government's priorities? • Does the proposed function align with the purpose of the Child Poverty Reduction Act 2018 and other relevant legislation (eg the Children's Act)?
	Which specific indicators are best aligned with the function and meet legislative requirements?	<ul style="list-style-type: none"> • Relevance to child poverty – is the indicator a cause, consequence or correlate of child poverty? • Does the indicator align with the function? • Coherence and balance – no gaps, no overlaps
	Are the measures and data underlying each of the indicators high quality?	<ul style="list-style-type: none"> • Relevance • Accuracy • Timeliness • Consistency

The current set of CPRIs should be refreshed

18 There are currently five CPRIs:

- 18.1 **Housing affordability.** The percentage of children aged 0-17 living in households in the bottom 40% of the income distribution where the household is spending more than 30% of their income on housing costs.
- 18.2 **Housing quality.** The percentage of children aged 0-17 living in households reporting a major problem with dampness or mould.
- 18.3 **Food insecurity.** The percentage of children aged 0-14 living in households reporting they “sometimes” or “often” run out of food.
- 18.4 **School attendance.** The percentage of children aged 6-16 years who are regularly attending school.
- 18.5 **Potentially Avoidable Hospitalisations.** The rate of children aged 0-14 years hospitalised for potentially avoidable illnesses and injuries.

The current CPRIs have mostly performed adequately against their originally intended function

- 19 The current indicators include a mix of causes, consequences and correlates of child poverty. The indicators reflect the function the previous Government intended for the CPRIs to serve which is to tell a broader story about the impacts of poverty on the wellbeing outcomes of children and families, beyond what is conveyed through the often more technical, primary measures of child poverty under the Act¹.
- 20 Mostly, these indicators have served this function adequately, as summarised in **Appendix 1**. The possible exception to this is the housing affordability indicator. The initially established measure for this indicator was the proportion of children living in households spending more than 30% of their income on housing costs. In 2023, following a key recommendation of the first CPRI review, this measure was changed to assess the proportion of children living in households in the bottom 40% of the income distribution where the household is spending more than 30% of their income on housing costs (the “30/40” indicator)².

¹ See: <https://www.dpmc.govt.nz/publications/briefing-dpmc-202122-2489-review-child-poverty-related-indicators>

² Note that, by definition, the 30/40 indicator excludes children in households receiving income-related rent subsidy (or similar) because these households only pay a maximum of 25% of their income towards housing costs.

21 This change was in some ways an important improvement. The 30/40 indicator avoids the problem of classifying high-income households, that choose to spend a large share of their income on housing costs, as experiencing unaffordable housing. But a limitation of this change is that, because the 30/40 indicator is based on a much smaller sub-population from sample survey data, the resulting sample errors are much larger (about 2-3ppt, compared to 1-2ppt for the previous "more than 30%" indicator). Consequently, the measure is only sensitive enough to detect quite large shifts in housing affordability, particularly when providing breakdowns for smaller population groups.

The current indicator set should be refreshed

22 The main reason why the current indicator set should be refreshed is that you've indicated you want the CPRIs to have a clear "line of sight" with relevant Government Target indicators, supporting measures for the Government Targets, or Portfolio Target indicators.

23 s9(2)(f)(iv)

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Confirming the rationale for, and function of, the refreshed CPRIs

25 As the review framework implies, it's critical to confirm the rationale and function you'd like the refreshed CPRIs to serve to help finalise a "fit-for-purpose" indicator set.

26 s9(2)(f)(iv)

We understand you'd like the indicators to:

- 26.1 have a clear line of sight to, and support progress towards, relevant Government Targets, Supporting Measures and Portfolio Targets, without necessarily duplicating these measures
- 26.2 be streamlined and simple to understand
- 26.3 be informed by any feedback from Child and Youth Ministers.

27 We also note that when the CPRIs were first proposed for inclusion as part of the Act you envisaged that the CPRIs would serve as wider indicators of the quality of a child's life and factors that determine a child's future outcomes and life chances.

s9(2)(f)(iv)

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s9(2)(f)(iv)

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Next steps

- 54 This report concludes the statutory review of the current CPRIs.
- 55 Subject to any feedback from Child and Youth Ministers we'll work with relevant agencies to finalise the indicator set in August/September ahead of the advice notifying Cabinet Ministers of the refreshed indicator set in October 2024.
- 56 You will receive advice on the Strategy measurement framework in early August, which will reflect the proposed CPRI set and how this will be reflected in the Strategy measurement framework. This will be an iterative process to finalise the CPRIs while ensuring alignment with the Strategy measurement framework.
- 57 We propose that the refreshed indicators be reported, albeit unofficially, for the 2023/24 financial year alongside the current, statutory CPRIs. The refreshed indicator set needs to be gazetted by the end of the financial year ending June 2025, and will be officially reported for that year.

Author: Hugh Webb, Principal Analyst, Child Wellbeing and Poverty Reduction Group

Responsible manager: Hannah Kerr, Director, Child Wellbeing and Poverty Reduction Group

Appendix 1: summary of strengths and limitations of currently gazetted CPRIs

Current CPRIs	Measure (data source)	Strengths	Limitations
Housing affordability.	The percentage of children aged 0-17 living in households, in the bottom 40% of the income distribution, where the household is spending more than 30% of their income on housing costs. (Household Income and Living Survey)	<ul style="list-style-type: none"> - Important driver of child poverty, with wide-ranging impacts on other social outcomes over short- and long-term - Large, representative survey data set, that can be disaggregated by disability and ethnicity 	<ul style="list-style-type: none"> - Large sample error (2-3ppt), not sensitive to detect smaller shifts in housing affordability, especially for smaller populations (eg Māori, disabled) - Affordable housing supply is critical but there are more limited policy levers to influence in the short to medium term - Significant (~9 month) data lags and measure may be subject to data revisions
Housing quality.	The percentage of children aged 0-17 living in households reporting a major problem with dampness or mould. (Household Income and Living Survey)	<ul style="list-style-type: none"> - Important indicator of risk for respiratory illness/adverse impacts of over-crowding - Large representative survey data set 	<ul style="list-style-type: none"> - Attribution of policy impacts on measure is especially challenging and uncertain – other factors, including climate variability could impact results
Food insecurity.	The percentage of children aged 0-14 living in households reporting they “sometimes” or “often” run out of food. (NZ Health Survey)	<ul style="list-style-type: none"> - Measure based on large, high quality sample survey 	<ul style="list-style-type: none"> - Indicator is largely a “symptom” of material hardship and, depending on intended function of CPRIs, this can be a limitation - Limited to children aged 0-14
School attendance.	The percentage of children aged 6-16 years who are regularly attending school. (School Attendance Survey)	<ul style="list-style-type: none"> - excellent coverage - technically robust 	<ul style="list-style-type: none"> - Breakdowns available by equity index only, not household income
Potentially Avoidable Hospitalisations.	The rate of children aged 0-14 years hospitalised for potentially avoidable illnesses and injuries. (Administrative data)	<ul style="list-style-type: none"> - Administrative data, provides excellent coverage - Covers a wide range of conditions 	<ul style="list-style-type: none"> - Difficulties attributing policy impact - Breakdowns available by NZDEP quintiles, age and ethnicity only (not disability, household income) - Expressed as a rate, not a percentage of children - same child may have more than one hospitalisation

For detailed commentary on the latest rates for each of the current CPRIs, and breakdowns for priority population groups, refer to the Child Poverty Related Indicators Report for the financial year ending [2021/22](#) and [2022/23](#).

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Attachment A: Refresh of the Child Poverty Related Indicators – for discussion with Child and Youth Ministers on 1 August

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Aide-mémoire



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

Meeting

Date: 12 July 2024 **Security Level:** In Confidence
For: Hon Louise Upston, Minister for Child Poverty Reduction
File Reference: REP/24/7/604

Meeting with the Child Poverty Action Group (CPAG) and other non-government stakeholder organisations

Meeting details 10:00 – 11:00am, Thursday 18 July 2024
Lifewise building, 124 Vincent Street, Auckland CBD, 1010
Contact on the day (if needed): Sarita Divis 021 031 5194

Expected attendees The following people are expected to attend (some will be online):

- Sarita Divis, Executive Officer, CPAG
- Alan Johnson, Convenor, CPAG
- Colleen Brown, Disability Spokesperson, CPAG
- Haehaetu Barrett, Executive Officer, Lifewise
- Shirley Rivers, Head of Mission, Methodist Mission Northern
- Hamish Jarvie, National Coordinator, Methodist Alliance
- Owen Sinclair, President, Paediatric Society of New Zealand
- Prudence Stone, Executive Officer, Presbyterian Support NZ
- Jacqui Southey, Advocacy and Research Director, Save the Children

Further information on the expected attendees and their organisations is attached in **Appendix 1**.

Purpose of meeting The purpose of this meeting is to meet with representatives of CPAG and other non-government stakeholder organisations to discuss child poverty, including the Government’s approach to reducing child poverty in New Zealand.

Background CPAG is one of the priority stakeholders in your Child Poverty Reduction portfolio. CPAG has previously written to both you and the Prime Minister requesting a meeting. This is your first meeting with CPAG since you took office. Former Ministers for Child Poverty Reduction (Hon Tinetti and Rt Hon Ardern) both met with CPAG while in office.

Child Poverty Reduction officials met with CPAG on 14 June as part of targeted consultation on the refresh of the Child and Youth Wellbeing Strategy (the Strategy). CPAG representatives raised a number of questions which they will likely also want to discuss with you. We have provided talking points on the key child poverty issues that may be raised.

Initially your meeting was only with CPAG, but CPAG has advised your office that representatives from a range of organisations have also been invited to join. These organisations all have an interest in reducing child poverty but many of them also overlap with your other portfolios. You have not met with any of these organisations since you took office.

As the primary purpose of the meeting is to meet with CPAG to discuss child poverty, we have provided talking points focused on this topic. If organisations raise issues relevant to your other portfolios, you may wish to suggest they contact your office to arrange a separate meeting.

Key issues **The Government’s approach to reducing child poverty**

CPAG will likely ask you about the Government’s plan to reduce child poverty and to meet the current ten-year child poverty reduction targets.

CPAG has been a regular critic of successive governments’ approaches to reducing child poverty. CPAG commentators have stated publicly that they do not consider the current Government’s policies will support reductions in child poverty and, in many cases, will increase child poverty (e.g., CPAG has stated that indexing benefits to inflation rather than wage growth will increase the number of children in poverty).

Suggested talking points:

- As Minister for Child Poverty Reduction, I am committed to continuing to lift children out of poverty in New Zealand.
- This Government's approach is focused on changing the circumstances that trap people in poverty by providing them with real opportunities to make changes and choices.
- Our approach aims to address the long-term drivers of child poverty to achieve reductions in poverty rates, particularly material hardship.
- In reducing child poverty, my priority will be on supporting parents into employment as I believe it's the best route out of poverty.
- An important part of this is making work pay, which is why Budget 2024 includes FamilyBoost and a significant increase to the In-Work Tax Credit for working families.
- Our wider focus on economic growth and reducing inflation will also ease pressure on household incomes and reduce the number of children in hardship.
- Over the longer term, our work in areas such as those aimed at driving improvements in education, health, housing, and disability supports and services will be critical in addressing the underlying drivers of child poverty.
- Of the three primary child poverty measures, my focus is on material hardship as it is the best measure of how children and families are experiencing poverty now. It is also the simplest measure, which is readily understood.

The child poverty reduction targets

CPAG is strongly supportive of the Child Poverty Reduction Act regime and is likely to ask you about how the Government intends to meet the ten-year child poverty targets, particularly as the most recent child poverty rates (for 2022/23) saw an increase on all three measured rates. CPAG stated in May that the Government is forecast to fail to meet mandated child poverty reduction targets in 2024 and 2028.

The recently commissioned review of the ten-year targets concluded that they cannot practically be achieved in the current

economic context and fiscal climate [DPMC-2023/24-920 refers].

The third intermediate child poverty reduction targets (for the period up to 2026/27) were set by notice in the Gazette on 27 June. While the third intermediate targets propose reductions on all three measures, the targets are set higher than the second intermediate targets (for the period to 2023/24) for material hardship and BHC50.

CPAG representatives may ask you about the third intermediate targets, although it is unclear if they are aware that these targets have been gazetted. As of 12 July, CPAG has not released any media commentary on these targets.

For your reference, **Appendix 2** provides an overview of the 2022/23 child poverty rates, the third intermediate targets and the ten-year targets.

Suggested talking points:

- The current ten-year targets were highly ambitious when they were set in 2018. The economic outlook back then was quite different and did not anticipate the economic conditions that we have been facing in recent years, including the impacts of COVID-19 and subsequent cost-of-living crisis.
- This means that while the Government is committed to reducing child poverty, we are unlikely to meet the current ten-year targets in 2028.
- Some of the most cost-effective policy changes for reducing child poverty, such driving improvements in employment, education and training, and lifting skills, also take longer to implement and to take effect than a three-year intermediate target period.
- I have recently set the third intermediate targets which commit to continued reductions in child poverty. I have set these targets in line with what I consider to be achievable in the current economic context.

Child poverty impacts of the Budget 2024 package

CPAG publishes an analysis of the Budget each year in which they assess the child poverty impacts of the Budget package. The analysis of Budget 2024 was largely critical and expressed

concern with the implication for increases to child poverty on the BHC50 measure.

You may be asked about how the Government's Budget 2024 investments will support reductions in child poverty.

If asked, you could say:

- The Government made significant Budget 2024 investments that took effect from July 2024 and will support families experiencing poverty. These include:
 - the introduction of Family Boost to help with the costs of early childhood education for low-to-middle-income households
 - increasing personal income tax thresholds to recognise wage growth (the first reduction in personal income tax since 2010)
 - increasing the In-Work Tax Credit by up to \$50 per fortnight for working families with children, on top of personal income tax relief.
- We know that disabled children and children living in a household impacted by disability are much more likely to experience poverty. Budget 2024 provided an additional \$1.1 billion over five years to address demand and cost pressures on disability support services.
- Treasury projections suggest the Budget 2024 package will lower the child poverty rates by around 17,000 fewer children in poverty on the after-housing-costs measure.
- Although material hardship cannot be modelled, the association with the after-housing-costs measure suggests material hardship rates will also be lower than they would otherwise have been.
- As Budget 2024 invested in supporting middle-income households, we are not projected to see a decrease on the before-housing-costs income measure, which is forecast to increase to 14.3% of children by 2028.
- This is because the before-housing-costs measure is a relative or moving line measure. Making progress on reducing this measure requires households' incomes at the bottom of the income distribution to grow faster than those in the middle.

You are refreshing the Child and Youth Strategy

You are currently refreshing the Strategy to position it as an investment framework that reflects the Government's targets and priorities, and provides a coordinated, evidence-based investment approach to improving outcomes for children and young people across the life course.

You intend to seek Cabinet agreement to the draft refreshed Strategy in October 2024 with a view to publishing an updated Strategy document in November 2024.

Suggested talking points:

- As you may know, I am refreshing the Child and Youth Strategy to align with our objectives, targets and priorities for children and young people.
- I intend to retain the six high-level outcomes from the current Strategy. However, I am updating the measurement framework as well as the policies and priority areas that the Government will focus on under the Strategy.
- The refreshed Strategy will have three priority areas:
 - supporting children and their families and whānau in the first 2,000 days
 - reducing child material hardship, and
 - reducing harm against children.
- I have chosen reducing material hardship as one of my priority areas because implementation of the Strategy is a key mechanism for improving outcomes for children and young people in New Zealand, including reducing child poverty.
- As shown in the most recent Strategy Annual Report for 2022/23, many children and young people experience poor outcomes, including Māori children, disabled children and children in a household impacted by a disability.
- The refreshed Strategy will provide a framework for coordinated, evidence-based investments in services and supports that make the biggest difference to the life trajectories of children and young people.
- I understand my officials have met with some of you recently to hear your views on the refresh of the Strategy. I will be

receiving advice on the refreshed Strategy shortly and intend to publish an updated Strategy document later this year.

Government funding for Living in Aotearoa and Growing Up in New Zealand (if asked)

CPAG has expressed concern to officials about the decisions to end the Living in Aotearoa Survey and to cease funding for the Growing Up in New Zealand Longitudinal Study (GUINZ). CPAG considers longitudinal data and evidence is key to supporting measurement and reporting on child poverty, and also aligns with a social investment approach.

If asked, you could say:

- The decision to stop Living in Aotearoa was made by the Government Statistician who has statutory independence in the production of official government statistics.
- The Government is currently considering the future of funding for the GUINZ Study and decisions will be made in due course.

Persistent poverty measure and target (if asked)

When officials met with CPAG we were asked about when the Government would be setting the poverty persistence target as required under the Child Poverty Reduction Act. CPAG may ask you about you this.

If asked, you could say:

- Under the Child Poverty Reduction Act, a poverty persistence measure is required by July 2025. I am required to set the first child poverty persistence target by the end of 2024.
- Following the Government Statistician's decision to stop the Living in Aotearoa Survey, Stats NZ is developing a persistent poverty measure using administrative data.
- Stats NZ is currently working on developing this measure and the Government Statistician has assured me that Stats NZ will report back to me in time for me to fulfil my legislative obligation to set a poverty persistence target.

Author: Harry Bloomfield, Senior Analyst, Child Wellbeing and Poverty Reduction Group

Responsible manager: Hannah Kerr, Director, Child Wellbeing and Poverty Reduction Group

Appendix 1: further information on meeting attendees

Organisation	Expected attendees
<p>Child Poverty Action Group (CPAG)</p> <p>Founded in 1994, CPAG is an independent, registered charity that works to eliminate child poverty in New Zealand through research, education and advocacy. It does not provide any services directly to families, instead focusing on influencing policy and debate to enact change. CPAG publishes regular policy and research papers and is an influential media commentator on child poverty issues.</p> <p>CPAG receives no government funding and is funded by grants from charitable trusts and donations. CPAG has 300 members and around 4,000 supporters across New Zealand. Its members include academics, doctors, teachers, health workers and community workers.</p>	<p>Sarita Divis, Executive Officer</p> <p>Sarita has been the CPAG Executive Officer since mid-2023. She has worked in operational and coordination roles across a range of NGOs, including Leprosy Mission New Zealand, and the Auckland Women’s Centre.</p> <p>Alan Johnson, CPAG Convenor</p> <p>Alan is one of CPAG’s two convenors. He has previously worked as a policy analyst in both government and the NGO sector, including at the Salvation Army.</p> <p>Colleen Brown, Disability Spokesperson</p> <p>Colleen is a local body politician and community and disability advocate. She has served on the Manukau City Council for nine years and previously spent 15 years as a Counties Manukau DHB representative. She is currently the chair of Disability Connect and has a son, Travers, with Down syndrome.</p>
<p>The Lifewise Trust</p> <p>Lifewise is an Auckland-based community social development organisation that provides a range of services to children, youth and families, including housing, health, disability, and mental health and addiction services.</p>	<p>Haehaetu Barrett, Chief Executive</p> <p>Haehaetu joined Lifewise in 2010 and was appointed Chief Executive in 2022.</p> <p>She has a background working in providing social and community services for vulnerable families and whānau and championing support for marginalised communities in New Zealand.</p>
<p>Methodist Mission Northern (MMN)</p> <p>MMN is a charitable trust and a sister organisation to Lifewise. It similarly provides a range of family, housing, health and disability services to communities.</p>	<p>Shirley Rivers, Head of Mission</p> <p>Shirley has a background working within iwi social services, community development, counselling and most recently teaching in the tertiary education sector at Waikato University.</p>

<p>Methodist Alliance</p> <p>The Methodist Alliance is a formal alliance of Methodist Missions, Trusts and Parishes delivering social services and community-led development.</p> <p>The Methodist Alliance aims to raise the profile of the work done by Methodist Missions across the country including Lifewise and MMN.</p>	<p>Hamish Jarvie, National Coordinator</p> <p>Hamish has been the Methodist Alliance National Coordinator since April 2014. Previously he has worked as a policy analyst at the New Zealand Council of Christian Social Services and has a Masters in International Relations from Victoria University.</p>
<p>Paediatric Society of New Zealand (PSNZ)</p> <p>PSNZ is a not-for-profit charitable organisation which works collaboratively with other societies, governmental departments and institutions to develop and influence pathways for improving outcomes for children and youth at a local, regional, and national level.</p>	<p>Dr Owen Sinclair, President</p> <p>Owen is an Auckland-based paediatrician and has been President of PSNZ since November 2023.</p> <p>He is also the chair of the National Immunisation Taskforce.</p>
<p>Presbyterian Support NZ</p> <p>Presbyterian Support is a federation of the seven Presbyterian Support organisations in New Zealand – Northern, Central, East Coast, Upper South Island, South Canterbury, Otago and Southland.</p> <p>The seven organisations are managed and operated separately, providing local services in each region. Collectively, Presbyterian Support is one of the largest providers of social and health services in the country.</p>	<p>Dr Prudence Stone, Executive Officer</p> <p>Prudence has been the National Executive Officer for Presbyterian Support since 2021.</p> <p>Previously she has worked in a range of roles across not-for-profit and NGOs including UNICEF New Zealand, the Public Health Association of New Zealand,</p> <p>Prudence has a PhD in Sociology from The New School in New York.</p>
<p>Save the Children</p> <p>Save the Children is an international NGO founded in England in 1919 and which works in 120 countries, including New Zealand.</p> <p>Save the Children works to eliminate child poverty, educate children, and support children in emergency/disaster zones.</p>	<p>Jacqui Southey, Child Rights Advocacy and Research Director</p> <p>Jacqui has been in this role at Save the Children since 2018. She previously led the child rights education and youth participation programme at UNICEF New Zealand and was also a primary school teacher for 10 years.</p> <p>Jacqui holds a Masters of Education and has authored a range of research on positive parenting practices for children under five.</p>

Appendix 2: child poverty targets

Primary Measure	Baseline 2018 measured rate	2022/23 measured rate	2023/24 second int. targets	2026/27 projected rates	2026/27 third int. targets	Ten-year target rate (2027/28)
Material hardship The proportion of children living in households scoring 6 or more out of 17 on the DEP-17 material hardship index.	13.3%	12.5%	9.0%	~11.0% ¹	11.0%	6.0%
AHC50 The proportion of children living in households with incomes less than 50% of the median income in 2018, after deducting housing costs and adjusting for inflation.	22.8%	17.5%	15.0%	~14.0%	14.0%	10.0%
BHC50 The proportion of children in households with disposable incomes less than 50% of the median in a given year.	16.5%	12.6%	10.0%	~15.0%	12.0%	5.0%

¹ Projected rates for BHC50 and AHC50 are based on Treasury's modelled estimates for 2026/27, taking into account economic forecasts and confirmed policy decisions. Material hardship cannot be modelled, so the estimate for 2026/27 is based on the historical relationship with the AHC50 measure.

Report



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

Date: 5 July 2024 **Security Level:** In Confidence
To: Hon Louise Upston, Minister for Child Poverty Reduction
File Reference: REP/24/7/613

Ministerial Satisfaction Survey 2023/24 for the Child Poverty Reduction portfolio

Purpose of the report

- 1 This report asks you to complete the Ministerial Satisfaction Survey on the Child Wellbeing and Poverty Reduction Group's performance in supporting you as Minister for Child Poverty Reduction in 2023/24.

Recommended actions

It is recommended that you:

- 1 **complete** and return the attached Ministerial Satisfaction Survey by Friday 26 July 2024 which will enable the Ministry of Social Development to report against its policy performance measures in the 2023/24 Annual Report.

03/07/24

Hannah Kerr
Director
Child Wellbeing and Poverty Reduction Group

Date

Hon Louise Upston
Minister for Child Poverty Reduction

Date

The Ministerial Satisfaction Survey is used to assess our performance

- 2 The Ministerial Satisfaction Survey (the Survey) is used by agencies to assess their minister's satisfaction with the services provided by their policy function.
- 3 The Survey seeks your feedback on the policy performance of the Child Wellbeing and Poverty Reduction Group (CWPRG) which sits within the Ministry of Social Development (MSD) and supports you in your role as Minister for Child Poverty Reduction.
- 4 Ministerial satisfaction is one of the performance measures for the CWPRG, which is funded from the Policy appropriation within Vote Social Development.
- 5 Achievement of the performance measures is reported to Parliament and the public in MSD's Annual Report.

Your feedback enables us to improve our advice to you

- 6 The Survey is attached as Appendix One. It asks you to rate various aspects of your experience and includes questions seeking written comments. The questions are designed to establish your general satisfaction of interactions with the CWPRG, assessment of the quality of the policy advice provided, and the overall performance.
- 7 Your responses will help us to better understand what we are doing well and how we can improve our advice and the support we provide to you.

Next steps

- 8 Please complete and return the Survey by Friday 26 July 2024.

Attachments

Appendix One: Ministerial Satisfaction Survey 2023/24

Author: Harry Bloomfield, Senior Analyst, Child Wellbeing and Poverty Reduction Group

Responsible manager: Hannah Kerr, Director, Child Wellbeing and Poverty Reduction Group

Ministerial Policy Satisfaction Survey

Hon Louise Upston, Minister for Child Poverty Reduction

Agency/portfolio: Child Wellbeing and Poverty Reduction Group (CWPRG)

Time period: 27 November 2023 – 30 June 2024

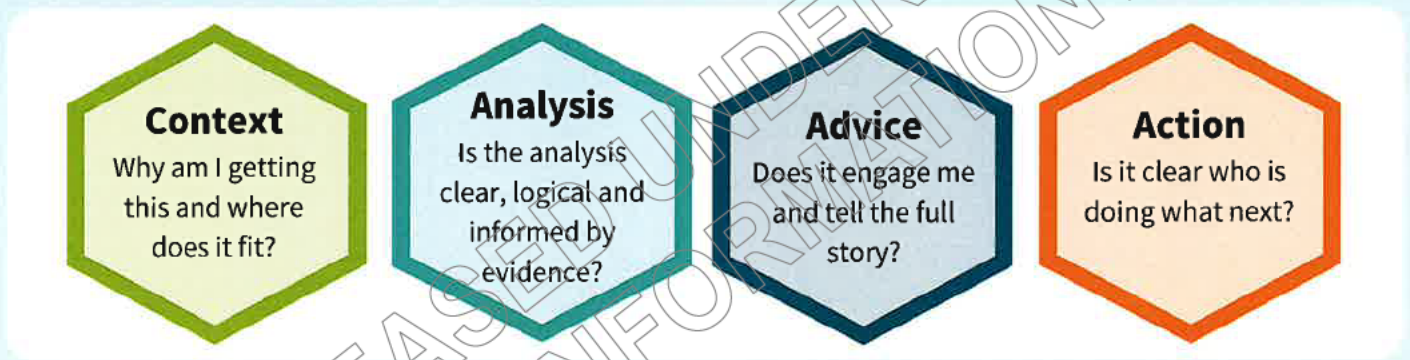
This survey seeks your feedback on the written and oral policy advice you've received from the CWPRG as Minister for Child Poverty Reduction over the time period. It will take about 5 to 10 minutes to complete.

How the results will be used

Your feedback will help the CWPRG better serve you in the future. It's part of a commitment to be transparent and accountable for policy performance. Your responses will also be used to calculate a ministerial satisfaction score to be included in the information for the Estimates and Annual Report.

The elements of quality policy advice

The policy advice you receive should support you to make a fully informed decision, or take the next steps, by answering the following questions from the Policy Quality Framework:



Thank you for your feedback.

1. General satisfaction

Thinking about your interactions with the agency on this portfolio over this time period, how often did each of the following occur?

	Never	Some of the time	About half the time	Most of the time	Always
I was engaged early enough in the policy process	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
I was engaged in a way that reflects how I like to work	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
My feedback was taken on board	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
I was able to access relevant expertise on the issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
I received policy advice that demonstrates an understanding of my priorities and context	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
I received policy advice within the agreed timeframes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>



Please add any comments or suggestions on how the support provided to you as Minister could be improved, or examples of what has worked well that should be continued.

2. Quality of policy advice

Thinking about the policy advice you've received from the agency on this portfolio over this time period, how often did the advice do the following?

	Never	Some of the time	About half the time	Most of the time	Always
Clearly explain the problem or opportunity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Make relevant connections with other portfolios and address any issues that arise	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Clearly explain the rationale for intervention	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Reveal diverse views, experiences and insights identified through inclusive and appropriate community engagement strategies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Incorporate Te Tiriti o Waitangi analysis and te ao Māori, where relevant	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Demonstrate how relevant research, evidence, and insights informed the policy advice	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Make relevant connections with the work of operations and address any issues that arise	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Consider the longer-term implications and anticipate future challenges and opportunities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Provide the advice you need to hear and not only what you want to hear	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Enable a clear and informed decision to be made, or next steps to be taken	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Communicate clearly, concisely and coherently	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Adequately consider how the policy will be implemented and will work in practice	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Explain how the policy will be monitored or evaluated to check that it works	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Please add any comments or suggestions on how the quality of the policy advice could be improved, or examples of what has worked well that should be continued.

3. Overall performance

In general, thinking about your experience of working with the agency on this portfolio over this time period, how often did the following occur?

	Never	Some of the time	About half the time	Most of the time	Always
I have confidence in the policy advice provided	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
I have trust in the officials I engage with	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

What's the most important thing that officials could do to improve the overall policy performance?

Relate work back to government priorities and consider how work is considered by NZ public. for example include language that is accessible and valued by public rather than officials.

Thank you for your feedback.

Aide-mémoire



MINISTRY OF SOCIAL
DEVELOPMENT
TE MANATŪ WHAKAHIATO ORA

Meeting

Date: 31 July 2024 **Security Level:** In Confidence
For: Hon Louise Upston, Minister for Child Poverty Reduction
File Reference: REP/24/7/705

Supporting information and talking points for Child and Youth Ministers Group 1 August meeting

Meeting 3:30pm-4:30pm, 1 August 2024, 5.1L Executive Wing

Purpose of meeting You have convened and are chairing a meeting of Ministers with portfolio responsibilities that are most relevant for reducing child poverty and improving children's outcomes. The meeting is scheduled for 3.30pm on Thursday 1 August.

Simon MacPherson (DCE Policy) and Hannah Kerr (Director Child Wellbeing and Poverty Reduction Group) will attend the meeting.

This aide-mémoire is provided as part of your final meeting pack, which includes the agenda and background papers circulated to attending Ministers. It provides background information and suggested talking points for each agenda item.

Agenda Four agenda items have been identified for the meeting:

- s9(2)(f)(iv)
- Item 2: Refreshing the Child Poverty Related Indicators (CPRIs)
- Item 3: Update on targeted engagement on the refresh of the Child and Youth Strategy (the Strategy)
- Item 4: Progressing the recommendations in the Dame Karen Poutasi report

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OFFICIAL INFORMATION ACT

- I plan to report back to Cabinet in October 2024. I will be seeking decisions on four key items in my Child Poverty Reduction portfolio:

– s9(2)(f)(iv)

- setting a poverty persistence target (a legal requirement)
- updating the Child Poverty Related Indicators (CPRIs)
- refreshing the Child and Youth Strategy.

- s9(2)(f)(iv)

I welcome any questions and discussion you may have.

Item 2:

Refreshing the Child Poverty Related Indicators (CPRIs)

Background

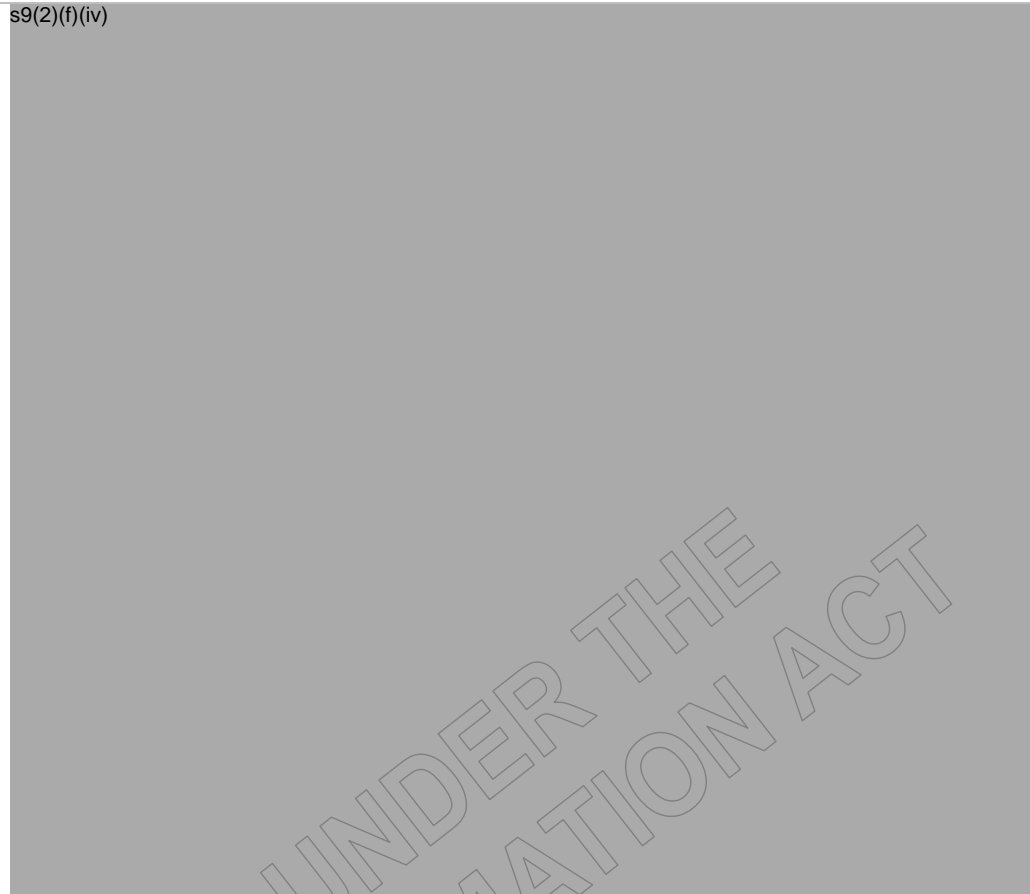
s9(2)(f)(iv)

The refresh of the CPRIs is proceeding concurrently with the refresh of the Strategy (including the Strategy measurement framework). This means that the provisionally recommended CPRIs may need to be adjusted to ensure the coherence of the wider measurement framework, ahead of seeking Cabinet agreement to the refreshed Strategy and CPRIs in October.

Suggested talking points

You may wish to use the following talking points for this item.

- Under the Child Poverty Reduction Act 2018 (the Act) I must set one or more CPRIs which are defined as “causes, consequences, or correlates of child poverty”.
- I am refreshing the CPRIs as part of the wider refresh of the Strategy and intend them to be part of a streamlined, public-facing measurement framework for the Strategy. I want the refreshed CPRIs to:
 - be easily understood



- My officials will work with relevant agencies over the next few weeks to finalise the details of the CPRIs, at the same time as finalising the refresh of the Strategy.
- I will seek confirmation of the final set of CPRIs through the October Cabinet paper.

Item 3:
Update on targeted engagement on the refresh of the Child and Youth Strategy

Background

At the last Child and Youth Minister’s meeting you informed your colleagues of your plan to undertake targeted consultation on the refresh of the Strategy during June-July. That consultation process has now been completed.



Officials will now use the outputs from consultation to inform further advice to you on the refreshed Strategy over the coming weeks, along with other evidence and data sources.

You have provided your colleagues with **Attachment 3**, which summarises the key themes that emerged from the consultation and engagement. This item provides an opportunity to for you to

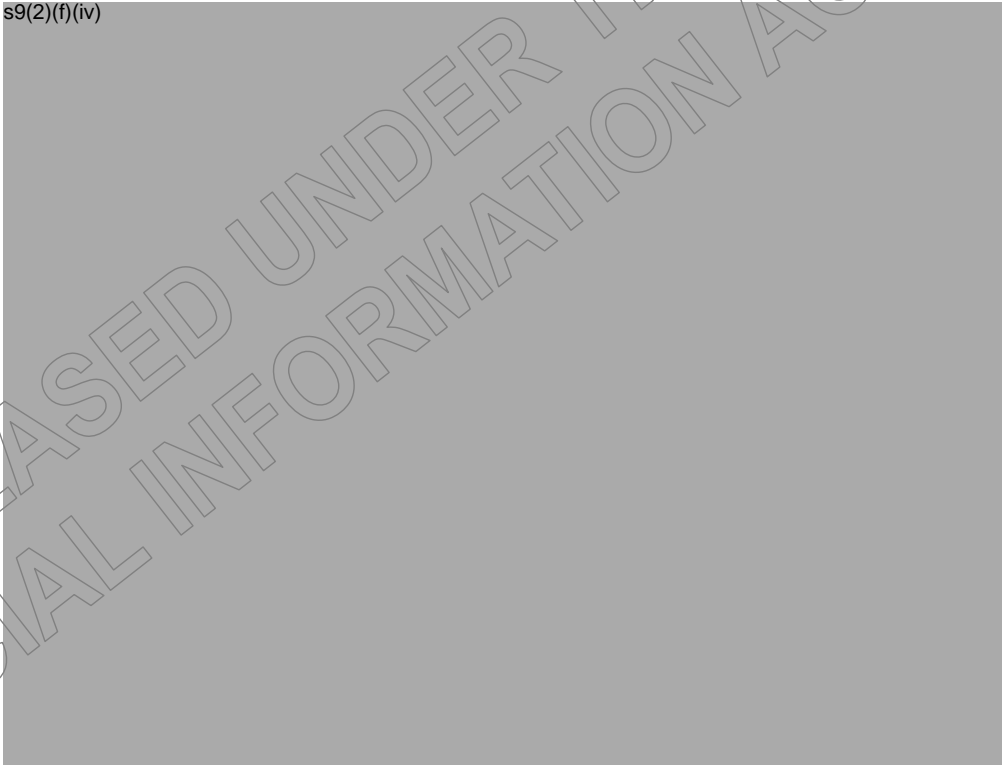
share the key themes, discuss and seek further input, and answer any questions.

Suggested talking points

You may wish to use the following talking points for this item.

- As you may recall, I directed officials to undertake targeted consultation on the Child and Youth Strategy, following our last meeting.
- During June and early July officials engaged with a range of stakeholders and partners, including iwi/ Māori representatives, child wellbeing experts, NGOs – and with children and young people themselves.
- **Attachment 3** summarises the key themes that emerged from the consultation and engagement process.

s9(2)(f)(iv)

- 
- The outputs from consultation, along with other evidence and data, will help inform the work underway to finalise the refreshed Strategy. I will be seeking Cabinet agreement to the refreshed Strategy in October.
 - The themes from stakeholder engagement may also be useful for consideration within your portfolios.
 - I welcome any further discussion or questions you may have.

Item 4:**Background****Progressing the recommendations in the Dame Karen Poutasi report****[Led by Minister Chhour]**

We understand that the purpose of this item is to update Ministers on the key findings of the Independent Children's Monitor (the Monitor) review of the implementation of the recommendations in the Dame Karen Poutasi report.

This follows a meeting on Monday 29 July between you, Hon Karen Chhour (Minister for Children and for the Prevention of Family and Sexual Violence) and Arran Jones (Chief Executive of the Independent Children's Monitor) to discuss the review.

MSD officials provided you with an aide-mémoire for Monday's meeting (REP/24/7/695 refers). In very brief terms, the Monitor concludes:

- Children in situations like Malachi's are still not safe (or we cannot be confident that they are safe)
- Agencies are not adequately prioritising child protection
- Recommendations have not been implemented
- There has been limited action to date by agencies, focused on symptoms and not underlying causes
- Oranga Tamariki's response to reports of concern is not sufficiently focused on the safety of the child
- System change has not taken place.

There is a legal requirement for you to present the Monitor's review report in the House as soon as practicable, and for the Monitor to publish their report and agency responses to the findings.

To date, Cabinet has not taken formal decisions on Dame Karen Poutasi's recommendations. Agencies formed working groups to develop advice on the report's substantive recommendations (particularly those related to vetting and support for caregivers of children with a sole parent in prison, mandatory reporting, and legislative changes to define the children's system and the responsibilities of the agencies that make it up). Advice on these recommendations has been provided to the Minister for Children.

You have identified 'preventing child harm' as a priority area in the refreshed Child and Youth Strategy. We will shortly be providing you with advice on the breadth of child harms that should be covered by the Strategy (e.g. abuse and neglect of children, or wider harms such as online harm and bullying). It will also be important to position the child harm priority in the Strategy in relation to the Oranga Tamariki Action Plan, and the second Te Aorerekura Action Plan.

There may be an opportunity for the refreshed Strategy to identify actions the government and agencies are taking in response to the Dame Karen Poutasi recommendations; however these actions require separate Cabinet decisions and agency working group processes, led by the Minister for Children and her officials.

Consideration could be given to using the Child and Youth Ministerial Group as an oversight mechanism for progressing the government response, given the shared responsibility of all children's system agencies for the safety of children.

Suggested talking points

You may wish to use the following talking points for this item:

s9(2)(g)(i)

- As responsibility for protecting children is shared across government, and not solely the responsibility of Oranga Tamariki, it's important that there is shared responsibility at the Ministerial level.

Author: Sarah Berry, Principal Advisor - Engagement, Child Wellbeing and Poverty Reduction Group, Policy

Responsible manager: Hannah Kerr, Director, Child Wellbeing and Poverty Reduction Group, Policy

Aide mémoire



MINISTRY OF SOCIAL
DEVELOPMENT
TE MANATŪ WHAKAHIATO ORA

Date: 24 July 2024

Security Level: In Confidence

For: Hon Louise Upston, Minister for Child Poverty Reduction

File Reference: REP/24/7/685

Summary of engagement on the refresh of the Child and Youth Strategy: June-July 2024

Purpose This aide-memoire provides, for your information, a summary of the key findings from targeted engagement on the refresh of the Child and Youth Strategy (**Appendix 1**).

Separately, we have developed an A3 summarising the engagement for you to share with your colleagues at the Child and Youth Ministers meeting. This A3 is provided in the Child and Youth Ministers meeting pack.

Background Targeted engagement occurred during June and early July and was undertaken by the Child Wellbeing and Poverty Reduction Group, and also by the Children and Young People's Commission. We gave you a brief verbal overview of the key themes in the officials meeting on 8 July. We've now developed the attached written summary for your information. We will use the outputs of the engagement process to inform further advice to you on the refreshed Strategy over the coming weeks.

Appendix Appendix 1: Summary of engagement on the refresh of the Child and Youth Wellbeing Strategy: June-July 2024

Author: Sarah Berry, Principal Advisor Engagement, Child Wellbeing and Poverty Reduction Group, Policy

Responsible manager: Hannah Kerr, Director, Child Wellbeing and Poverty Reduction Group, Policy

Report



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

Date: 19 June 2024 **Security Level:** In-Confidence
To: Hon Louise Upston, Minister for Child Poverty Reduction
File Reference: REP/24/6/526

Confirming the function of the Child Poverty Related Indicators

Purpose of the report

- 1 This report seeks your agreement that the refresh of the Child Poverty Related Indicators (CPRIs) constitutes a review of the CPRIs in accordance with section 42(1) of the Child Poverty Reduction Act 2018. It also seeks further direction on the broad scoping of the CPRIs in the context of the wider Child and Youth Wellbeing Strategy measurement framework.

Executive summary

- 2 You've indicated you intend to change the CPRIs to align them with the Government Targets [CBC -24-MIN-0056 refers].
- 3 The Child Poverty Reduction Act 2018 (the Act) requires you to review the CPRIs every three years. While the CPRIs can be changed without being formally reviewed, the refresh of the CPRIs can constitute a statutory review and would re-set the timeframe for review so the next review is not required until 2027. We therefore recommend you agree that the refresh of the CPRIs constitutes a review of the CPRIs in accordance with section 42(1) of the Child Poverty Reduction Act 2018.
- 4 Before refreshing the CPRIs, we would like to confirm your vision for their purpose and scope in the context of the wider Strategy. Confirming this will enable us through the statutory review to identify and assess the best set of CPRIs aligned with your preferred function.

5 s9(2)(f)(iv)

6

s9(2)(f)(iv)

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11

12 Following your decision on the advice in this paper, we will provide advice on the recommended set of CPRIs as part of the July advice on the Strategy measurement framework.

13 While you are able to change the CPRIs directly without consulting other Ministers and Cabinet, you have indicated that you intend to report back to Cabinet on the updated CPRIs as part of the refresh of the Strategy. If you wish to test your thinking with your Ministerial colleagues in advance of Cabinet, there is an opportunity to do this at the Child and Youth Ministers meeting, currently scheduled for 1 August 2024. We would welcome the opportunity to discuss this with you at the officials meeting on 27 June.

14 In addition to confirming the public-facing CPRIs and Strategy measures we are in the process of developing a tiered measurement framework that will allow us to provide more tailored monitoring and reporting products for Child and Youth Ministers and supporting cross-agency governance.

Recommended actions

It is recommended that you:

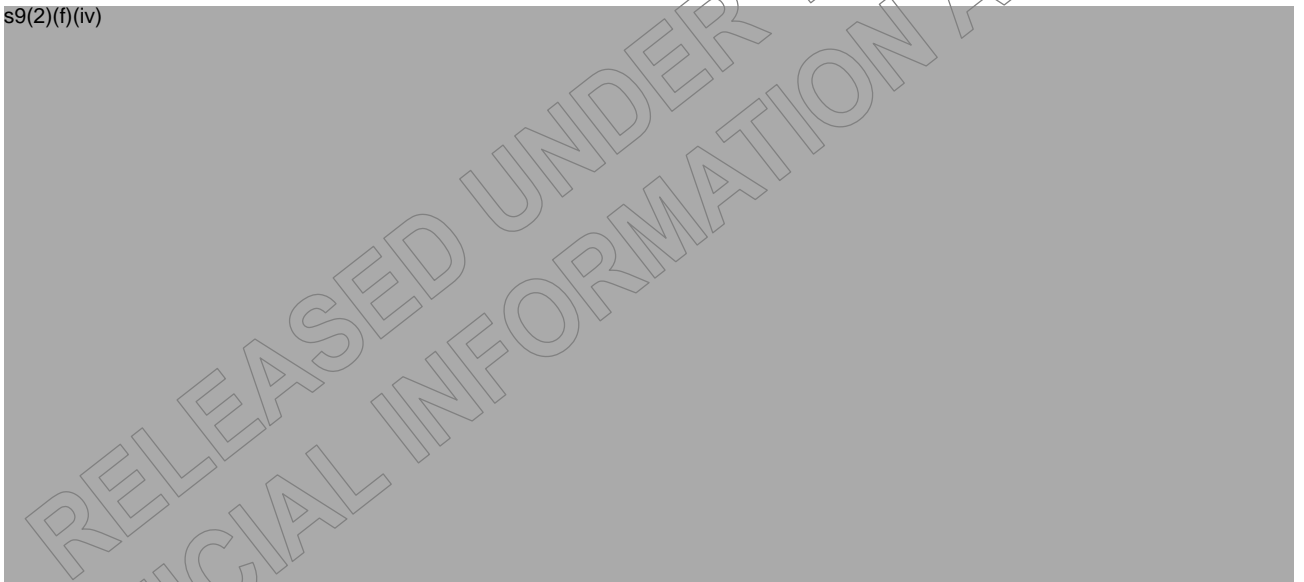
- 1 **agree** that the refresh of the CPRIs constitutes a review of the CPRIs in accordance with section 42(1) of the Child Poverty Reduction Act 2018

Agree/Disagree

- 2 **confirm** your intent to focus the CPRIs on measures that are directly linked to the Government Targets

Agree / Disagree

- 3 s9(2)(f)(iv)



Agree/Disagree

4 **discuss** your preferred approach to scoping the CPRIs and the next steps to progress this at the officials meeting on 27 June 2024.

Agree/Disagree



19/06/24

Hannah Kerr
Director, Child Wellbeing and Poverty
Reduction Group, Policy

Date

Hon Louise Upston, Minister for Child
Poverty Reduction

Date

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Background

- 15 You've agreed to refresh the Child and Youth Wellbeing Strategy (the Strategy) measurement framework, including the CPRIs, as part of the refresh of the Strategy [DPMC-2023/24-988 refers]. You've indicated your preference for a streamlined and simplified measurement framework, with the CPRIs serving as key indicators within the framework.
- 16 You've also expressed interest in exploring whether lead indicators for child poverty, particularly material hardship, could give an early signal about expected child poverty rates. We've advised that the CPRIs and material hardship lead indicators be considered in the context of the overall Strategy measurement framework [REP/24/4/374 refers].
- 17 You've indicated to your Cabinet colleagues that you intend to update the CPRIs to align them with the Government Targets and to report back to Cabinet on this as part of the refresh of the Strategy [CBC -24-MIN-0056 refers].

We recommend you agree that the refresh of the CPRIs constitutes a statutory review of the CPRIs

- 18 The Child Poverty Reduction Act 2018 (the Act) requires you to review the CPRIs every three years, in line with the regular review requirements for the Strategy in the Children's Act 2014.¹ The Act does not explicitly prescribe the nature and scope of the CPRi review. For the first review of the CPRIs in 2022, the Child Wellbeing and Poverty Reduction Group (CWPRG) developed a framework to systematically review the CPRIs, taking into account:
 - a. the function the CPRIs are intended to serve
 - b. how well the CPRIs align to the function
 - c. the quality of the data and measures underlying each indicator
 - d. the approach to reporting.
- 19 While the CPRIs can be changed without being formally reviewed, and are not required to be reviewed until 2025, the refresh of the CPRIs can constitute a statutory review and would re-set the timeframe for review so the next review is not required until 2027. We note you would be able to review the CPRIs ahead of the re-set 2027 timeline.

¹ Section 42(1) of the Child Poverty Reduction Act 2018 sets out that the Minister must ensure that each current CPRi is reviewed before the deadline for review of the Child and Youth Wellbeing Strategy.

- 20 The work to formally review the CPRIs is the same as the work we expect to do to refresh them. Formally reviewing the CPRIs now will ensure that the rationale for the proposed changes to the CPRIs is clearly documented and that the CPRIs meet the legislative requirements. Undertaking a review now will also ensure the timing of the statutory reviews of the Strategy and the CPRIs are aligned going forward.² This would support a consistent and coherent approach to the Strategy and the CPRIs.
- 21 We therefore recommend you agree that the refresh of the CPRIs constitutes a review of the CPRIs in accordance with section 42(1) of the Child Poverty Reduction Act 2018.

Before refreshing the CPRIs, we would like to confirm your vision for the scope and purpose of the CPRIs

- 22 Before undertaking a statutory review of the CPRIs we would like to confirm your vision for the purpose and scope of the CPRIs in the context of the wider Strategy. Confirming this will enable us through the statutory review to identify and assess the best set of CPRIs aligned with your preferred function.

s9(2)(f)(iv)

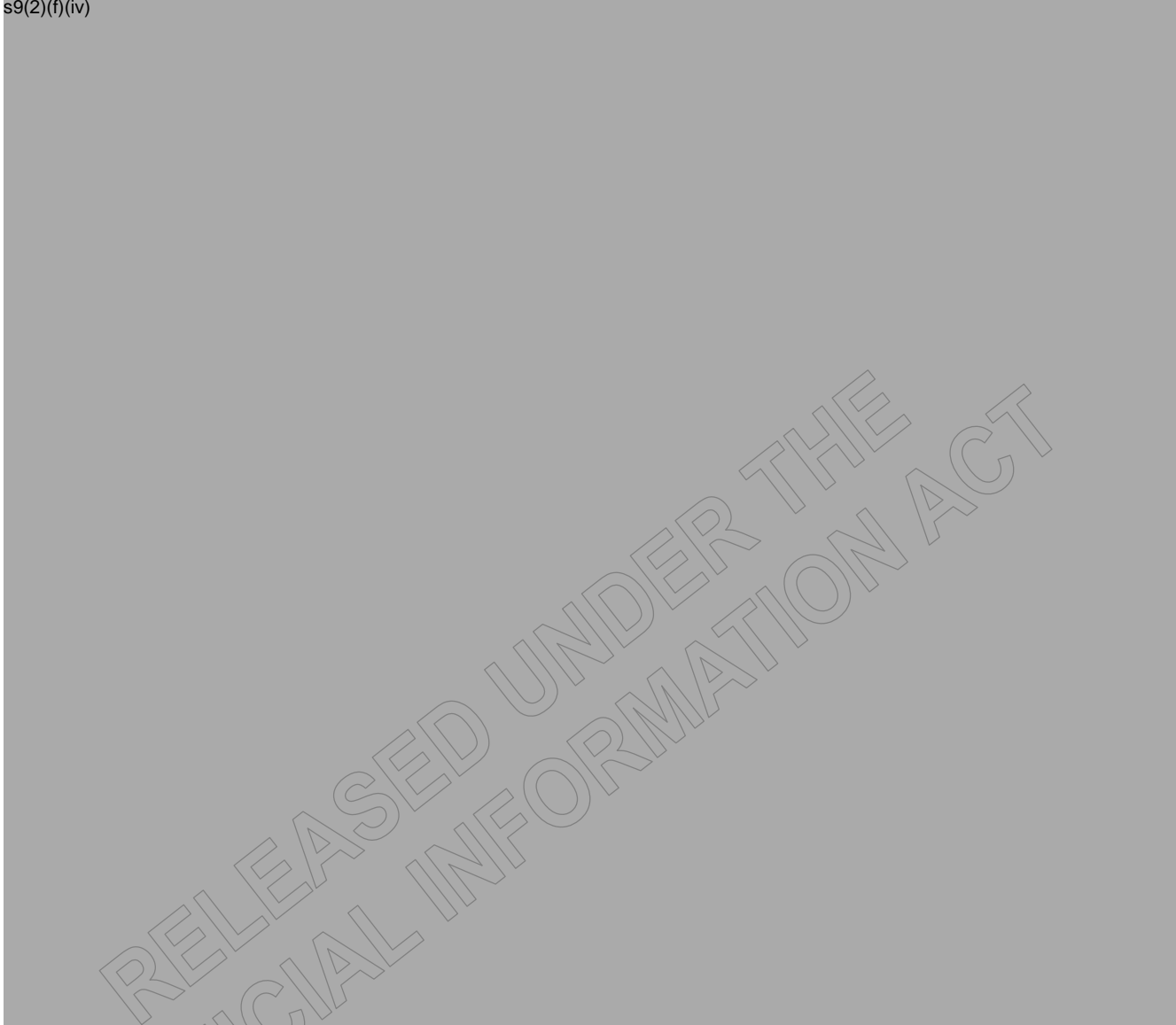
- 23 Under the Act you must set one or more CPRIs, which must be either causes, correlates or consequences of child poverty. This creates an expectation that there is strong evidence of an income poverty, income or socio-economic gradient in the outcomes that are measured via a CPRI.
- 24 In practice this means that a potentially wide range of social outcomes can be used as CPRIs because most social outcomes have a level of socio-economic gradient and can therefore be understood as causes, consequences or correlates of poverty.
- 25 Some social outcomes are *both* causes and consequences, depending on the time frame that is looked at. For example, poor school attendance can be thought of as a long-term cause of poverty, because poor school attendance is a key determinant of educational attainment, which in turn influences future earnings and poverty risk over the life course. Poor school attendance can also be seen as a consequence of poverty, for example if children are unable to attend school due to transport costs or food insecurity, or are missing school to work part time to supplement their household's income.

² Section 42(2)(b) of the Child Poverty Reduction Act 2018 sets the deadline for review of the Strategy as being within three years after the date of completion of the most recent review. The most recent reviews of the Strategy and the CPRIs are 2022.

- 26 Given the potentially wide range of social outcomes that could be CPRI, it is helpful to narrow the scope by defining the rationale and function you would like the CPRI to serve and to ensure there's coherence and alignment with other reporting, particularly the external statutory reporting on the Strategy.

s9(2)(f)(iv)

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37 While, as the Minister for Child Poverty Reduction, you are able to change the CPRIs directly without consulting other Ministers and Cabinet, you have indicated that you intend to report back to Cabinet on the updated CPRIs as part of the refresh of the Strategy. If you wish to test your thinking with your Ministerial colleagues in advance of Cabinet, there is an opportunity to do this at the Child and Youth Ministers meeting, which is currently scheduled for 1 August 2024. We would welcome the opportunity to discuss this with you at the officials meeting on 27 June.

We're planning to embed the public facing CPRIs and Strategy measures within a tiered monitoring and reporting framework

38 We are developing a framework for future measurement and monitoring incorporating the following inputs:

Table 1: Inputs into the Strategy measurement framework

Nine Government Targets	Portfolio Targets	Three priority areas for the refreshed Strategy	Six Strategy outcomes
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39 We will ensure the measurement framework:

- a. is simple and streamlined
- b. is tailored to the needs of different audiences, including the public, iwi and hapū Māori, Ministers and agencies
- c. reflects the levels of measurement and monitoring needed to understand if we are on track to achieve priority outcomes
- d. is aligned to Government and portfolio targets, and priority areas for the Strategy
- e. meets the legislative requirements around monitoring and reporting on progress towards the six Strategy outcomes and for particular subpopulations;³ and
- f. uses measures and indicators that are fit for purpose, for example measures where data is readily available.

40 We note you're considering the Strategy as having two functions, as a communications tool for the public and as an investment framework for Government and agencies. We want to reflect these functions in the measurement framework.

41 To serve these different functions, we expect to need to have a tiered measurement framework that reflects different approaches to monitoring and reporting. We've identified three tiers of measurement and/or reporting that can meet these functions:

Table 2: Three-tiered measurement framework outline

Strategy Function	Monitoring and Reporting Function	Indicator set
Communications tool	External monitoring and reporting	Base set of Strategy indicators, made up of refreshed CPRI, other child and youth-relevant

³ As outlined in the Children's Act 2014, monitoring of the Strategy must include measures that show progress on the Strategy outcomes. These measures must be able to disaggregate by the following groups of children and young people: Māori children and young people, children in poverty and children with socio-economic disadvantage, alongside any other groups identified by the Minister.

		Government and Portfolio Targets, and any further indicators required to enable monitoring of the six Strategy outcomes.
Strategy and Investment Framework	Ministerial monitoring of progress on key supporting indicators	Additional set of indicators for three priority areas, including “lead indicators” dashboard for monitoring material hardship, and indicators that reflect the life course approach.
	Agency monitoring of progress on additional indicators, as required	Additional set of measures to monitor broader dimensions of wellbeing.

- 42 The **first tier**, to monitor and report on the Strategy externally, would be a small public-facing set of indicators that would support you to tell the story of what the Government is doing for children and young people. These indicators would be aligned to the wider Government priorities, including the Government Targets, and the six Strategy outcome areas.
- 43 The **second tier** of monitoring would be an additional indicator set you and the Child and Youth Ministers can use to understand whether we are on track to achieve priority outcomes and targets. This would identify additional lead and supporting indicators for the three Strategy priority areas that you would receive regular updates on, to track progress. This would include the lead indicator dashboard you have directed us to develop on material hardship.
- 44 The **third tier** of monitoring would be the internal monitoring of a broader set of indicators that support officials to identify early whether things are getting off track, which allows for wider monitoring.

Next Steps

- 45 We will confirm the outcome of the review of the CPRIs and the recommended set of CPRIs as part of the July advice on the Strategy measurement framework. The targeted consultation on the Strategy refresh will provide us with insights and views on the overall measurement framework, that will also inform our further considerations and refinement of the CPRIs.

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