

The future of the economy

Diana Cook and
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Philanthropy
Summit 2019
The Future of Trust

*Te pono, te tika, te māramatanga
me te aroha anō o tētehi ki tētehi*



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TE TAI ŌHANGA
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The Living Standards Framework

Presentation for Philanthropy Summit

Diana Cook and Oliver Parsons

16 May 2019

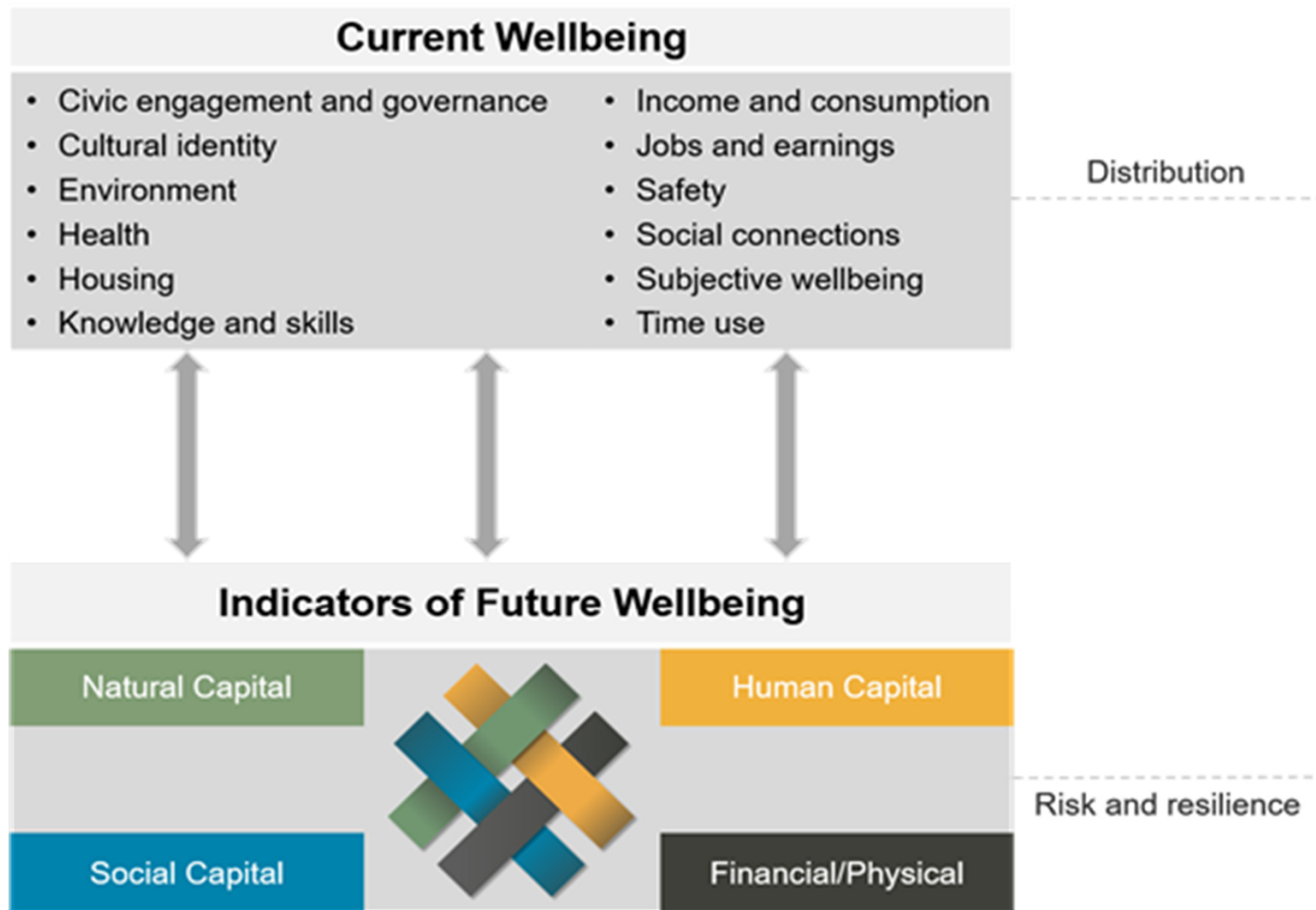
Outline

1. Why? The LSF as a policy tool
2. What? An overview of the LSF and Dashboard
3. How can it be used? Supporting the Government's wellbeing approach
4. An example: LSF and Porirua regeneration

Why: LSF as a policy tool

- Burning platforms
 - Technological disruption
 - Social disparities
 - Environmental degradation
 - Climate change
- To provide better advice
 - To **improve wellbeing** of New Zealanders
 - By using **data** and **evidence**

What: The LSF



What: Further work

- **LSF development** needed:
 - child wellbeing
 - Te Ao Māori and Pasifika perspectives on wellbeing
 - NZ cultural identity
 - risk and resilience
- **Embedding in our policy advice**
- **Alignment** with other measurement initiatives (esp. StatsNZ) and agency-led outcomes frameworks

Implementing wellbeing

A wellbeing approach requires a system-wide change in how the public service works in New Zealand:

- Move **beyond narrow measures of success**
- Look at **intergenerational outcomes**
- **Whole of government** approach

Key elements of the wellbeing approach

Legislative Change

Public Finance Act
State Services Act
Child Poverty Reduction Bill

Institutional Change

Infrastructure Commission
Urban Development Authority

Changes to key decision-making tools

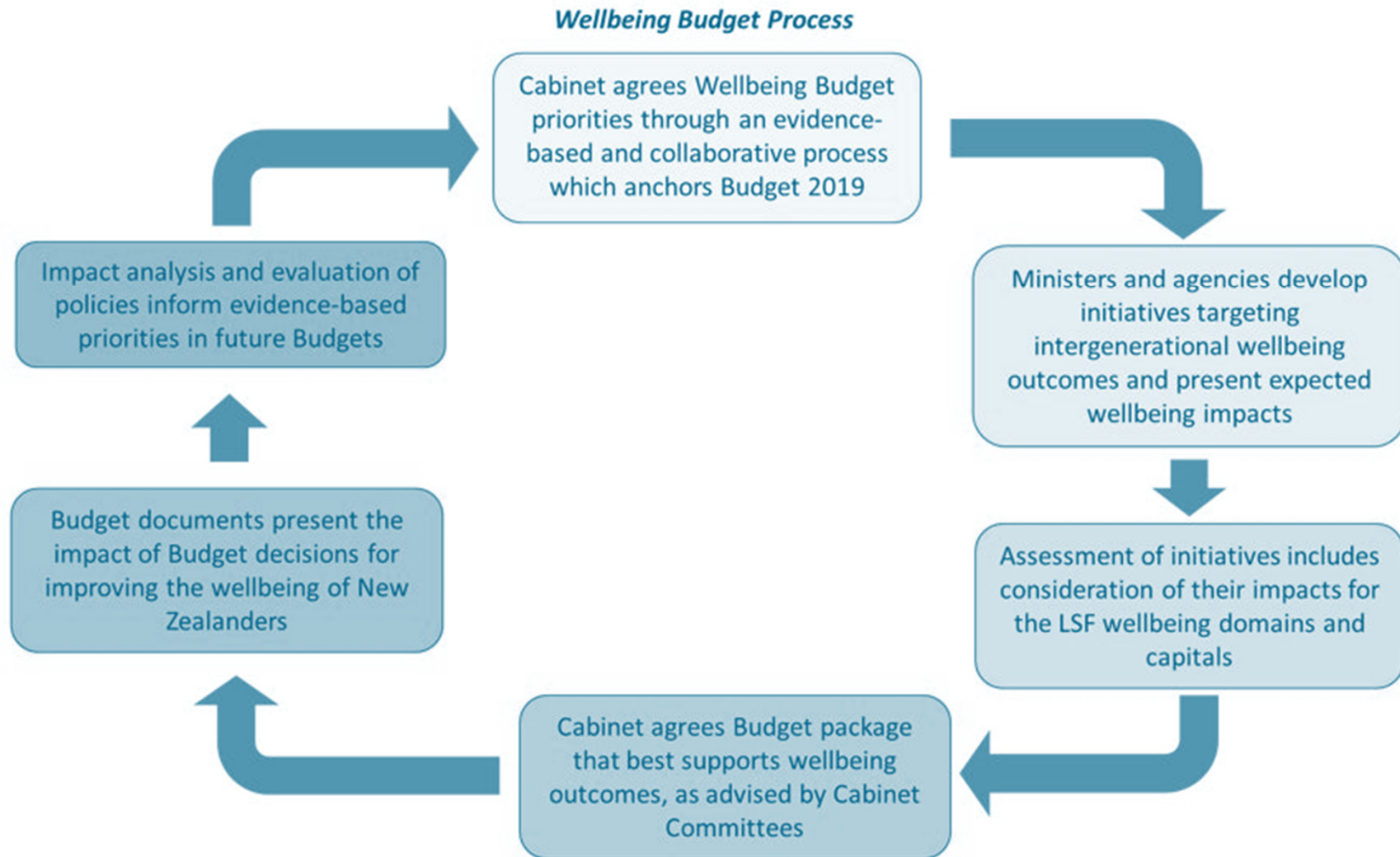
Strategic planning
Wellbeing Budget
Business cases

Development of indicators, measurement and evaluation

Legislative change

- Legislative changes proposed to incorporate wellbeing reporting and have a **joined-up public sector system**:
 - Child Poverty Reduction Bill, reporting on child poverty
 - Child and Youth Wellbeing Strategy
 - Amending the Public Finance Act (PFA) to require reporting on wellbeing
 - Changes to update the State Sector Act (SSA)
- Family violence and sexual violence cross-agency joint venture

The Wellbeing Budget



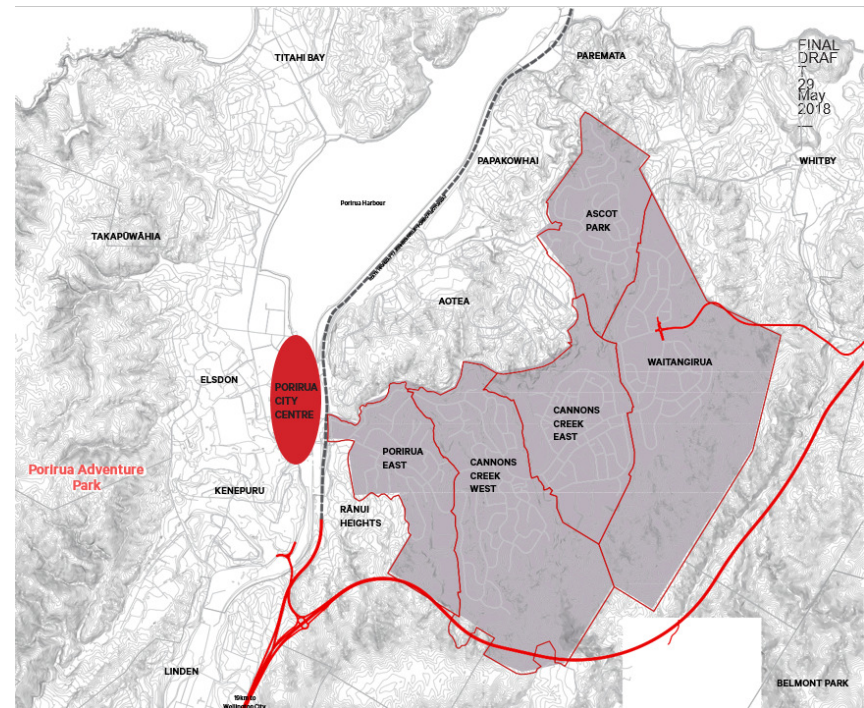
Eastern Porirua Community Regeneration

Applying the Living Standards Framework in a Business Case



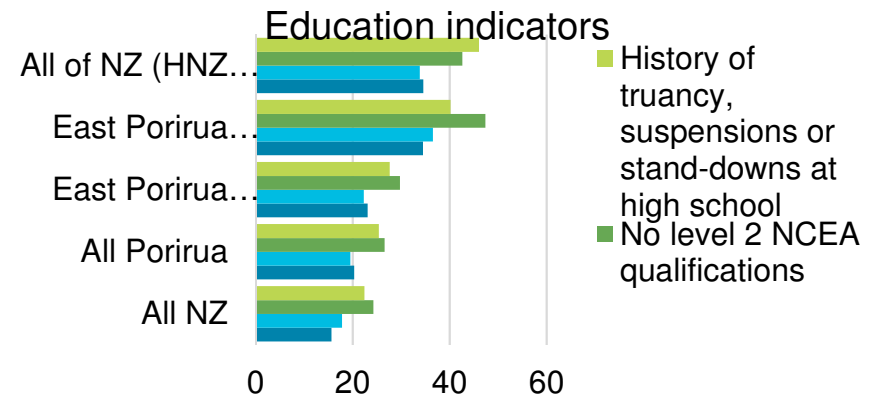
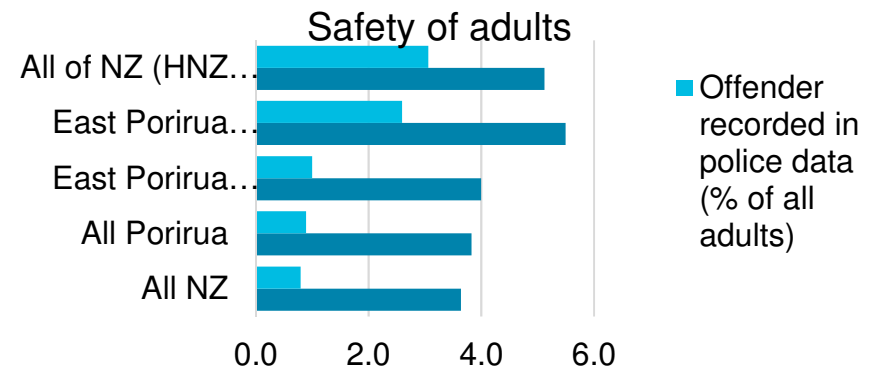
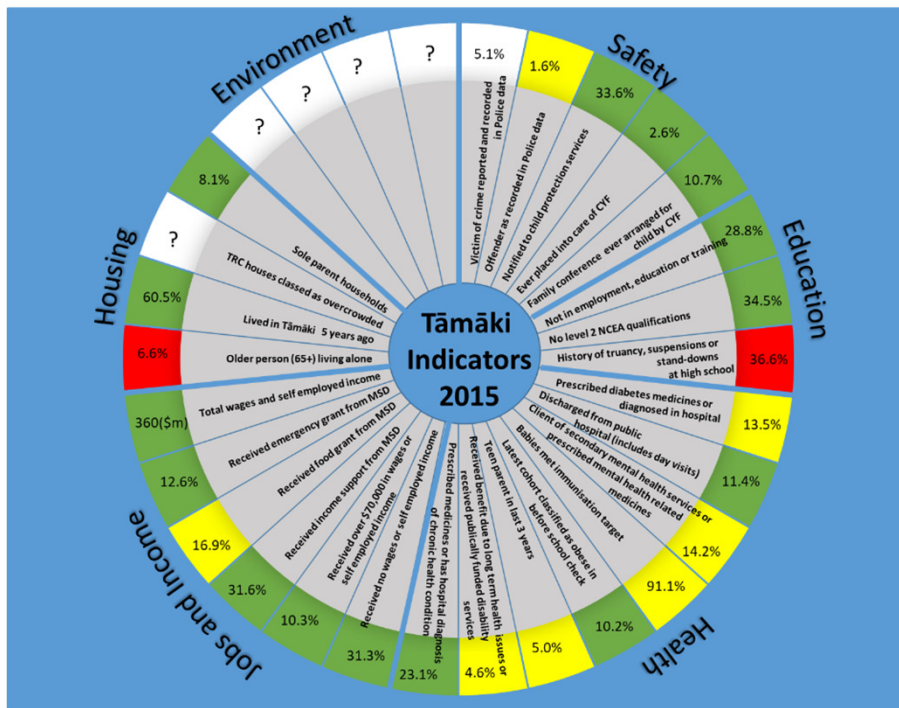
Overview

- Large, multi-stakeholder, multi-agency project
- Costs and benefits split across portfolios
- Rare that Treasury works on Business Cases – makes for an interesting example of applying the LSF



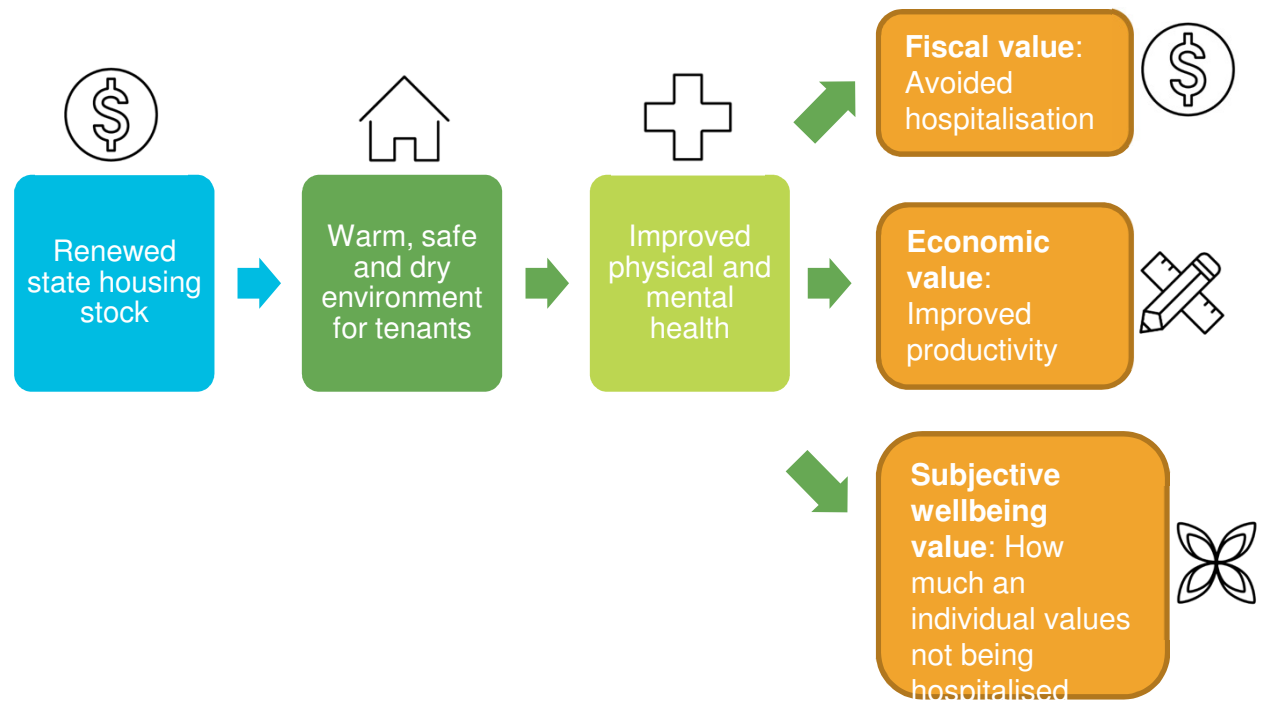
Established a baseline

Combination of Census and IDI data



Mapped social effects and organised them using the Living Standards Framework

- Worked with stakeholders to determine what actions and effects matter
- Looked at the whole system of social impacts
- Validated/debunked assumptions
- Prioritised effort – biggest effects aren't always that complicated



What we did differently

The LSF provides a fresh lens to work with existing policy tools and trends in good practice:

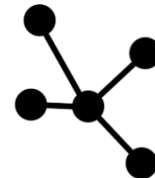
1. Collaboration



2. Better use of data and evidence



3. Systems thinking/analysis



5. Including subjective wellbeing in analysis, as well as fiscal and economic wellbeing



4. More emphasis on distributional impacts (socio-economic, gender, ethnicity, intergenerational)



Final messages

Some top-of-mind questions

- How can we keep up momentum in a multi-year process of system change?
- How can we balance the strategic, tactical and pragmatic?
- How can we maintain room to learn as we go, while being clear enough about the direction of travel to generate commitment?
- How can we productively draw in others, like the people in this room?

Thank you

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