



Office of Hon Steven Joyce

Minister of Finance
Minister for Infrastructure

20 SEP 2017

James Cone
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Dear James

Thank you for your Official Information Act request, received on 7 August 2017.

You made a number of requests in relation to the social investment process ('Track 1') in Budget 2017. We have combined the following requests into one response:

- 1) *"Cabinet Paper: Budget 2017*
<http://www.treasury.govt.nz/downloads/pdfs/b17-info/b17-3700165.pdf>
includes on page 22 in item 87.24, a decision to "delegate responsibility to approve the evaluation plan for all Track 1 initiatives to the Secretary of the Treasury". Please may I have a copy of that evaluation plan?"
- 2) *"Cabinet Paper CAB-16-MIN-0496: Budget 2017: Process and Strategy*
<http://www.treasury.govt.nz/downloads/pdfs/b17-info/b17-3569807.pdf>
refers:
 - *on page 8, in item 34, to "Budget 2017 Guidance, to be delivered to agencies by 3 October"*
 - *on page 9, in item 38, apparently to the same*

Please may I have the Budget 2017 Guidance for Track 1? In particular, I note that there is no document dated on or about 3 October 2016 on this page:
<http://www.treasury.govt.nz/publications/informationreleases/budget/2017/key>

- 3) *"Treasury Report T2016/2356: Track 1 Initiatives and the Investment Threshold*
<http://www.treasury.govt.nz/downloads/pdfs/b17-info/b17-3623928.pdf>
refers:
 - *on page 3 to "an assessment framework"*
 - *on page 7 to "criteria and framework that will be used during the assessment process"*
 - *on page 12 to "guidance on what factors will underpin the different scores for each criteria (sic) ..."*

Please may I have the most detailed version of those criteria, that framework and that guidance?"

Information Being Released

Please find enclosed the following documents:

Item	Date	Document Description	Decision
1.	31 October 2016	Guidance for agencies preparing social investment initiatives	Release in Full
2.	31 October 2016	Track 1 Assessment Framework and Criteria	Release in Full

The documents in the table above relate to your request 2) and 3).

Request 1) asks for a copy of the evaluation plan for Track 1 initiatives. I note that 13 Track 1 initiatives were approved in Budget 2017 and for each of these initiatives departments were required to prepare a robust evaluation plan before funding could be accessed. Of these 13 initiatives, the evaluation plans for seven initiatives are yet to be finalised and are still being considered by departments.

I do not hold the other six evaluation plans that have been prepared. These plans belong to the relevant departments as listed below and you should request these plans direct from the relevant department.

- Increasing Contraceptive Access for Low-Income Women (Ministry of Health)
- National Coverage for Family Start (Ministry for Vulnerable Children, Oranga Tamariki)
- Intensive Client Support (Ministry of Social Development)
- Transforming Intervention and Support for At-Risk Prisoners (Department of Corrections)
- Enhancing Industry, Treatment and Learning Interventions (Department of Corrections)
- Housing First (Ministry of Social Development)

This reply addresses the information you requested. You have the right to ask the Ombudsman to investigate and review my decision.

Yours sincerely



Steven Joyce
Minister of Finance

OIA 20170285

Information being Released

1.	<u>Guidance for agencies preparing social investment initiatives</u>	1
2.	<u>Track 1 Assessment Framework and Criteria</u>	33



Budget 2017 Initiatives Process

Guidance for Agencies Preparing
Track 1 Social Investment Initiatives

31 October 2016

RELEASED UNDER THE
OFFICIAL INFORMATION ACT



THE TREASURY
Kaitohutohu Kaupapa Rawa

New Zealand Government

RELEASED UNDER THE
OFFICIAL INFORMATION ACT

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About this guidance

This guidance follows on from the Budget guidance document released on Monday 3 October 2016, which provides information on the November Checkpoint process for Track 1 initiatives. Scoping documents for Track 1 initiatives are due with the Treasury on **Friday 4 November**.

This guidance document sets out the assessment criteria and expectations for Social Investment initiatives submitted in Track 1. Finalised Track 1 initiatives are due with the Treasury on **31 January 2017** and this document provides guidance on what is required for this submission.

Section 1 of this guidance focuses on the information agencies need to provide for consideration in Track 1.

Section 2 outlines the framework for assessment.

Section 3 goes into detail on the investment threshold and how it will be used.

Questions and Feedback

You should use this document as your first point of call for guidance on preparing Track 1 initiatives for Budget 2017. We welcome feedback on this guidance. Please contact your **Vote Analyst** in the first instance with any feedback or questions.

It is recommended that agencies talk to their **research and evaluation teams** (if applicable) for assistance on specific requirements outlined in this document.

As outlined in the earlier guidance, the **Social Investment Unit (SIU)** is also available to assist agencies and provide specific support in the lead up to the submission of initiatives in January (siu@ssc.govt.nz). The introduction of a separate track for social investment initiatives (with higher expectations) is a new process for Budget 2017 and the SIU is available to:

- support agencies to understand the requirements of taking an investment approach within their initiatives
- act as a "sounding board" on the extent that initiatives reflect social investment principles
- advise on opportunities to strengthen initiatives following feedback from the Social Investment Panel through the November Checkpoint process

This document is intended to provide general guidance on what is expected for Track 1 across all initiatives. Your Vote Analyst and SIU are available to discuss specific initiatives and this may be a valuable way to test key judgements or marginal calls and confirm your approach to certain elements of assessment.

Overview

The key purpose of Track 1 is to encourage effective social investment proposals which will deliver results for New Zealanders and ensure that these are not crowded out by other business-as-usual pressures.

The track is “uncapped” with respect to the spending allowances (but still subject to the Government’s net debt target), and places higher expectations on the level of evidence supporting an initiative, the expected returns and the ability to track and deliver these returns over time.

Assessment Stage

The Treasury will provide the primary assessment of the Track 1 initiatives. It will also coordinate and include assessments by independent experts, such as feedback from the Social Investment Panel.

The assessment stage will run from February – April, during which time the Track 1 initiatives and the supporting material will be assessed by the Treasury and Social Investment Panel. Advice will be provided to Budget Ministers during this time ahead of decisions on the final Budget package in April.



Investment Threshold

The investment threshold will be set in early December and will help inform the advice that goes to Budget Ministers for Track 1 initiatives from the Social Investment Panel and the Treasury.

The investment threshold will be underpinned by an assessment framework, covered in section 2. The investment threshold and the supporting framework will be available to agencies to support their advice to Vote Ministers when selecting initiatives for Track 1 or Track 2.

Key dates

Scoping documents for Track 1 initiatives are due with the Treasury on **Friday 4 November**.

Ministerial letters are due to the Minister of Finance on **Wednesday 14 December**. These letters should signal all Track 1 and Track 2 initiatives that will be submitted for Budget 2017. **There will not be an opportunity to change Track 1 initiatives into Track 2 after 14 December.**

The due date to submit Track 1 initiatives is **Tuesday 31 January 2017**. Agencies are to submit:

- Template 1: Track 1 initiative template (included in this guidance). Key aspects of the Cost Benefit Analysis template have been included here so agencies only have to fill out one template. The template will also require agencies to demonstrate a link to the initiative that was submitted in the November check-point.
- Additional and relevant supporting information such as an evaluation and implementation plan for each initiative.
- Template 2: 15-year forecast impacts of the initiative (see the Excel template available in CFISnet).

Social Investment Panel Assessment

The Social Investment Panel will be convened in February to consider the material submitted by agencies, alongside the Treasury assessment. The Panel will meet with agency representatives at this time. These assessment sessions will build on the improvement conversations from the mid-November Checkpoint.

As part of the Treasury's assessment, the investment threshold assessment framework (outlined in section 2) will be applied to the Track 1 initiatives ahead of the Panel and it will be included in the Treasury's advice to the panel. This assessment may be updated following the Panel's report and provided as part of the Treasury's advice to Budget Ministers.

Budget Ministers

Budget Ministers will receive the advice on Track 1 initiatives and through the application of the investment threshold and wider judgements, prioritise these initiatives for investment. Initiatives which meet the investment threshold will be considered favourably by Budget Ministers who hold final decision rights on which initiatives get funded.

1 Key requirements for initiatives in Track 1

1.1 Overview

Initiatives which go through Track 1 will be subject to higher expectations on the nature and type of information supporting the proposals.

The Budget guidance released on 3 October 2016 set early expectations on what initiatives will need to demonstrate to be successful in this track.

At a high level, the assessment criteria for initiatives in Track 1 will focus on the following:

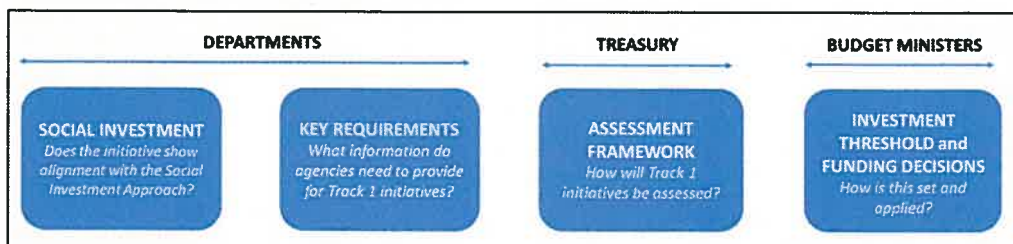
- A **high return on investment** on fiscal and social outcomes, and fiscals alone, as indicated in a CBAX analysis
- **Confidence that the outcomes** will be achieved for the target population based on evidence from academic research and/or a proven track record
- The relative ability to **measure the actual effectiveness** of an initiative, and **how quickly effectiveness can be understood**, and
- The ability to **scale-up** successful interventions and absorb proven new service delivery models into the base.

These criteria assess the overall confidence in the proposed initiative and its intended outcomes, and ability of the agency to implement and deliver the initiative. Judgement will be applied in the application of this criteria to account for initiatives such as pilots which are time-limited, focussed on a particular target group and intended to test the effectiveness of an idea. Further detail on pilots is provided throughout section 1 and 2.

As part of the confidence assessment, other important factors to be taken into account include whether the initiatives:

- Identify a target population
- Define clear intervention points, and
- Specify a price point for interventions.

The following diagram provides an overview of the approach for assessing Track 1 initiatives and the role of key stakeholders.



1.2 Alignment with the Social Investment Approach

A key focus for Budget 2017 and Track 1 initiatives is social investment. Any initiative going through Track 1 should be able to demonstrate how it aligns with the key principles of social investment.

Cabinet has defined social investment [CAB-15-MIN-0280 refers] as “putting the needs of people who rely on public services at the centre of decisions on planning, programmes and resourcing by:

- Setting clear, measurable goals for helping those people.
- Using information and technology to better understand the needs of people who rely on social services and what services they are currently receiving.
- Systematically measuring the effectiveness of services, so we know what works well and for whom, and then feeding these learnings back into the decision-making process.
- Purchasing outcomes rather than specific inputs, and moving funding to the most effective services irrespective of whether they are provided by government or non-government organisations (NGOs)."

Please get in touch with your Treasury Vote Analyst or the Social Investment Unit (siu@ssc.govt.nz) if you have any questions on a specific type of initiative and whether it is appropriate for Track 1.

1.3 What information do agencies need to provide for each initiative?

This section provides detail on the information requirements for Track 1 initiatives. It builds on the high level assessment criteria outlined in the previous Budget guidance. The below material is reflected in the initiative template (Template 1) and supporting information requirements for agencies and will need to be submitted in CFISnet by 31 January 2017.

Initiatives in Track 1 should present a complete narrative covering the key elements listed in the diagram below. These elements provide information on the what, why and how of the initiative and will help in presenting a convincing case for investment.



1.3.1 Type of intervention



There is an expectation that initiatives in track 1 will reflect work that agencies currently have in the pipeline for certain target populations.

This means that there is already an unmet need or opportunity that has been identified (through an established evidence base or data) which can be progressed through this track in Budget 2017.

The following initiatives among others, are supported by the Track 1 process:

- Introducing a programme with strong evidence of effectiveness including an empirically-supported track record for effectiveness across a number of jurisdictions
- Retargeting an existing programme that has not established its effectiveness but where there is evidence to show that retargeting will be effective
- Scaling up a pilot or programme with an established empirical record of effectiveness
- Piloting of potentially very high-return initiatives but for which there is only limited available evidence on effectiveness, and
- Cross agency initiatives which recognise the need for agencies to work together to meet the needs of highly vulnerable populations where there is established effectiveness.

What are pilots?

Pilots are defined as interventions which are targeted at a specified group or area, are time-limited and have appropriate monitoring, evaluation and decision points in place to allow for continuous review.

Pilots are likely to have limited evidence of effectiveness in the New Zealand context, which places a greater emphasis on having a strong rationale for why the pilot is expected to deliver successful outcomes.

1.3.2 Case for change



The case for change is important in presenting a strong and compelling case for investment. Initiatives should demonstrate why the particular intervention identified above is required and for whom.

The case for change should cover the following three areas:

<p>Target Population</p>	<p>Clearly identify the population that will be affected by the intervention. Agencies should include the key characteristics and attributes of the target population, using data and analytics if available. Where possible, a comparison group should be identified.</p> <p>If the target population cannot be described in detail, initiatives should provide a reason for this. This is likely to be the case for broader population groups where the cohort is randomised in which case a fit for purpose description and analysis should be provided (for example, description of the characteristics of the group of people or identification of time periods at which an intervention is required)</p>
<p>Problem Definition</p>	<p>Justify why the intervention is required. What issue or problem is the intervention addressing for the target population? What evidence is there that a problem exists? An important part of this is outlining the unmet need of the target population which this initiative aims to address.</p> <p>Agencies need to clearly set out how the initiative aligns with existing services aimed at the same population including what services this population is currently receiving (where possible). For example, is this initiative filling a gap, complimenting other services and/or is there an intention for it to replace an existing service?</p>

Intervention Logic

The intervention logic should be described as a well-articulated story of how change will be affected for the target population in *practical terms*. The key focus should be on explaining how outcomes or results will be delivered rather than trying to fit a defined framework (the framework often used to explain an intervention logic is the link between inputs, outputs and outcomes).

Agencies should set out the assumptions and evidence underpinning the intervention logic. What evidence is there that 'X' intervention is likely to result in 'Y' (eg, academic studies, existing data, proven track record)? Are there intermediary short-term outcomes that can be specified? This should also explain any likely adverse impacts (social and fiscal) that may result from the initiative being implemented, including impacts on other government services.

For pilot initiatives where evidence supporting the success of the intervention may be limited, there will be a greater focus on how the intervention logic is presented and the assumptions used. The key question to consider here is *why* the agency expects the pilot to be successful in delivering the specified outcomes.

Further guidance:

Superu has written a guide to evaluation planning for funding applicants, which provides an example of an approach to developing an intervention logic (refer section 3.1 of the guide). The guide is available at <http://www.superu.govt.nz/evaluation-planning-funding-applicants>

1.3.3 Expected returns



This section builds on the following high-level assessment criteria outlined in the guidance released on 3 October 2017:

"A high return on investment on fiscal and social outcomes, and fiscals alone, as indicated in a CBAX analysis"

Initiatives will need to demonstrate a high return on investment to be successful in Track 1. The CBAX requirement applies to all initiatives in Track 1. Please get in touch with the CBAX team at Treasury for support CBAX@treasury.govt.nz

There are two aspects to this element that agencies will need to focus on:

<p>Identifying an established price point for intervention</p>	<p>This should focus on the aggregate cost of the intervention, based on the intervention logic and intervention points described earlier. How much is this intervention going to cost the Government across financial years? Agencies are encouraged to provide detailed breakdowns of the cost (for example, cost per household, individual or cohort) where this information is available.</p> <p>The information provided should give confidence in the fiscal costs of delivering the intervention. To help with this, agencies should provide comparative information on the cost of delivering existing similar services or achieving similar outcomes for the specified target population, where this exists.</p>
<p>A high return on investment (ROI) on societal outcomes, NPV magnitude, and fiscals alone</p>	<p>All Track 1 initiatives are required to use the CBAX tool to calculate the ROI for the intervention. The CBAX model assists with the monetisation of impacts, provides transparency of the assumptions, and ensures consistent calculations of the Net Present Value (NPV) and ROI.</p> <p>The CBAX results will be used to form a judgement on the value-for-money aspect of the initiative. The value-for-money judgement is a combination of ROI, absolute NPV, and the confidence in the evidence and impacts being realised.</p> <p>Initiatives will need to demonstrate a Government ROI of at least 1 and a societal ROI of at least 2:</p> <ul style="list-style-type: none"> • The Societal ROI is a combination of monetised impacts, un-monetised impacts and the assumptions underlying the impacts • The Government ROI calculates how much one dollar of government spending reduces fiscal cost ie, the fiscal return on investment. <p>In this section, there should be a clear link with the assumptions and evidence set out as part of the intervention logic.</p> <p>As outlined in the earlier Budget guidance, there will be a requirement for all initiatives (including those in Track 1) to provide a 15 year forecast of fiscal and economic impacts. Initiatives which have completed a CBAX can use this information to populate the spreadsheet that is attached to this guidance and on CFISnet.</p>

Further Guidance:

The CBAX tool, supporting information guide, and cost benefit analysis primer is available on Treasury's website:

<http://www.treasury.govt.nz/publications/guidance/planning/costbenefitanalysis/cbax>

1.3.4 Confidence in evidence



This section builds on the following high-level assessment criteria outlined in the guidance released on 3 October 2017:

“Confidence that the outcomes will be achieved for the target population based on evidence from academic research and/or a proven track record”

There are higher expectations around evidence for initiatives in Track 1. Evidence supporting the effectiveness of the intervention in delivering outcomes for the target population should be presented as part of the intervention logic. This section is about how much confidence agencies have on the evidence that is presented.

There are two key aspects to this which require consideration:

<p>Assessment on the adequacy, reliability and strength of evidence presented</p>	<p>How long has the intervention has been in operation for (if it is an existing service), has there has been any previous evaluations undertaken on the initiative or 'lessons learnt' which can be applied to the current intervention and support implementation in different contexts? Is there information on how successful previous (similar) interventions have been in realising benefits?</p> <p>An important factor to consider is applicability to the local and New Zealand context. For example, for initiatives that are imported from overseas, what evidence or information exists to suggest that it can be successfully delivered in New Zealand?</p> <p>Evidence on effectiveness will be limited for pilots. Agencies should look at other ways of showing confidence in the initiative; for example, through the views of independent experts and stakeholders or an explanation of how the pilot (or idea) was developed (for example, design thinking). There should also be a commitment to collect sufficient evidence of impact in the future (as should be the case for non-pilot initiatives).</p>
<p>Sensitivity analysis and confidence intervals</p>	<p>Agencies are encouraged to present sensitivity analysis or confidence intervals around the effectiveness of the intervention. This relates to the strength of the evidence as discussed above. For example, there is likely to be a wider confidence interval around pilots in which case the implementation and evaluation plan should build in appropriate stage gates to allow for 'live' monitoring and review. This is discussed further in the sections below.</p>

Further guidance:

The following evidence checklist from Superu provides useful prompts when considering evidence and impact. Superu will also be developing further guidance on a framework to assess the strength and quality of evidence which will be released by the end of December.

<http://www.superu.govt.nz/evidence-checklist-assess-funding-applications-using-evidence-impact>

1.3.6 Implementation and Scalability



This section builds on the following high-level assessment criteria outlined in the guidance released on 3 October 2017:

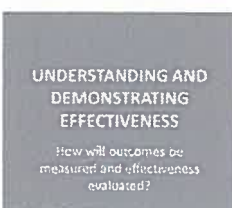
“The relative ability to **measure the actual effectiveness** of an initiative, and **how quickly effectiveness can be understood**”

How the initiative is delivered is a crucial element in achieving the expected outcomes. This element includes a focus on the agency’s capability and capacity to successfully implement the initiative.

Initiatives in Track 1 will be expected to set a clear implementation plan for initiatives. There are two key aspects to this:

Implementation capability	If the initiative is imported from overseas, the implementation plan is important in signalling what changes are required to ensure it is fit-for-purpose under New Zealand settings. What resources (if any) are available to help with implementation?
Scaling of initiative	<p>This relates to both the implementation and evaluation plans and whether this allows for scaling up or down? Is there an intention to scale-up the initiative and does the agency have the required resources to do so?</p> <p>It is important to consider whether there are continuous review processes and feedback loops in place (particularly for pilots) in order to:</p> <ul style="list-style-type: none"> allow for early shut down (ie, off-ramps) if the initiative is not delivering intended outcomes or there are unintended consequences/impacts. reflect any learnings and adapt to improve the implementation of the initiative

1.3.5 Understanding and demonstrating effectiveness



This section builds on the following high-level assessment criteria outlined in the guidance released on 3 October 2017:

“The ability to **scale-up** successful interventions and absorb proven new service delivery models into the base”

Initiatives need to provide a plan for how the benefits and impacts outlined in the CBA will be evaluated and monitored to understand whether the impacts and assumptions discussed as part of the cost benefit analysis are realised. The focus should be on continuous evaluation (i.e., not just after the programme/intervention has been rolled out).

Agencies should consider continuous monitoring and evaluation as part of the development of the initiative to ensure that the information captured at various intervention points is meaningful, can be used to inform further development of the initiative or pick up any problems early on.

The key components of an evaluation include:

- Identifying measures which can demonstrate progress against outcomes.
- Setting up data collection to ensure relevant information can be collected at defined points of the intervention.
- Monitoring performance as the initiative is developed and delivered. This includes monitoring against implementation, outputs and outcomes.
- Planning for evaluation of the intervention.

Pilots aim to establish the nature and extent of the effectiveness of new initiatives. This requires a greater emphasis on evaluation and building continuous feedback loops into how the initiative is delivered. Agencies should consider whether the initiative has clear decision points to inform changes and adaptive learning and how this can be incorporated early on at the initiative development stage.

Evaluation should be fit-for-purpose and be appropriate for the type of initiative. The nature of evaluation will also depend on the evidence supporting the initiative. If there is strong evidence around effectiveness, the evaluation can focus more on how the intervention is implemented (as discussed above this may not be the case for pilots where evidence on effectiveness is likely to be limited). It is expected that evaluation of implementation will be undertaken for projects at all levels of maturity (pilot, trial/scale up, full roll-out).

There is an expectation that all initiatives (including pilots) are supported with a practical and fit-for-purpose evaluation plan. Evaluation methods will be tested with a range of experts to support consistency and transfer good practice, as well as provide assurance that evaluation plans are achievable and will be implemented.

Further Guidance:

- Evaluation Planning for funding applicants
<http://www.superu.govt.nz/evaluation-planning-funding-applicants>

- Showing what works
<http://whatworks.org.nz/>
- Better evaluation: sharing information to improve evaluation (rainbow framework)
<http://betterevaluation.org/>
- Resources from the independent evaluation group of the World Bank
<http://ieq.worldbankgroup.org/>

Aspects to consider as part of the evaluation of an initiative include:

Data collection	<p>What outcomes will be measured (ideally all outcomes will be measured), and how will they be measured? This should link in with the outcomes presented in the intervention logic but may go into more detail. If it is not possible or cost-effective to measure some of the outcomes in the impact summary, please state what outcomes these are and explain why they won't be measured.</p> <p>How will the data be collected (eg, legal name, date of birth, and address)¹ on the participants (and, if appropriate, the comparison group) of the programme? Will it be possible to link these data to the Integrated Data Infrastructure (IDI),² and if so when will these data be available? Will this process be updated (and at what frequency) as more people undertake the programme?</p>
Impact evaluation method	<p>How will a plausible comparison group of 'untreated' people (households/businesses/rivers or whatever the target group is) be formed, so that changes can be attributed as causal effects of the programme or policy (ie, above and beyond a counterfactual of no intervention)?</p> <p>Are there any important caveats/weaknesses in the methodology, and how will they be dealt with?</p> <p>Are there any ethical issues with how this programme will be evaluated, and how will these be addressed?</p>
Other forms of evaluation and monitoring	<p>Will there be any qualitative or process evaluation (how and how well the initiative is delivered) and what will this involve?</p>

¹ Legal name and date of birth are a minimum requirement for linking to the IDI. Address information can also help increase link rates. You may also be able to use internal agency IDs if these are already linked to legal name and date of birth.

² The IDI is a large research database containing longitudinal microdata about people, households, and businesses from a wide range of government agencies including: Health, Education, Justice, IRD, MSD, DIA, and Statistics. For more information see http://www.stats.govt.nz/browse_for_stats/snapshots-of-nz/integrated-data-infrastructure.aspx.

Funding for evaluation	How will the evaluation of the initiative be funded and how much is it expected to cost? (including design of evaluation, collection of data, analysing the results, writing up findings and publishing results?)
Dissemination of information and how it will be used	At what points will the evaluation results be available by? When will these be released publically? How will the results of the evaluation be used to improve services or inform other new initiatives?

2 The Investment Threshold Assessment Framework

2.1 Overview

This section sets out the details of the investment threshold and the supporting assessment framework for Track 1 initiatives and how this will be applied to each of the elements set out in Section 1 (set out in section 2.2.2 below).

The assessment framework will be used by Treasury and your Vote Analyst to assess the initiatives and provide advice to Budget Ministers. The investment threshold will be set and the assessment framework will be available in the week beginning 21 November.

The purpose of including this in the guidance is to provide visibility of how initiatives will be assessed so it may help shape agencies their proposals.

Agencies should focus on the key requirements outlined in section 1 above, which sets out the expectations for the information to be provided in support of each Track 1 initiative (this is also reflected in Template 1 which agencies need to fill out).

2.2 The Investment Threshold

The purpose of the investment threshold is to assess overall confidence in the initiatives ability to deliver against multiple criteria so that the well-rounded, high quality initiatives are identified and supported.

It will be an accumulation of **minimum requirements** for each of the criteria set out in the framework below.

Whether an initiative meets the investment threshold and a summary of the assessors' judgements will be reported to Budget Ministers. Initiatives which meet the investment threshold will be weighted favourably by the Minister of Finance in discussions between Budget Ministers and Cabinet.

The investment threshold will be set in **early December** and will be available to agencies, along with the underpinning assessment framework so that this and the feedback from the November Checkpoint can be considered to make a choice on which track initiatives will go through in the Budget process.

Ministers are required to make a decision about whether an initiative will be submitted in Track 1 or Track 2 by **Wednesday 14 December**.

2.3 What will an initiative be assessed against (after January 31 submission)?

2.3.1 Alignment with Social Investment Principles

The first consideration for the Treasury and the Social Investment panel is that the initiative must align with the Social investment Principles. The key principles (as defined by Cabinet) are set out in section 1.2.

The final initiative should also provide a link to the initiative that was submitted at the November Checkpoint (ie. it has been developed in a way that is consistent with the feedback received). If the initiative is significantly different or something has changed this should be signalled at 31 January in the 'supporting information' section of the initiative template (Template 1).

2.3.2 Multi-Criteria Assessment

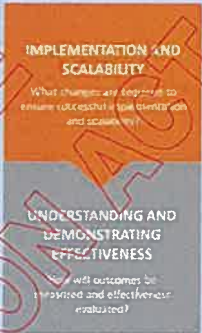
Assessment will be based on the overall confidence in the proposed initiative to deliver intended outcomes, ability of the agency to implement and deliver the initiative, based on the supporting material.

The three criteria are set out below and will assess the specific elements introduced in section 2 above:

1. **Case for change:** Considers material provided in the *Type of Intervention* and *Case for Change* elements above.
2. **Value-for-money:** Considers material provided in the *Confidence in Evidence* and *Expected Returns* elements above.
3. **Implementation and effectiveness:** Considers material provided in the *Implementation and Scaleability* and *Understanding and Demonstrating Effectiveness* elements above.

The supporting material will be subject to the following criteria:

Case for Change		
<p>Criteria:</p> <p>Intervention logic is an evidence-based, systematic and reasoned description of the causal links between the intervention and the outcomes to be achieved.</p> <p>An intervention logic identifies the activities required to achieve outcomes, risk factors within and beyond control.</p>	<p>Key features:</p> <ul style="list-style-type: none"> • Definition of the problem or opportunity. • Description of the target population. • Description of intervention logic • Fit of the intervention with existing services • Basis for the proposal (evidence) • Description of what can be achieved 	<p>Considers material provided for elements:</p>  <p>The diagram consists of two main sections. The top section, 'TYPE OF INTERVENTION', is a blue box with a white arrow pointing right, containing the text: 'Is this a programme or intervention? If so, what are the goals or outcomes?' The bottom section, 'CASE FOR CHANGE', is a green box with a white arrow pointing right, containing the text: 'Why is this intervention required, for whom and what outcomes will it achieve? How does it fit within the current landscape?' A large, faint watermark 'UNCLASSIFIED INFORMATION' is overlaid on the diagram.</p>
Value-for-money		
<p>Criteria:</p> <p>Value-for-money is based on the marginal impacts on and benefits to New Zealanders (ie, an economic welfare perspective, rather than just the Crown or an agency).</p> <p>The value-for-money judgement is a combination of RoI, absolute NPV, and the confidence in the evidence and impacts being realised.</p>	<p>Key features:</p> <ul style="list-style-type: none"> • The VFM, alongside the assumptions explained in the CBA template. • The Societal RoI is a combination of monetised impacts, un-monetised impacts and the assumptions underlying the impacts. • The Government RoI calculates how much one dollar of government spending reduces fiscal cost ie, the fiscal return on investment. 	<p>Considers material provided for elements:</p>  <p>The diagram consists of two main sections. The top section, 'CONFIDENCE IN EVIDENCE', is a yellow box with a white arrow pointing right, containing the text: 'Assessment of reliability and coverage of evidence used in estimating the value for money outcomes.' The bottom section, 'EXPECTED RETURNS', is a dark blue box with a white arrow pointing right, containing the text: 'What are the government and non-government impacts of the initiative and how will it deliver value for money?' A large, faint watermark 'UNCLASSIFIED INFORMATION' is overlaid on the diagram.</p>

Implementation and Effectiveness		
<p>Criteria:</p> <p>Impact evaluation is required for capturing whether the impacts and assumptions discussed in the CBA are realised.</p> <p>Impact evaluations build the long term evidence base for what works for whom in what contexts.</p> <p>Implementation and evaluation plans provide confidence that the returns articulated in the intervention logic and CBA will be realised.</p>	<p>Key features:</p> <ul style="list-style-type: none"> • Fit-for-purpose evaluation plan (including impact) • Capability and capacity of the agency to deliver the initiative (implementation, procurement and project management) • Reporting and evaluation points 	<p>Considers material provided for elements:</p> 

2.3.3 Importance of assumptions and judgement

Assessors will be considering the explicit assumptions, judgements and evidence supporting initiatives in their advice to Budget Ministers. They will form the basis for the confidence assessment which underpins whether that the initiative will achieve its intended outcomes.

The assumptions and judgements will depend on the characteristics and proposed approach for the intervention. We recommend engaging with your Vote Analyst and SIU to discuss these key assumptions and judgements ahead of submitting the initiative.

2.3.4 Application to Pilots

The assessment of pilot-based initiatives will be scoped to the specifics of the initiative. As outlined in section 1, pilot initiatives may be unlikely to have an established evidence base (in the specific context where it is proposed) and their main purpose is to test ideas and apply learnings to introduce new programmes or improve existing services.

The intervention logic will be a critical criteria for these initiatives and the monitoring and response will need to be feasible and appropriate. A key focus will also be on how the initiative or idea was developed (for example through design thinking or the accelerator model).

The relative weighting of the assessment criteria will take into consideration whether it is importing a programme from an overseas jurisdiction or is the application of an outright trial of a new idea in a local setting.

Additional requirements will be recommended by the Treasury if the initiative is funded to provide for adequate accountability, governance and reporting arrangements for these types of initiatives, which are likely to be captured in the Budget Cabinet paper in April.

2.4 How an initiative will be assessed (after January 31 submission)?

2.4.1 Judgement based assessment

The Treasury will be completing an assessment on the initiatives against the criteria outlined in section 2.2.2 above and independent expert judgements will be applied based on the information submitted.

The criteria will be used to determine an overall score for the initiative which will be supported by qualitative advice. Budget Ministers have the ultimate decision rights and will make a judgement on whether the initiative meets the Investment Threshold and will be given priority consideration. A key consideration as part of this decision making is how all the Track 1 initiatives impact on the debt target or reducing net debt to around 20% by 2020.

2.4.2 Moderation

As the assessment includes a level of qualitative supporting material, assumptions and judgements, the Treasury will run a moderation process to ensure consistency ahead of the final advice being provided to Budget Ministers.

This moderation process will include subject matter experts across the multi-criteria to support high quality and consistent advice across the Track 1 initiatives.

Track 1 Initiative Submission Template

This template seeks a summary of Track 1 initiatives going through Budget 2017. The template is structured based on the following:

- **Blue Fields:** Should be completed by agencies and are aligned with the six key elements introduced in Section 1 (type of intervention, case for change, expected returns, confidence in evidence, implementation and scalability, and understanding and demonstrating effectiveness).
- **Grey Fields:** Will be completed by Vote Analysts and align with the multi-criteria assessment framework outlined in Section 2.

Track 1 initiatives are due on 31 January 2017. Contact your Vote Analyst in the first instance with any queries.

Vote	[Must match CFISnet entry. If it is a cross agency initiative, please list all the Votes impacted]
Responsible Minister	[Must match CFISnet entry. If it is a cross agency initiative, please list all the responsible Ministers and identify if there is a lead Minister]
Initiative title	[Must match CFISnet entry. The title should be concise and provide a clear direction of what the initiative is about.
Initiative description	[Must match CFISnet entry. The description should outline what the additional funding will achieve in terms of outcomes/impacts/ results and start with "This funding will..."]
Responsible Vote Analyst	[Please provide your name and extension number]

Funding Sought (\$m)	2017/18	2018/19	2019/20	2020/21	2021/22 & outyears	TOTAL
Operating	-	-	-	-	-	-
Capital	-	-	-	-	-	-

SUPPORTING INFORMATION AND CONTEXT

Please provide any useful contextual information about the initiative (for example, whether Cabinet has previously considered the initiative or funded a similar initiative through previous Budgets) and list of the supporting information provided to the Vote Analyst in addition to this initiative template (eg, evaluation and implementation plan).

How does this initiative align with the social investment approach and has this been used and applied with other previous interventions?

Is the initiative significantly different to what was submitted in the November check-point?

How has the feedback from the Social Investment Panel been taken into consideration and used in the further development of the initiative?

[Agency to complete]

VOTE ANALYST OVERVIEW

Please provide a description of how well the initiative aligns with social investment principles (refer to section 1.2 of the guidance for a definition), whether the initiative has significantly changed from the November check-point and an overall view of how well the initiative has reflected feedback from the Social Investment Panel. Does the initiative have all the relevant supporting information?

[Vote Analyst to complete]

1. TYPE OF INTERVENTION

Refer to section 1.3.1 for guidance and explanation on requirements

[Agency to complete]

2. CASE FOR CHANGE

Refer to section 1.3.2 for guidance and explanation on requirements

[Agency to complete]

CASE FOR CHANGE ASSESSMENT

Please provide comments on how well the initiative and supporting information addresses the following:

- Definition of the problem or opportunity
- Description of the target population.
- Outline of the existing services provided to the identified target population and what need/gap this initiative helps to address. Have other alternative options been considered?
- Explanation of the outcomes expected as a result of the intervention (intervention logic) and robustness of evidence and assumptions underpinning this.

[Vote Analyst to complete]

3. EXPECTED RETURNS

Agencies will need to complete a CBAX assessment for all Track 1 initiatives and fill out the sections below on impact analysis.

Refer to section 1.3.3 for further guidance and explanation on requirements

[Agency to complete]

Impact Analysis

An explanation of who is impacted (winners and losers), what the impacts are (costs and benefits), and when the impacts will be realised and for how long. The impacts should be quantified and monetised if possible.

Discuss all of the impacts (costs and benefits) that the proposal will have on New Zealanders and the government.

- *Describe the impacts (including **financial**, **social** and **environmental** impacts) that you can identify, whether or not they can be quantified. Be specific about which individuals or groups will be affected, how and when.*
- *Include primary and flow-on (secondary) impacts. For instance, a proposal to train individuals to get employment may increase their income, and also have a secondary impact on their use of health services. This should also make reference to the intervention logic outlined earlier in the template.*
- ***Quantify** these impacts if possible. For instance, 'number of emergency visits avoided', or 'client waiting times reduced by x hours'. If you can, also **monetise** the impacts by converting them into a dollar value, eg, 'money saved from reduced emergency visits'. Ranges may also be used, with wider ranges indicating more uncertainty.*
- *The **CBAX** spreadsheet tool can help you estimate the dollar value impacts of policy changes, drawing from a common database of impact values. The impacts presented should be the additional positive and negative impact of the proposal, compared to what would happen if the proposal doesn't go ahead (the **counterfactual**).*
- *Discuss the assumptions and evidence informing your analysis of these impacts. This should draw on the information provided as part of the intervention logic. Assess how strong the evidence is, and how well the results can be applied to this proposal. Be specific about how effective the policy is assumed to be across different groups (eg, is there a positive impact for all students on a training programme, or only the ones who complete the course?). Discuss which assumptions have the greatest impact on the results of your analysis.*
- ***Discount Rates.** For comparative purposes, all initiatives should use the 6% real discount rate as a default, and do a sensitivity analysis with a 3% real discount rate (the rounded risk free rate). A project-specific rate can also be added where this is warranted (talk to your Vote Analyst if you want to add another discount rate).*

Impact Summary Table

All monetised and non-monetised impacts should be listed.

Fill out the table below to summarise the costs and benefits of the proposal. Delete the illustrative example. The impacts might differ, so consider other impacts than those in the illustration. Summarise the **assumptions and evidence** that inform your assessment of each impact.

Start by including the estimated impact on **key outcomes**. This should be the biggest, most immediate impact. If this impact can be converted into monetary values, include these values in the next part of the table (government/wider society benefits and costs). Also include unquantified impacts on people or the government, and the fiscal cost of the initiative. In the example below, the key impact is on employment outcomes, which creates benefits for the government (reduced welfare spending) and individuals (higher income), as well as unquantified impacts on mental health and education.

Present any **monetary impacts** (including the fiscal cost) in present value (PV) terms using the discount rates above. This converts future cash flows into today's dollar terms and enables comparison between initiatives with different patterns of costs and benefits over time. Treasury's CBA guide explains PV and how to calculate it in more detail. The CBAX spreadsheet tool also has a simple calculator you can use to convert your initiative cost into a PV.

You can include an **additional option** or scenario to show how impacts change with different assumptions or policy settings.

Calculate the **net present value (NPV)** of your initiative using all the monetised benefits and costs set out in the Impact Summary Table below. This NPV calculation won't include unquantified benefits and costs. You can discuss how unquantified impacts affect your assessment. Agencies should use a 50-year time period for their NPV calculation.

Impact Summary Table (Please add and delete rows for impacts as appropriate, and colour code

Impacts - Identify and list Sm present value, for monetised impacts	Option/ scenario		Assumptions and evidence (quantify if possible, and use ranges where appropriate)	Evidence certainty ³
	1	2		
Estimated impact on key outcomes				
				Low
Cost of the Initiative				
				Low
Government Benefits/(Costs)				
				Low
				Low
				Low
Total Quantified Government Impact				Low
Wider Societal Benefits/(Costs)				
				Low
				Low
				Low
				Low
Total Quantified Wider Societal Impact				Low
Net Present Value of Total Quantified Societal Impacts				Low

³ Rate your level of confidence in the assumptions and evidence as high (green) if based on significant research and evaluations that is applicable, medium (amber) if based on reasonable evidence and data, or low (red) if there is little relevant evidence. Colour the rating box for each impact.

DELETE this illustrative fictional example Impact Summary Table (using the CBAX tool and database for NPVs)

Impacts - Identify and list Sm present value, for monetised impacts	Option/scenario		Assumptions and evidence (quantify if possible, and use ranges where appropriate)	Certainty ⁴
	1	2		
Estimated impact on key outcomes				
Increased employment outcomes	72 percent points	-	Expect 18% of participants to get into work after one year and another 18% of participants to get into work after two years. This is relative to counterfactual of no employment for the individuals. The success rate is based on experiences in several overseas countries, with New Zealand context to be assessed. Assumes only 25% of income for displacement etc effects. Assumes ongoing employment.	Medium
Cost of the Initiative				
Fiscal operating and capital costs of the initiative ⁵	(11.0)	-	40 participants per year for 5 year pilot. Annual operating expenditure of \$1.2 million for 5 years, and \$6 million one-off.	High
Government Benefits/(Costs)				
Additional tax revenue (adjusted to 25%)	1.0	-	Assumes 18% of participants move from benefit to earning the minimum weekly wage and another 18% earn an average wage for someone with a level 4-6 trade, with 25% adjustment. Marginal tax impact relative to tax on the Jobseeker Support benefit.	Medium
Reduction in Jobseeker Support benefit	9.4	-	Assumes an on-going reduction in benefit payments for 36% of the participants.	Medium
Reduction in health and justice sector costs	1.2	-	Provides proxy for flow-on reduction in health and justice sector costs. Assumes for all participants: emergency department visits are reduced from 3 to 2 visits annually for 25 years, and police hours are reduced from 5 to 3 hours annually for 10 years.	Low
Total Quantified Government Impact	11.6	-	The main assumptions relate to employment outcomes, and the length of these.	Medium
Wider Societal Benefits/(Costs)				
Extra personal income generated (after tax, and adjusted to 25%)	4.4	-	Assumes 18% of participants move from benefit to earning the minimum weekly wage and another 18% earn an average wage for someone with a level 4-6 trade, with 25% adjustment.	Low
Costs of attending	(Small)	-	There are short term costs to individuals of attending.	Low
Mental health improvements	Large	-	International evidence finds that moving into work can improve mental health outcomes. Limited New Zealand evidence.	Low
Improved education outcomes for children	Modest	-	Having parents who are unemployed for more than 2 years makes children 30% less likely to pass NCEA 2. Intergenerational impacts.	Medium

⁴ Rate your level of confidence in the assumptions and evidence as high (green) if based on significant research and evaluations that is applicable, medium (amber) if based on reasonable evidence and data, or low (red) if there is little relevant evidence. Colour the rating box for each impact.

⁵ This present value of the initiative costs, including both operating and where relevant capital spending, should be included for all initiatives. Other fiscal flow-on costs and benefits that are not included in the initiative costs are to be set out in a separate row.

Total Quantified Wider Societal Impact	4.4	-	Wider societal impacts arise mainly from employment assumptions: income/mental health and impacts for participants' children.	Low
Net Present Value of Total Quantified Societal Impacts	5	-		Medium

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Summary of monetised results [only fill this out if you have monetised costs and benefits]		
Fill this table out with the NPV, benefit cost ratio and return on investment for your initiative. These can all be calculated with the information you included in the summary table above, and is available in the CBAX Output Summary (NB totals can vary due to rounding). We ask you to present all these measures, because they each provide a different perspective.		
Use ranges for values where appropriate	Discount Rate	
	6% real (default)	3% real (sensitivity)
Net Present Value (NPV) ⁶	\$5m	\$m
Benefit Cost Ratio (BCR) ⁷	1.45 (1.45 = \$16m / \$11.0m)	x.x (x.x = \$x.xm / \$x.xm)
Return on Investment (ROI) – Societal Total ⁸	1.45 (1.45 = \$16m / \$11.0m)	x.x (x.x = \$x.xm / \$x.xm)
Return on Investment (ROI) – Government ⁹	1.05 (0.6 = \$11.6m / \$11.0m)	x.x (x.x = \$x.xm / \$x.xm)

Supporting Evidence ie, the bibliography

To substantiate assumptions and certainty ratings, please include links to supporting analysis or evidence here with reference to the analysis presented in the intervention logic. This should include references to the research, evaluation and data sources that informed your assumptions, for instance about the effectiveness rate and the counterfactual. Set out the New Zealand and international evidence for the assumptions. This could set out the evaluation options linked to the initiative assumptions, especially if the evidence is limited.

- 6 Net Present Value (NPV)** - The NPV is the sum of the discounted benefits, less the sum of the discounted costs (relative to the counterfactual). This gives a dollar value representing the marginal impact on the collective living standards of all New Zealanders of the initiative, in today's dollar terms.
- 7 Benefit Cost Ratio (BCR)** - The BCR is the ratio of total discounted benefits to the total discounted costs. A proposal with a BCR greater than 1.0 has a positive impact, because the benefits exceed the costs. The BCR is the same as the Return on Investment Societal Total, unless there are negative impacts in addition to the fiscal cost of the initiative. All negative impacts are included in the denominator for the BCR measure.
- 8 Return on Investment (ROI) - Societal Total** - Calculate the ROI by dividing the discounted net change in wider societal impact, including benefits to government, by the discounted cost of the initiative. This can be interpreted as the impact for New Zealanders per dollar the government spends on the initiative, eg, for every \$1 the government spends on this programme, New Zealanders receive benefits of \$3.
- 9 Return on Investment (ROI) – Government** – Calculate the ROI by dividing the discounted net change in impact for the government by the discounted cost of the initiative. This measures the discounted net marginal (fiscal) benefits to the government.

4. CONFIDENCE IN EVIDENCE

This should reflect the quality and strength of evidence presented to support the effectiveness of the intervention and implementation in the New Zealand context.

Refer to section 1.3.4 for further guidance and explanation on requirements

[Agency to complete]

VALUE-FOR-MONEY ASSESSMENT

Please provide a comment on how well the initiative and supporting information addresses the following:

- What is the RoI and NPV score, and are the assumptions and judgements around expected outcomes reasonable/clearly explained in the impact summary tables?
- The Societal RoI is a combination of monetised impacts, un-monetised impacts and the assumptions underlying the impacts. Initiatives will need to demonstrate a societal ROI of at least 2.
- The Government RoI calculates how much one dollar of government spending reduces fiscal cost ie, the fiscal return on investment. Initiatives will need to demonstrate a Government ROI of at least 1.

[Vote Analyst to complete]

5. IMPLEMENTATION AND SCALABILITY

This section should detail what is required to implement the initiative and the critical success factors to ensure successful implementation in the New Zealand context. It should also consider how decisions around scaling up (or down) will be made and what the key decision points are. **Please attach an implementation/procurement plan as supporting information to this template if available.**

Refer to section 1.3.6 for further guidance and explanation on requirements

[Agency to complete]

6. UNDERSTANDING AND DEMONSTRATING EFFECTIVENESS

This section should detail how the outcomes of the intervention will be measured and how performance will be monitored and evaluated. **Please attach an evaluation plan as supporting information to this template if available.**

Refer to section 1.3.5 for further guidance and explanation on requirements

[Agency to complete]

IMPLEMENTATION AND EFFECTIVENESS ASSESSMENT

Please provide a comment on how well the initiative and supporting information addresses the following:

- Fit-for-purpose impact evaluation plan with consideration of how the initiative will be evaluated as it is implemented rather than just ex-post.
- Capability and capacity of the agency to deliver the initiative (implementation, project management and procurement). This should also take into consideration the agency's Four Year Plan and previous track record.
- Does the implementation and evaluation plan allow enough flexibility for scalability?

[Note: Analyst to complete]

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Template 2: 15-year initiative impact excel spreadsheet

This template can be found in CFISnet
15 year impacts (nominal) table

Note:

Initiative		Net Impact	Total (\$m)	Year ending June 30th - July 2017 - June 2031														
Initiative Name:	Government	0		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Initiative ID:	Non-Government	0																
				Year ending June 30th														
Initiative Name:	Government	0		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Initiative ID:	Non-Government	0																
				Year ending June 30th														
Initiative Name:	Government	0		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Initiative ID:	Non-Government	0																
				Year ending June 30th														
Initiative Name:	Government	0		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Initiative ID:	Non-Government	0																

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Investment Threshold: Assessment Framework									
Title of Initiative <i>(Reflected from CFSnet / Initiative template)</i>		November Check-point Feedback <i>(Social Investment Panel's feedback and recommendations reflected here)</i>							
Description <i>(Reflected from CFSnet / Initiative template)</i>									
Funding Stage (M)	2019/20	2019/21	2020/21	2021/22	2022/23	Overall	Total		
Operating Capital									
Treasury Recommendation									
Social Investment Principles									
Does it set clear, measurable goals for helping people who rely on public services?		<i>(Vote Analyst to comment on the November Checkpoint feedback and if any changes or feedback has/have not been reflected)</i>							
Does it use information & technology to better understand the needs of people who rely on social services & set out what services they are currently receiving?									
Does it systematically measure the effectiveness of services, so we know what works well and for whom, and feed these learnings back into the decision-making process?									
Does it purchase outcomes rather than specific inputs, and move funding to the most effective services irrespective of whether they are provided by government or non-government organisations?									
Case for Change	1	2	3	4	5	Score	Judgements		
	<ul style="list-style-type: none"> A clear problem or opportunity identified supported by limited or no evidence. A target population is identified, however is not specific and broadly defined. Some evidence (qualitative and/or quantitative) exists that supports the intervention logic but is not sufficient to provide confidence in the initiative. Identifies existing services provided for the identified target population. Clearly states outcomes/impacts as a result of the intervention (logic). The outcomes/impacts are broad and/or not transparent. The outcomes/impacts are high-level and involve some "leaps" 	<p style="text-align: center;"><i>Insufficiently well based</i></p>	<ul style="list-style-type: none"> A clear problem or opportunity identified supported by some evidence. A specific target population, including segmentation and/or cohort groups. Evidence (qualitative and/or quantitative) that supports the intervention logic. Identifies existing services provided for the identified target population and why there is still a need or a gap which this initiative helps to address. Clearly states outcomes/impacts as a result of the intervention (logic) with the evidence and assumptions that underpin it. Acknowledges the assumptions, critical success factors and limitations of the initiative. 	<p style="text-align: center;"><i>Insufficiently well based</i></p>	<ul style="list-style-type: none"> A clear problem or opportunity identified supported by a mix of quality evidence (on impact, process and context). A specific target population, including segmentation and/or cohort groups. Evidence (qualitative and/or quantitative) that supports the intervention logic with specific reference to the NZ setting. Identifies existing services provided for the identified target population and why there is still a need or a gap which this initiative helps to address. How does this fit within a pipeline of interventions? Clearly states outcomes/impacts as a result of the intervention (logic) with the evidence and assumptions that underpin it. Identified measures or indicators for the outcomes. Acknowledges the critical assumptions, risks, critical success factors and limitations of the initiative. 		<i>(Vote Analyst and moderators to set out any judgements and/or assumptions that affect the score)</i>		
Value for money	1	2	3	4	5	Score	Judgements		
	<ul style="list-style-type: none"> The counter-factual is clearly defined. Sets out the monetised and non-monetised costs and benefits for the initiative. The Return on Investment estimated is positive overall. The assumptions and judgements related to the expected returns are optimistic or not stated. The evidence (qualitative and/or quantitative) is limited or provides low confidence. Success rates are supported by some qualitative and/or quantitative evidence Sensitivity analysis completed based on the standard 5% and 3% 	<p style="text-align: center;"><i>Insufficiently well based</i></p>	<ul style="list-style-type: none"> The counter-factual is clearly defined and established the marginal impacts of the initiative Sets out the monetised and non-monetised costs and benefits for the initiative. The Return on Investment estimated is not less than: <ul style="list-style-type: none"> Societal ROI: 1 Govt ROI: 1 The assumptions and judgements related to the expected returns are clearly stated and reasonable and appropriate. The evidence (qualitative and/or quantitative) provides reasonable certainty and confidence. Success rates are supported by qualitative and/or quantitative evidence. Sensitivity analysis of the following is considered: <ul style="list-style-type: none"> Length of the benefits Success rates Costs and/or assumptions Uplifts of services And other appropriate variables. 	<p style="text-align: center;"><i>Insufficiently well based</i></p>	<ul style="list-style-type: none"> The counter-factual is clearly defined and established the marginal impacts of the initiative Sets out the monetised and non-monetised costs and benefits for the initiative. The Return on Investment estimated is not less than: <ul style="list-style-type: none"> Societal ROI: 5 Govt ROI: 2 The assumptions and judgements related to the expected returns are clearly stated and reasonable and appropriate. The evidence (qualitative and/or quantitative) provides a high level of certainty and confidence. Success rates are supported by qualitative and/or quantitative evidence Sensitivity analysis of the following is considered: <ul style="list-style-type: none"> Length/time of the benefits Success rates Different target populations Uplifts of services And other appropriate variables. 		<i>(Vote Analyst and moderators to set out any judgements and/or assumptions that affect the score)</i>		
Implementation and Effectiveness	1	2	3	4	5	Score	Judgements		
	<ul style="list-style-type: none"> High level impact evaluation plan with ex-post focus. Does not provide specificity on how evaluation will be built into the design/implementation of the initiative and the information provided suggests little emphasis has been placed on evaluation. Implementation roadmap that broadly defines how it will be rolled out. Clear description of decision points for scaling up or down. Clear resource implications including the agency's or the market's capacity to deliver/manage. Does not consider what the agency will stop/renounce. Low to medium confidence in the agency's capability to deliver the initiative successfully 	<p style="text-align: center;"><i>Insufficiently well based</i></p>	<ul style="list-style-type: none"> Fit-for-purpose impact evaluation plan that includes: <ul style="list-style-type: none"> Implementation and ex-post focus Effective feedback loops. If appropriate, includes process and monitoring evaluation. Implementation roadmap setting out: <ul style="list-style-type: none"> Specific timeframes and indicators Decision points. Detailed cost breakdown Implementation risks and how they will be managed. Clear description of decision points for scaling up AND down, with appropriate governance arrangements. Clear resource implications including the agency's and the market's capacity to deliver. Includes what the agency will stop/renounce. High confidence in the agency's capability to deliver (if outsourced) the initiative successfully. Acknowledges the assumptions, critical success factors and limitations for implementation. 	<p style="text-align: center;"><i>Insufficiently well based</i></p>	<ul style="list-style-type: none"> Fit-for-purpose impact evaluation plan (RCT, quasi-experimental trial, etc) and includes: <ul style="list-style-type: none"> Implementation and ex-post focus. Effective feedback loops. Builds in early evaluation, with a clear relationship to implementation and decision points i.e. how the evaluation information is going to be used for future decision-making. If appropriate, includes process and monitoring evaluation. Implementation roadmap setting out: <ul style="list-style-type: none"> Specific timeframes and indicators. Decision points. Detailed cost breakdown. Implementation risks and how they will be managed. For pilots, consideration of an exit plan once the pilot has been delivered. Clear description of decision points for scaling up AND down, with appropriate governance arrangements Clear resource implications including the agency's and the market's capacity to deliver. Includes what the agency will stop. High confidence in (all) agency's capability to deliver the initiative successfully. Acknowledges the assumptions, critical success factors and limitations for implementation. 		<i>(Vote Analyst and moderators to set out any judgements and/or assumptions that affect the score)</i>		
Overall Score	115								<p><i>(Vote Analyst and moderators to set out any judgements and/or assumptions that affect the overall score)</i></p>
Needs / Does not meet									<p><i>(Vote Analyst and moderators to include any overall comments about the initiative. This may include further recommendations regarding aspects of the initiative, such as report backs, etc)</i></p>