



# Cabinet

## Minute of Decision

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Minister of State Services

**Copies to:**

Prime Minister  
Deputy Prime Minister  
Minister of Finance  
Hon Jim Anderton  
Minister of Education  
Minister of Police  
Minister of Justice  
Minister of Health  
Minister for Social Development and Employment  
Associate Minister for Social Development and  
Employment (CYF)  
Minister of Youth Affairs  
Secretary, POL

## **Machinery of Government Arrangements for the Delivery of Child, Youth and Families Services**

On 6 March 2006, following reference from the Cabinet Policy Committee (POL), Cabinet:

### **CYF and wider sector problem definition**

- 1 **noted** that the State Services Commission has identified further performance enhancements needed in the Department of Child, Youth and Family Services (CYF) and the early intervention, care and protection and youth justice systems across the whole of government;
- 2 **noted** that:
  - 2.1 CYF has improved its performance in a number of areas since 2003;
  - 2.2 a number of change plans are ready for implementation; but
  - 2.3 further performance improvements in CYF and the wider sector are required to address the following matters:
    - 2.3.1 lack of system wide management, ie managing assessment, planning and allocation of resources simultaneously, including making Family Group Conferences effective;

- 2.3.2 poor performance and management information, ie including costing the baseline and measuring effectiveness of interventions;
- 2.3.3 lack of priority on youth justice, ie completing the Youth Justice Capability Review;
- 2.3.4 culture, ie building a culture that values consistent business process and evidence based interventions;
- 2.3.5 policy co-ordination, ie getting whole of sector policy working and bridging the gap between policy, operational design and practice;

### Improving performance

- 3 **noted** that the package of initiatives set out in paragraphs 4 and 5 should be implemented, regardless of structural arrangements, to achieve improved performance;
- 4 **directed** the Chief Executives of Justice, Health, Education, Police and the Ministry of Social Development (lead) to report to relevant Ministers on how they will work together to improve intake, assessment, planning, resourcing and meeting needs of children and youth;
- 5 **directed** the Chief Executive of the Ministry of Social Development to:
  - 5.1 chair a review of the operation of Family Group Conferences (FGC), consult with appropriate Chief Executives and report to relevant Ministers on a timetable to investigate the effectiveness of the FGC;
  - 5.2 identify opportunities to simplify the CYF legislation to enable greater flexibility in business process;
  - 5.3 complete the ‘costing the baseline project’;
  - 5.4 implement a management information system that meets business needs;
  - 5.5 complete and implement the Youth Justice Capability Review;
  - 5.6 continue the cross-fertilisation from effective sites;
  - 5.7 continue to introduce a prioritisation system for assessment, investigation and referral for CYF children and youth supported by an evidenced-based practice model;
  - 5.8 contribute to a joint work programme for child, youth and family welfare policy with a focus on what works when dealing with at risk children and youth, and preventing children from entering the CYF system, and report to Ministers on progress;
  - 5.9 work with the Secretary for Justice (and any other relevant Chief Executives) to develop a joint policy work programme in relation to youth justice and report to Ministers on progress;
  - 5.10 bridge the gap between CYF operations and policy and research capability;

- 5.11 consult with the Public Service Association and the State Services Commission about how to measure and improve staff and management performance, for example, through an 'Engagement Survey' (a survey to assess the effectiveness of management);

## Structure

- 6 **noted** that four machinery of government options were reviewed to assess their impact on the problem definition, not to identify efficiency gain:
- 6.1 Option 1 – status quo;
  - 6.2 Option 2 – CYF/Ministry of Social Development (MSD) merger;
  - 6.3 Option 3 – split CYF functions;
  - 6.4 Option 4 – Ministry of Human Services;
- 7 **noted** that in Options 1 and 2 the Ministry of Justice would continue to lead the youth justice policy and strategy;
- 8 **noted** that the SSC considers Options 1 and 2 are both viable at this time;
- 9 **noted** that the State Services Commissioner advises, on balance, to merge MSD and CYF because this option provides greater potential for improved performance;
- 10 **agreed** to Option 2, the merger of CYF and MSD, with effect from 1 July 2006;

## Next Steps

- 11 **noted** that the Minister of State Services, Minister for Social Development and Employment and the Associate Minister for Social Development and Employment (CYF) propose to jointly announce the decision on the merger of CYF and MSD at an appropriate time;
- 12 **invited** the Minister of State Services:
- 12.1 to issue drafting instructions to Parliamentary Counsel Office for the preparation of an Order in Council to remove CYF from the First Schedule of the State Sector Act 1988 and to transfer the functions of CYF to MSD (it will also limit the risk of 'technical redundancy' of employees affected by the transfer of functions and protect their existing collective agreements);
  - 12.2 to submit the Order in Council to the Cabinet Legislation Committee for consideration in due course;
- 13 **noted** that SSC advises that such an Order in Council can be implemented within three months of a decision being taken;
- 14 **noted** that the State Services Commissioner will appoint the Chief Executive of MSD as Acting Chief Executive of CYF;

- 15 **noted** that the chief executive of MSD is expected to lead the Expenditure Review project “Child Youth and Family: Understanding internal and external drivers to lifting the department’s performance” [POL Min (06) 1/1];
- 16 **noted** that the Minister of State Services indicates that the government caucuses will be consulted and that consultation with other parliamentary parties is not required.

Secretary of the Cabinet

Reference: POL (06) 21, POL Min (06) 3/4