



Report

Date: 24 April 2015

Security Level: BUDGET SENSITIVE

To: Hon Bill English, Minister of Finance
Hon Anne Tolley, Minister for Social Development
Hon Te Ururoa Flavell, Minister for Māori Development

Options for transferring programmes to Whānau Ora

Purpose of the report

- 1 This report seeks your preferred options for the transfer of programmes from Vote Social Development to Vote Māori Development to support Whānau Ora outcomes in terms of:
 - What programmes should be transferred
 - How they should be transferred
 - When they should be transferred.

Recommended actions

It is recommended that you:

- 2 **note** that you have asked for advice on what programmes could be transferred (up to a total of \$12 million) from Vote Social Development to Vote Māori Development to support Whānau Ora outcomes
- 3 **note** that Attachment One provides a schedule of potential programmes for transfer, grouped under two categories:
 - 3.1 Programmes that are broadly aligned with the Whānau Ora approach
 - 3.2 An additional fund that aligns with the broader outcomes of Whānau Ora commissioning

AT ☒ Yes/No

AT ☒ Yes/No

- 4 **agree** that the list of programmes and grant funding provided in Attachment One be transferred to Te Puni Kōkiri via baseline transfer

AT ☒ Yes/No

- 5 **note** that the total value of these programmes and grant funding is \$12.2m

AT ☒ Yes/No

- 6 **EITHER agree** that Te Puni Kōkiri should seek to negotiate the administration of these programmes for the duration of their contracts by the Whānau Ora Commissioning Agencies

AT ☒ Yes/No

- 7 **OR agree** that Te Puni Kōkiri should administer these programmes for the duration of their contracts, subject to providers' agreement to transfer to Te Puni Kōkiri's management

AT ☒ Yes/No

Minister responsible for TPR.
agree that as the contracts for these programmes reach their expiry dates, joint Ministers will decide whether they should be renewed or the funding used for Whānau Ora commissioning

AT ☒ Yes/No

- 9 **note** that officials recommend deferring implementation of this change to 1 July 2016 on the grounds that it will allow time for stakeholder negotiations and a managed transfer that minimises risk to the Crown

AT ☒ Yes/No

- 10 **agree** to announce this change as part of Budget 2015 but to defer implementation to 1 July 2016

AT ☒ Yes/No

- 11 **note** that following your decisions on this paper, officials will provide you with financial recommendations to reflect the decisions in Budget 2015.

AT ☒ Yes/No

12 **agree** to the Ministry of Social Development and Te Puni Kōkiri providing the Ministers for Social Development and Whānau Ora with further advice on implementation issues, stakeholder management and communications in the run up to Budget announcements by 1 May 2015.

☒ Yes/No

<p></p> <p>PP Hayden Fenwick Acting Manager, Labour Market and Welfare The Treasury</p>	<p></p> <p>Anneliese Parkin Chief Policy Advisor Ministry of Social Development</p>	<p></p> <p>Di Grennell Deputy Chief Executive, Regional Partnerships Te Puni Kōkiri</p>	<p><u>24/04/15</u> Date</p>
<p>Hon Bill English Minister of Finance</p>	<p></p> <p>Hon Anne Tolley Minister for Social Development</p>	<p>Hon Te Ururoa Flavell Minister for Māori Development</p>	<p>Date</p>

Background

- 1 You have asked for advice on what programmes could be transferred (up to a total of \$12 million) from Vote Social Development to Vote Māori Development for the purposes of supporting Whānau Ora outcomes. We understand the transfer of these programmes is intended to:
 - support better integration of social services at a community level
 - provide an opportunity for realigning the programmes and/or their funding to priorities agreed by the Whānau Ora Partnership Forum.

Potential programmes for transfer

- 2 Attachment One provides a schedule of proposed programmes for transfer, based on two main considerations:
 - the degree to which the programme already provides a service co-ordination type function
 - the degree of correlation it has with the Whānau Ora and three Commissioning Agency outcomes.
- 3 The funding for these programmes comes from a mix of departmental and non-departmental expenditure.
- 4 Of these programmes, Te Punanga Haumaru is a grant-based fund administered by the Ministry. Where the grant funding is for one year only there will be no contractual obligations beyond the end of the current financial year.
- 5 There are a number of other programmes that might have been considered to meet the relevant criteria that have been excluded:
 - family violence and sexual violence related programmes, as these are being considered as part of the Family Violence Ministerial Achieving Intergenerational Change work programme
 - programmes directly supporting the Children's Teams: Strengthening Families, Family Start and Social Workers in Schools (SWiS)
 - Teen Parent programmes, as these are closely aligned to wider youth services work currently underway.
- 6 We are seeking your confirmation that these programmes should be transferred from Vote Social Development to Vote Māori Development for the purposes of supporting Whānau Ora outcomes.

Options for how selected programmes are transferred

Option One: the programmes transfer to the Whānau Ora Commissioning Agencies

- 7 We understand that your preference is for the Whānau Ora Commissioning Agencies to administer these programmes until their expiry and then determine, in consultation with the Whānau Ora Partnership Group, how the funding should be invested in the future.
- 8 It is technically possible for the Commissioning Agencies to administer the contracts for these programmes, providing all parties are amenable to this change. It will not be legally possible for the Crown to compel the Commissioning Agencies to take on this role. Nor will it be possible for the Crown to compel providers to agree to this change. It is therefore possible that we may not be able to negotiate some or all of the transferred programmes into Commissioning Agencies' management.

9 There are a number of other risks associated with this approach:

- It may be viewed as conflicting with the commissioning model, under which the Commissioning Agencies are supposed to have freedom to invest in the interventions of their choice
- The Commissioning Agencies are facing a drop in the operational funding in the next financial year. With limited reach into the regions as it is and no operational funding on the table, they may prove unwilling to pick up the additional work in contract negotiation and management
- Assuming the Commissioning Agencies are willing to administer these programmes, they are likely to have views on the relative fairness of allocation of the programmes amongst them. The Whānau Ora Partnership Group may also expect to advise on this. Allocation might therefore take some time to work through, raising the possibility that we will need to negotiate contract transfers with providers first to Te Puni Kōkiri and then on to the Commissioning Agencies
- On the provider side, there are limited incentives to agree to this change. Barriers to providers' agreement may include actual or perceived conflicts of interest and uncertainty about the likelihood of future funding.

10 The financial transfers would be actioned by a funding transfer from the Community Investment appropriations in Vote Social Development to a new appropriation in Vote Māori Development. Following your decisions on this paper, officials will provide you with financial recommendations to allow the decisions you take to be reflected in Budget 2015. The exact distribution of Vote Social Development transfers between appropriations and any departmental funding transfers required would need to be finalised through Joint Ministers' papers or baseline updates.

Option Two: the programmes transfer to Te Puni Kōkiri

11 An alternative approach to transferring these programmes to the Commissioning Agencies' administration would be to transfer them to Te Puni Kōkiri's management, under the Whānau Ora brand, for the duration of the existing contracts. Once the contracts have expired, Ministers could decide to renew them or to roll the funding into the Whānau Ora appropriation for commissioning.

12 There are still some risks associated with this alternative course of action, however:

- It's success also depends on providers' willingness to vary their contracts. This may be easier to secure than getting them to sign on with the Commissioning Agencies, but may still prove difficult given that Te Puni Kōkiri is a Māori development agency and many of the providers associated with these programmes do not have Māori as their primary customer base
- It may run contrary to Cabinet's determination of Te Puni Kōkiri's role and function
- Te Puni Kōkiri has little expertise in service delivery contracting and would need considerable support for the first 1-2 years from the Ministry of Social Development to negotiate and manage these contracts
- The Ministry of Social Development will still have contracts for other services with many of these providers, multiplying the number of government agencies they are required to deal with.

13 As with Option One, the financial transfers would be actioned by a funding transfer from the Community Investment appropriations in Vote Social Development to a new appropriation in Vote Māori Development. Following your decisions on this paper, officials will provide you with financial recommendations to allow the decisions you take to be reflected in Budget 2015. The exact distribution of Vote Social Development transfers between appropriations and any departmental funding transfers required would need to be finalised through Joint Ministers' papers or baseline updates.

Implementation timing

- 14 Regardless of which of these two options you choose to proceed with and announce in Budget 2015, officials would like you to consider deferring implementation until July 2016. We recommend this in order to allow time for stakeholder negotiations and a managed transfer that minimises risk to the Crown. In previous transfers of programmes, the new Crown agent has had to novate the contract: effectively reach an agreement that allows the transfer of contractual obligations from one party to another. This process may take up to three months to complete given the number of providers involved and subject to the consent of the parties.

Treasury comment

- 15 Treasury does not support Option A or Option B:
- We do not support a transfer of the contracts to Te Puni Kōkiri (Option B) as Te Puni Kōkiri does not have experience in managing service delivery contracts of this nature or capacity to do so, the contracts would no longer be part of the Ministry of Social Development's Investing in Services for Outcomes change programme designed to better understand the effectiveness of services, it is unclear how it would result in a better coordination of services to clients, and there is a risk that NGO providers will not agree to the transfers
 - We do not support a transfer of the contracts to Whānau Ora Commissioning Agencies via Te Puni Kōkiri (Option A) as it creates an additional layer of administration and there is a risk that Commissioning Agencies and/or NGO providers will not agree to the transfers and so Option B will need to be pursued.
- 16 Therefore Treasury recommends that the contracts remain with the Ministry of Social Development who has expertise in managing these types of contracts and a change programme underway (Investing in Service for Outcomes) to improve its understanding of spending in this area.
- 17 However, if Minister did wish to transfer contracts to Whānau Ora Commissioning Agencies, an alternative to Option A and Option B would be for the Ministry of Social Development to transfer the contracts directly to the Whānau Ora Commissioning Agencies. This would be dependent on the Commissioning Agencies and NGO providers agreeing to the transfers. It could potentially give Whānau Ora Commissioning Agencies a wider view of services provided to their clients, although the extent of this is questionable given that many of the contracts transferred will include services for non-Māori and non-Pasifika clients. It is also unclear how contracts could be allocated in urban areas with large Māori and Pacific population. Whilst Whānau Ora Commissioning Agencies have some contract management experience, they do not have direct experience in these types of contracts, contract management of sufficient capacity unless they receive additional resource, and do not have relationships with most of the providers or clients whose contracts are to be transferred.
- 18 If Ministers wish to advance any of the options Treasury strongly recommends delaying implementation until June 2016 to provide more time to implement the transfers in a way that manages relationships with Commissioning Agencies and NGO providers and minimise the impact on clients receiving services via these programmes.

Next steps

- 19 Following your decisions on this paper, officials will provide you with financial recommendations to allow the decisions you take to be reflected in Budget 2015.

- 20 Subject to your agreement, the Ministry of Social Development and Te Puni Kōkiri will provide the Ministers for Social Development and Whānau Ora with further advice on implementation issues, stakeholder management and communications in the run up to Budget announcements by 1 May 2015.
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Attachments

Attachment One: Potential programmes to Transfer

File ref: REP/15/4/409

RELEASED UNDER THE
OFFICIAL INFORMATION ACT

Attachment One: Potential Programmes to Transfer

Criteria	Programme	Programme Description	App (\$m)	Locations (based on F15 contracted)
1	Early Years Service Hubs	The Early Years Services Hub initiative aims to improve outcomes for children pre-birth to six years, particularly those who are vulnerable, through improving access to services by strengthening service co-ordination.	1.6	11 locations nationwide
1	Whānau Toko I Te Ora	Whānau Toko I Te Ora (WTITO) is a high intensity, home-based family support service for Māori whānau. The programme supports parenting based on a holistic approach that emphasises the growth and development of tamariki during the first five years of life.	1.0	1 provider - national service
1	Family Service Centres	Family Service Centres provide culturally appropriate integrated services in a single community centre to Māori and Pacific families with children under the age of six years, who are in need of support. It specifically focuses on fostering parental engagement, family social services, health services such as family planning, immunisation and Well Child health checks.	1.7	6 providers in South Auckland, Waikato, Motueka, Opoitiki and Porirua
1	Family Support Services	This funding is used to purchase a variety of different services that focus on restoring the wellbeing of children, young people and families suffering family breakdowns, putting them at risk of poor welfare, education and health outcomes. The focus is on keeping families together and assisting them to meet their care and support responsibilities. It specifically targets those who have suffered from sexual violence or are at risk from abuse.	1.6	42 providers nationwide
1	Youth at Risk of Offending - Wraparound Services	The development and provision of community based wraparound programmes for Māori youth and their whānau in the 10-17 age group, who are at risk of offending in Counties Manukau and Waitakere.	0.9	1 provider, West and South Auckland
1	Breakthru (youth gangs)	Provision of parenting programmes, integrated case management and community youth workers, to work with young people at risk of being affiliated with youth gangs in the Auckland area.	2.4	9 providers, Auckland
Total value			9.2	
Criteria	Programme	Programme Description	App (\$m)	Locations (based on F15 contracted)
2	Te Punanga Haumaru	The fund supports whānau and community driven action that encourages positive social behaviour in children and young people, and reduces the incidence of bullying.	3.0	nationwide, based on application
Total value			3.0	
Grand total			12.2	



Report

Date: 6 May 2015 **Security Level:** BUDGET SENSITIVE

To: Hon Bill English, Minister of Finance
Hon Anne Tolley, Minister for Social Development
Hon Te Ururoa Flavell, Minister for Māori Development






Assigning responsibility for funding in Vote Social Development to the Minister for Whānau Ora

Purpose of the report

- 1 This report outlines a proposed approach to implementing Ministers' decisions on the transfer of \$12 million of funding and/or programmes to the Whānau Ora Commissioning Agencies by 1 July 2016.

Recommended actions

It is recommended that you:

- 1 **note** that you have previously made decisions that \$12 million of funding currently within Vote Social Development (as outlined in Attachment One) be transferred to pursue Whānau Ora outcomes through the Commissioning Agencies from 1 July 2016 via baseline transfer to Vote Māori Development
 **Yes/No**
- 2 **note** that you have asked for advice on an interim mechanism for the 2015/16 financial year that assigns responsibility for \$12 million of funding in Vote Social Development to the Minister for Whānau Ora to achieve Whānau Ora outcomes
 **Yes/No**
- 3 **note** that officials' recommended option is to establish a separate appropriation that is the responsibility of the Minister for Whānau Ora of \$12 million to achieve Whānau Ora outcomes, funded from the programmes identified in recommendation 1 above, within Vote Social Development
 **Yes/No**
- 4 **note** that this new appropriation in recommendation 3 would expire on 30 June 2016 and the funding transfer to the Whānau Ora appropriation in Vote Māori Development
 **Yes/No**
- 5 **note** that the above funding includes \$3 million for the Te Punanga Haumarū programme of which \$2.32 million will be uncommitted after 30 June 2015
 **Yes/No**

6 **note** that officials' advice is to include the \$2.32 million in recommendation 5 above in the \$12 million to be transferred into the new appropriation as that approach provides the Minister for Whānau Ora with greater flexibility in negotiating how that funding will be applied in achieving bullying prevention and intervention outcomes as part of the broader Whānau Ora outcomes

AT ☒ Yes/No

7 **note** that the Ministry of Social Development will provide the Minister for Whānau Ora with more detailed advice on the programmes and associated contracts, and the options for their transition to being funded through the Whānau Ora appropriation within Vote Māori Development

AT ☒ Yes/No

8 **note** that the Minister for Whānau Ora, with the support of the Ministry of Social Development, will then be in a position to negotiate with the relevant contracted providers and Whānau Ora Commissioning Agencies the Commissioning Agencies' involvement in managing or administering the \$12 million of funding while it remains within Vote Social Development

AT ☒ Yes/No

9 **note** that through these negotiations, the Minister of Social Development and the Minister for Whānau Ora may agree fiscally neutral changes to the programmes and contracts identified for transfer

AT ☒ Yes/No

10 **note** that the Minister for Whānau Ora and the Minister of Finance would be able to make decisions on the transfer of the funding or parts thereof to the Whānau Ora appropriation within Vote Māori Development during the 2015/16 financial year

AT ☒ Yes/No

11 **note** that once the funding is transferred to the Whānau Ora Commissioning Agencies it will be subject to the existing process for governance and administration of that funding

AT ☒ Yes/No

12 **note** that following your decisions on this paper, officials will provide you with further advice on the appropriation changes required following the end of the Budget moratorium and seek any final decisions that are required to implement this proposal

AT ☒ Yes/No

13 **note** that the Ministry of Social Development and Te Puni Kōkiri will provide the Ministers for Social Development and Whānau Ora on 11 May 2015 with further advice on implementation issues, stakeholder management and communications in the run up to and following Budget announcements

☒ Yes/No

 <hr/> <p>Hayden Fenwick Acting Manager, Labour Market and Welfare The Treasury</p>	 <hr/> <p>Anneliese Parkin Chief Policy Advisor Ministry of Social Development</p>	 <hr/> <p>Di Grennell Deputy Chief Executive, Regional Partnerships Te Puni Kōkiri</p>	<p>5/5/15 Date</p>
<hr/> <p>Hon Bill English Minister of Finance</p>	 <hr/> <p>Hon Anne Tolley Minister for Social Development</p>	<hr/> <p>Hon Te Ururoa Flavell Minister for Māori Development</p>	<hr/> <p>Date</p>

Background

- 1 You have previously agreed that \$12 million of programmes will be transferred from Vote Social Development to Vote Māori Development for the purposes of supporting Whānau Ora outcomes. You agreed that this transfer will come into effect from 1 July 2016.
- 2 Certain programme funding was excluded from the list of possible programmes on the basis that it related to:
 - family violence and sexual violence, as these are being considered as part of the Family Violence Ministerial Achieving Intergenerational Change work programme
 - programmes directly supporting the Children's Teams: Strengthening Families, Family Start and Social Workers in Schools (SWiS)
 - Teen Parent programmes, as these are closely aligned to wider youth services work currently underway.
- 3 You have asked for advice on an appropriate mechanism to manage the funding to be transferred during the transition to the new arrangement through the 2015/16 financial year. We understand the preferred mechanism needs to:
 - separate the programme funding that aligned with Whānau Ora outcomes from their existing appropriations into a separate appropriation
 - assign responsibility for that new appropriation to the Minister for Whānau Ora while keeping the funding within Vote Social Development (and so supported by the Ministry of Social Development's Community Investment group)
 - allow for a window of negotiation with the existing contracted providers and the Whānau Ora Commissioning Agencies about what the existing funding was likely to be applied to in the future
 - allow the Minister for Whānau Ora and the Minister of Finance to transfer funding to achieve Whānau Ora outcomes from Vote Social Development to Vote Māori Development earlier than 1 July 2016 if needed.

Proposed Approach to Assign Responsibility to the Minister for Whānau Ora

- 4 To give the Minister for Whānau Ora responsibility for the \$12 million, a separate appropriation can be established within Vote Social Development where funding can be transferred to. This new appropriation needs to have a description that associates the funding with the outcomes pursued through Whānau Ora regardless of which Vote it is appropriated through.
- 5 There are existing precedents within Vote Social Development where Ministers other than the Minister for Social Development are assigned responsibility for appropriations. In these instances the Minister receives advice and support from the Ministry of Social Development. In the case of the funding identified, this support will come from the Community Investment group which has significant experience in negotiating and managing contracts with third parties.
- 6 Ministers have specified a time frame of one year for the window within which existing contracts and funding are discussed with providers and the Whānau Ora Commissioning Agencies. That timeframe should:
 - provide sufficient time for engagement with the affected parties
 - allow funding to move relatively quickly to a single mechanism to pursue Whānau ora outcomes.
- 7 This time period needs to be reflected in the new appropriation

Managing the transition to a new funding arrangement

- 8 The transitional arrangement where the Minister for Whānau Ora, through the Ministry of Social Development, has the opportunity to negotiate outcome-based contracts with the Whānau Ora Commissioning Agencies is consistent with the overall design of the Whānau Ora commissioning model. This model anticipates that Whānau Ora stakeholder agencies besides Te Puni Kōkiri may wish to enter into contractual agreements with commissioning agencies for the commissioning of Whānau Ora outcomes. These agreements can be made through adding additional schedules to the Outcome Agreements currently in place between Te Puni Kōkiri and commissioning agencies.
- 9 There are practical issues that will need to be addressed through the negotiations with existing providers and Whānau Ora Commissioning Agencies:
 - some of the proposed contracts/programmes to transfer operate nation-wide, whereas commissioning agencies are regional and locally focused
 - the Commissioning Agencies have developed different approaches to commissioning so contractual agreements may not be readily transferrable across them.
- 10 The Ministry of Social Development will provide the Minister for Whānau Ora with more detailed advice on the programmes and associated contracts, and the options for their transition to being funded through the Whānau Ora appropriation with Vote Māori Development.
- 11 The Minister for Whānau Ora, with the support of the Ministry of Social Development, will then be in a position to negotiate with the relevant contracted providers and Whānau Ora Commissioning Agencies the likely future direction for the funding. These negotiations will provide a window within which existing contracts can be maintained, and the Whānau Ora Commissioning Agencies' can understand the outcomes being pursued through them and the approach taken.
- 12 It is proposed that through these negotiations, the Minister of Social Development and the Minister for Whānau Ora are able to agree fiscally neutral changes to the programmes and contracts identified for transfer. This flexibility can accommodate any instances where the negotiations highlight that:
 - the outcomes being pursued through an existing contract are best served through the broader programme responsibilities of the Minister of Social Development
 - there are contracts that are more strongly aligned to Whānau Ora outcomes than originally understood and/or where those outcomes are best achieved through the Whānau Ora Commissioning process.
- 13 Under this arrangement the Minister for Whānau Ora will have the option to:
 - allow contracts to run until the end of the 2015/16 financial year
 - encourage negotiations between the Whānau Ora Commissioning Agencies and existing contracted providers to develop new contracts with the Commissioning Agencies to pursue Whānau Ora outcomes
 - terminate existing contracts sooner than the term of the contract by providing the required notice three month notice.
- 14 As decisions are made about the future for the existing funding, the Minister for Whānau Ora and the Minister of Finance would be able to transfer the relevant funding or parts thereof to the Whānau Ora appropriation within Vote Māori Development. Once the funding is transferred to the Whānau Ora appropriation within Vote Māori Development it will be subject to the existing process for:
 - Strategic oversight - currently provided through the Partnership Group
 - Administration - Te Puni Kōkiri is responsible for the administration and management of the relationship with commissioning agencies established through the Outcome Agreements, as well as the broader policy direction of Whānau Ora

- Commissioning – the Commissioning Agencies are responsible for the operation and administration of their organisations and provider contracts
- 15 Work is underway across the Ministry of Social Development and Ministry of Business Innovation and Employment to develop more integrated social service commissioning models and improve contracting partnerships with providers. Working with Whānau Ora Commissioning Agencies regarding the transfer of these programmes would provide an early opportunity to apply aspects of this work.

Managing uncommitted funding through 2015/16

- 16 As noted in previous advice, there is the option to transfer the portion of the Te Punanga Haumarū programme funding that is uncommitted beyond 30 June 2015 to the Whānau Ora appropriation within Vote Māori Development as at 1 July 2015. The total uncommitted funding beyond 30 June 2015 totals \$2.32 million. There is a separate component of departmental (DOE) funding of \$200,000 to support the administration of the programme.
- 17 There are advantages and disadvantages associated with an early transfer to Vote Māori Development:
- The extent to which an early transfer is considered by the public to signal an end to the funding for bullying prevention and intervention
 - The degree of specification that the Minister for Whānau Ora would want to retain over what the associated funding is applied to
 - The importance the Whānau Ora Commissioning Agencies would place on additional unconditional funding and/or bullying prevention and intervention as a Whānau Ora-related outcome
- 18 On balance, officials' advice is to retain the funding within Vote Social Development. This approach allows for a negotiated transfer of the funding to the Commissioning Agencies in the same way as the existing contracted funding's transfer can be negotiated and managed. The Te Punanga Haumarū funding is still more readily available than the contracted funding (as there is no requirement to give three months' notice to terminate contracts) and if the Minister for Whānau Ora is comfortable with an early transfer then that could happen as early as July 2015.

Next steps

- 19 Following your decisions on this paper, officials will provide you with further advice on the appropriation changes required following the end of the Budget moratorium and seek any final decisions that are required to implement this proposal.
- 20 Subject to your agreement, the Ministry of Social Development and Te Puni Kōkiri will provide the Ministers for Social Development and Whānau Ora with further advice on implementation issues, stakeholder management and communications in the run up to Budget announcements by 11 May 2015.

Attachments

Attachment One: Programmes to Transfer to Vote Māori Development

File ref: REP/15/5/463

Attachment One: Programmes to Transfer to Vote Māori Development

Criteria	Programme	Programme Description	App (\$m)	Locations - Indicative (based on F15 contracted)
1	Early Years Service Hubs	The Early Years Services Hub initiative aims to improve outcomes for children pre-birth to six years, particularly those who are vulnerable, through improving access to services by strengthening service co-ordination.	1.5	10 locations nationwide
1	Whānau Toko i Te Ora	Whānau Toko i Te Ora (WTTO) is a high intensity, home-based family support service for Māori whānau. The programme supports parenting based on a holistic approach that emphasises the growth and development of tamariki during the first five years of life.	1.0	1 provider - national service
1	Family Service Centres	Family Service Centres provide culturally appropriate integrated services in a single community centre to Māori and Pacific families with children under the age of six years, who are in need of support. It specifically focuses on fostering parental engagement, family social services, health services such as family planning, immunisation and Well Child health checks.	1.7	6 providers in South Auckland, Waikato, Motueka, Opotiki and Porirua
1	Family Support Services	This funding is used to purchase a variety of different services that focus on restoring the wellbeing of children, young people and families suffering family breakdowns, putting them at risk of poor welfare, education and health outcomes. The focus is on keeping families together and assisting them to meet their care and support responsibilities. It specifically targets those who have suffered from sexual violence or are at risk from abuse.	1.5	39 providers nationwide
1	Youth at Risk of Offending - Wraparound Services	The development and provision of community based wraparound programmes for Māori youth and their whānau in the 10-17 age group, who are at risk of offending in Counties Manukau and Wairarapa.	0.9	1 provider, West and South Auckland
1	Breakthru (youth gangs)	Provision of parenting programmes, integrated case management and community youth workers, to work with young people at risk of being affiliated with youth gangs in the Auckland area.	2.4	9 providers, Auckland
Total value			9.0	
Criteria	Programme	Programme Description	App (\$m)	Locations (based on F15 contracted)
2	Te Punanga Haumarū	The fund supports whānau and community driven action that encourages positive social behaviour in children and young people, and reduces the incidence of bullying.	3.0	nationwide, based on application
Total value			3.0	
Grand total			12.0	



Report

Date: 6 August 2015

Security Level: IN CONFIDENCE

To: Hon Anne Tolley, Minister for Social Development
Hon Te Ururoa Flavell, Minister for Whānau Ora

Transfer of Programmes and Funding to Whānau Ora

Purpose

- 1 This report, which is for your information, provides detail concerning approximately \$12 million in programmes and grant funding to be transferred from Vote Social Development to Vote Māori Development by 1 July 2016, to support Whānau Ora outcomes.
- 2 The Ministry of Social Development (MSD) reported to you on the 6th of May 2015, in the earlier paper 'Assigning responsibility for funding in Vote Social Development to the Minister for Whānau Ora', with key recommendations concerning the transfer.
- 3 We are currently progressing the work on the assumption that it is going ahead, although we note that we do not yet have formal agreement to the earlier report.

Recommended actions

It is recommended that you:

- 1 **Note** the information contained within this paper concerning programmes and grant funding to be transferred from Vote Social Development to Vote Māori Development, by 1 July 2016, to support Whānau Ora outcomes. **Yes / No**
- 2 **Note** that it would be possible to adopt a phased approach to the transfer:
 - 2.1 initially, within the shorter-term, moving the Te Punanga Haumaru grant funding (which is largely unallocated for 2015/16) **Yes / No**
 - 2.2 then moving the BreakThru (youth gangs), Early Years Service Hubs, Family Service Centres, Family Support Services, Whānau Toko I Te Ora and Youth at Risk of Offending – Wraparound Services programmes, by 1 July 2016. **Yes / No**
- 3 **Note** that officials from the Ministry of Social Development and Te Puni Kōkiri are taking a collaborative approach towards this work, and will report back to you on progress by 30 September 2015. **Yes / No**
- 4 **Note** that this timeframe will allow the work to be better informed by the recently commenced engagement between the Ministry of Social Development and Te Puni Kōkiri on alignment of the Community Investment Strategy and Whānau Ora results measurement frameworks. **Yes / No**

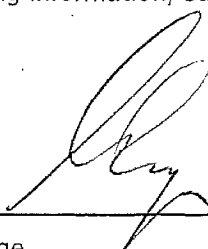
5 **Note** that our 30 September report back will include advice relating to how we will:

5.1 implement the changes at the operational level, transitioning the programmes and funding to the Whānau Ora Commissioning Agencies **Yes / No**

5.2 carry out and support the related negotiations between the Ministry of Social Development and Te Puni Kōkiri, the contracted providers and the Whānau Ora Commissioning Agencies **Yes / No**


5.3 manage the related fiscally neutral budget transfers. **Yes / No**

6 **Note** that our report back on 30 September will also include advice about the individual providers and contracts – around their service delivery focus and reach, and performance risk, for example – as well as broader supporting information, such as population and demographic data. **Yes / No**



Murray Edridge
Deputy Chief Executive, Community Investment
Ministry of Social Development

07/08/2015
Date



Di Grennell
Deputy Chief Executive, Regional Partnerships
Te Puni Kōkiri

7/8/15
Date

Hon Anne Tolley
Minister for Social Development

Date

Hon Te Ururoa Flavell
Minister for Whānau Ora

Date

Background

- 4 The Government is transferring approximately \$12 million in programmes and grant funding from Vote Social Development to Vote Māori Development by 1 July 2016. This is entirely comprised of provider funding ie there is no departmental administration funding involved.
- 5 A large component (\$9 million) supports programmes that are currently in the process of being re-contracted for the 2015/16 year. (As part of our approach to managing implementation of the Community Investment Strategy, all contracts renewed from 1 July 2015 are of a term no longer than 12 months.)
- 6 The balance (\$3 million) supports the Te Punanga Haumaru grant fund, and is largely unallocated for 2015/16.
- 7 Between now and 1 July 2016 this \$12 million will be moved into a separate appropriation within Vote Social Development, that is the responsibility of the Minister for Whānau Ora – providing him with the opportunity to consider the outcomes to be achieved and to oversee any relevant future changes to the provider contracts.

The Government is focused on supporting the most vulnerable

- 8 With the release of its Community Investment Strategy, the Government is signalling its focus on key priority areas, coupled with new and effective ways of supporting the most vulnerable in our communities.
- 9 Reflecting this, the Government is interested in investing further in a whānau centred approach as an innovative means of commissioning family-oriented services in an integrated way. It is also interested in a portfolio of investments that achieves the best mix of individually and collectively-focused services.
- 10 Recognising this, there are a number of programmes currently administered by MSD whose objectives already broadly align with Whānau Ora outcomes. These programmes, to varying degrees, also involve working with families and whānau rather than simply with individuals, and often involve a service co-ordination type approach.
- 11 They are:
 - BreakThru (youth gangs)
 - Early Years Service Hubs
 - Family Service Centres
 - Family Support Services
 - Whānau Toko I Te Ora
 - Youth at Risk of Offending – Wraparound Services.
- 12 In addition, Te Punanga Haumaru grant funding is focused on supporting whānau and community-driven projects to achieve positive outcomes (within the context of encouraging positive social behaviour and reducing bullying).
- 13 You have already received some advice concerning these initiatives ['Assigning responsibility for funding in Vote Social Development to the Minister for Whānau Ora', 6 May 2015, and 'Whānau Ora Programme / Funding Transfer – implementation issues, stakeholder and communication advice', 12 May 2015, both refer].
- 14 To assist you further in your deliberations concerning the transfer, we are now providing additional information, including aims and target client groups.

- 15 We also include provider details – their locations and related funding for the most recent complete financial year, being 2014/15. We also tentatively match them against the relevant Whānau Ora Commissioning Agency.¹ This is all set out in Annexes One to Four.

The programmes align with Whānau Ora outcomes

- 16 In considering the programmes and grant funding to be transferred, we applied criteria to ensure broad alignment with the six overarching Whānau Ora outcomes, as well as the supporting outcomes sought by the three Whānau Ora Commissioning Agencies (the Commissioning Agencies).²
- 17 The overarching Whānau Ora outcomes are:
- whānau are self-managing
 - whānau are participating fully in society
 - whānau are economically secure, and successfully involved in wealth creation
 - whānau are living healthy lifestyles
 - whānau are confidently participating in Te Ao Māori
 - whānau are cohesive, resilient and nurturing.
- 18 The Commissioning Agencies share a broadly framed set of objectives, aimed at improving the wellbeing of families and whānau across a wide range of outcome areas. Those that more closely align with the aims of the transferring programmes and grant funding include:
- families and whānau are partnered with initiatives and services
 - families and whānau are self-managing and empowered
 - families and whānau experience greater wellbeing
 - families and whānau are acquiring knowledge that will better enable them to flourish.
- 19 During the period between now and 1 July 2016 there will be the opportunity to consider how this alignment might be better achieved, and for this to be reflected in changes to the provider contracts.

It is possible to adopt a phased approach

- 20 While still recognising that the details around achieving the transfer are yet to be confirmed and agreed, we have identified that it would be possible to adopt a phased approach:
- initially, within the shorter-term, moving the Te Punanga Haumaru grant funding (which is largely unallocated for 2015/16)³
 - then moving all of the programme based funding, by 1 July 2016.
- 21 As noted, during the period between now and 1 July 2016, the funding will be moved into a separate appropriation of \$12 million within Vote Social Development, that is the responsibility of the Minister for Whānau Ora.

¹ Te Pou Matakana, Te Pūtahitanga o Te Waipounamu or Pasifika Futures. As noted, at this stage the match is indicative only, being largely based on geographical location.

² We also took into account the degree of emphasis that the programmes already have upon service co-ordination, in recognition of the pivotal role played by the Whānau Ora 'navigators'.

³ We would report to you separately on the process needed for this.

- 22 This will provide the opportunity for MSD and Te Puni Kōkiri (TPK) to:
- discuss and explore possible new funding arrangements and contracts, including adjustments to existing programme deliverables, and to provide advance notification to providers if those arrangements are likely to change or cease⁴
 - identify and proactively manage risks related to the transition – recognising that these will reflect decisions yet to be made around how the transfer will be achieved
 - together, in the context of Whānau Ora, identify opportunities for stronger overall alignment and integration.
- 23 In terms of ongoing agency management of the programmes, we have already noted that the \$12 million has no administrative funding component. And we are aware that TPK and the Commissioning Agencies have little ability to absorb the additional administrative burden. However, options for the future could include MSD providing some related resourcing and support, for a defined period.

We will now engage on our next steps

- 24 As noted, officials from MSD and TPK are taking a collaborative approach towards this work. We will report back to you on progress by 30 September 2015.
- 25 This timeframe will allow the work to be informed by the recently commenced engagement between MSD and TPK on alignment of the Community Investment Strategy and Whānau Ora results measurement frameworks. (As foreshadowed in the recent Cabinet paper 'Investing in Services for Outcomes: Community Investment Strategy - Completion and Sector Engagement', SOC Min (15) 11/2 refers.)
- 26 The report back will include advice relating to how we will:
- implement the changes at the operational level, transitioning the programmes and funding to the Commissioning Agencies
 - carry out and support the related negotiations between MSD and TPK, the contracted providers and the Commissioning Agencies
 - manage the related fiscally neutral budget transfers.
- 27 We will also include advice about the individual providers and contracts – around their service delivery focus and reach, and performance risk, for example – as well as broader supporting information, such as population and demographic data.

Annexes

One. Programmes and Funding Transferring to Whānau Ora: Overview

Two. Table: Programme Detail

Three. Table: Grant Funding Detail

Four. Table: Indicative Commissioning Agency Alignment

File ref: REP/15/7/744

⁴ Best practice requires that we give providers at least three months' notice of contract changes or cessations. This will need to be built into our timeline for the transition.

Programmes and Funding Transferring to Whānau Ora: Overview

Introduction

1. In this Annex we provide information about the programmes and grant funding to be transferred from Vote Social Development to Vote Māori Development by 1 July 2016, to support Whānau Ora outcomes.
2. We include provider details – their locations and related funding for the most recent complete financial year, being 2014/15.¹ We also tentatively match the providers against the relevant Whānau Ora Commissioning Agency.
3. This is simply an indicative match at this time, largely based on geographical location, and additional analysis is required. For example, a number of mainstream providers deliver Māori and Pasifika focused services – some to a high extent.
4. We also briefly discuss contract expiry dates. As the information we are providing is as at May 2015, these are shown as ranging from 30 June 2015 (through to 30 June 2017).
5. As part of our approach to managing implementation of the Community Investment Strategy, all provider contracts that are currently in the process of being renewed from 1 July 2015 are of a term no longer than 12 months ie until 30 June 2016 (including those detailed in this paper).
6. However, this does not apply to Te Punanga Haumaru grant funding – where only six of the 34 providers who delivered the programme over the past year have their funding continuing until 30 June 2016. (We provide more detail on this later.)

Programmes

BreakThru (youth gangs)

About the programme

7. BreakThru involves the provision of integrated case management, support from community youth workers, and parenting programmes, for children and young people from six to 24 years who are at risk of becoming affiliated with youth gang culture and gang involvement, and their families and whānau. It aims to connect these young people to positive pathways, and to their communities, families and whānau.
8. Through the programme, 'at risk' young people and their families have knowledge of, and access to, the support and help available in their community. The young people have opportunities to participate in education, training, recreational activities, employment and other activities that contribute to their long-term wellbeing.
9. The programme appropriation is \$2.410 million per annum.

¹ In Annex Two we also show what percentage this represents, of each provider's total Community Investment funding for the 2014/15 year.

About the providers

10. The following table sets out the nine providers currently delivering the programme, their location and the aligned Whānau Ora Commissioning Agency, and the contracted funding for 2014/15.

BreakThru (youth gangs) providers

Provider	Location	Commissioning Agency	Funding for 2014/15 (\$)
Te Whānau O Waipareira Trust	Waitakere	Te Pou Matakana	140,000.00
Whānau O Tumanako Charitable Trust	Manukau		540,000.00
Genesis Youth Trust	Manukau		515,000.00
Crosspower Ministries Trust	Manukau		390,000.00
Manurewa Parenting Hub (MPH)	Manurewa		79,999.50
Community Approach Trust	Auckland		75,000.00
The Youth Horizons Trust	Auckland		75,000.00
Auckland Council	Auckland		35,000.00
STRIVE Community Trust	Otahuhu		540,000.00
Total			2,389,999.50

11. As at May 2015, contract expiry dates ranged from 30 June 2015 to 30 June 2016.

Early Years Service Hubs

About the programme

12. Early Years Service Hubs are located within or alongside existing community facilities, providing a central point where families and whānau can access core early intervention services. For example, ante-natal care, WellChild/Tamariki Ora health checks, and parenting information, education and support.
13. The aim is to improve outcomes for children from pre-birth to six years, by improving the co-ordination of these core early years services.
14. The Hubs are supported by a co-ordinator, who implements the initial set up, develops a strong network of Early Years Service providers, and works to keep families and whānau connected to the core services.
15. The programme appropriation is \$1.485 million per annum.

About the providers

16. The following table sets out the twelve providers currently delivering the programme, their location and the aligned Whānau Ora Commissioning Agency, and the contracted funding for 2014/15.

Early Years Service Hubs providers

Provider	Location	Commissioning Agency	Funding for 2014/15 (\$)
Dargaville Medical Centre	Kaipara	Te Pou Matakana	116,501.00
Papakura Marae Society Inc	Papakura		124,436.64
Waikowhai Community Trust	Auckland		120,794.00
Franklin Family Support Trust	Papakura		114,666.00
Tokoroa Council of Social Services Inc	Waikato		124,437.04
Eastbay REAP	Whakatane		124,435.92
Te Manu Toroa Trust	Tauranga		124,435.92
Pahiatua Community Services Trust	Taranaki		124,472.50

Great Start Taia	Hutt	Te Pou Matakana	124,365.50
Barnardos New Zealand Inc	Levin		124,472.00
Methodist Mission Southern	Otago	Te Pūtahitanga o	124,899.00
Early Start Project	Christchurch	Te Waipounamu	124,077.50
Total			1,471,993.02

17. As at May 2015, contract expiry dates ranged from 30 June 2015 to 30 June 2017.

Family Service Centres

About the programme

18. The Family Service Centres provide integrated services to Māori and Pacific families and whānau with children under six years, who are in need of support. The services aim to increase positive educational experiences of disadvantaged children, foster parental engagement, and empower parents to view themselves as the primary educators of their children.
19. Services include early childhood education, advice and support for parenting, family social services, and health services such as family planning and WellChild/Tamariki Ora health checks.
20. The programme appropriation is \$1.714 million per annum.

About the providers

21. The following table sets out the six providers currently delivering the programme, their location and the aligned Whānau Ora Commissioning Agency, and the contracted funding for 2014/15.

Family Service Centre providers

Provider	Location	Commissioning Agency	Funding for 2014/15 (\$)
Mangere East Family Service Centre	Otahuhu	Te Pou Matakana	216,207.60
Great Potentials Foundation	Papakura		250,218.48
Te Wheke Atawhai	Opotiki		331,303.50
Waahi Whaanui Trust	Waikato		241,223.50
Porirua Whānau Centre Trust	Porirua		364,056.00
Motueka Family Service Centre	Tasman	Te Pūtahitanga o Te Waipounamu	310,574.85
Total			1,713,583.93

22. As at May 2015, contract expiry dates ranged from 30 June 2015 to 30 June 2017.

Family Support Services

About the programme

23. The programme includes a variety of different services that focus on restoring the wellbeing of children, young people and their families and whānau, where they are experiencing family breakdown and increased risk of poor welfare, education and health outcomes.
24. Services include social work support and advice, family violence and sexual abuse prevention and intervention, early childhood education, advice and support for parenting, and health services such as family planning and WellChild/Tamariki Ora health checks.

25. The focus is on keeping families together and assisting them to meet their care and support responsibilities, including the provision of a safe home environment for children and young people.

26. The programme appropriation is \$1.538 million per annum.

About the providers

27. The following table sets out the 37 providers currently delivering the programme, their location and the aligned Whānau Ora Commissioning Agency, and the contracted funding for 2014/15.

Family Support Service providers

Provider	Location	Commissioning Agency	Funding for 2014/15 (\$)
Parent Aid Northwest	Rodney	Te Pou Matakana	22,011.60
Aupouri Youth Trust	Far North		14,254.50
Mangere East Family Service Centre	Otahuhu		310,507.60
Great Potentials Foundation	Papakura		197,565.60
Manurewa Parenting Hub (MPH)	Manurewa		4,999.98
STRIVE Community Trust	Otahuhu		17,753.22
The Peace Foundation	Grey Lynn		53,315.28
Parent Support Inc	North Shore		48,147.20
Toughlove Auckland Inc	Royal Oak		38,025.00
Taonga Education Centre	Manukau		36,349.02
Dayspring Trust	Waitakere		33,692.82
Parent Aid Waitakere Inc	Waitakere		30,578.00
Auckland Women's Centre	Grey Lynn		30,070.00
Parent Aid Central West Auckland Inc	Auckland		22,008.84
North Shore Community Health	North Shore		18,523.60
CARE Waitakere	Waitakere		16,046.64
Kidz Need Dadz	Tauranga		8,362.00
Kapiti Women's Health Collective Inc	Kapiti Coast		53,705.10
Camellia House Palmerston North	Palmerston Nth		36,847.20
Pregnancy Help Taranaki	Stratford		32,552.50
He Huarahi Tamariki Trust	Porirua		30,347.00
Life to the Max	Carterton		23,685.93
Wairarapa Rape/Sexual Abuse Collective	Masterton		22,963.80
Women's Centre New Plymouth Inc	New Plymouth		18,756.00
Manawatu Rural Support Service Inc	Manawatu		17,577.45
YMCA Of New Plymouth Inc	New Plymouth		14,547.40
New Zealand Family Planning Assoc	Palmerston Nth		13,600.32
Whānau/Family Support Services	Lower Hutt	Te Pūtahitanga o Te Waipounamu	12,141.15
Methodist Mission Southern	Otago		13,692.00
Te Whānau O Hokonui Marae Inc	Gore		71,372.40
SVS - Living Safe	Nelson		4,000.00
Kaikoura District Council	Kaikoura		35,000.04
Tuatapere Community Worker Support	Southland		26,329.60
Otautau and District Community Trust	Southland		21,634.80
Nrthrn Sthnd Community Resource	Southland	Te Pūtahitanga o Te Waipounamu	12,814.00
Sth Cntrbry Women's Wellness Centre	Timaru		6,910.44

Fonua Ola Network	Auckland	Pasifika Futures	53,622.80
Total			1,424,310.83

28. As at May 2015, contract expiry dates ranged from 30 June 2015 to 30 June 2017.

Whānau Toko I Te Ora

About the programme

29. Whānau Toko I Te Ora is a high intensity, home-based family support service for Māori whānau. The programme supports parenting, based on a holistic approach that emphasises the growth and development of children during the first five years of life.

30. The programme aims to improve and promote the wellbeing of children, support positive parenting skills, develop family functioning and supportive relationships within whānau, and enhance childhood learning opportunities.

31. The programme appropriation is \$0.962 million per annum.

About the provider

32. The following table sets out the details concerning the single provider currently delivering the programme, including their location and the contracted funding for 2014/15.

Whānau Toko I Te Ora provider

Provider	Location	Commissioning Agency	Funding for 2014/15 (\$)
Māori Women's Welfare League	National provider	Undetermined	961,832.34
Total			961,832.34

33. The Māori Women's Welfare League has a contract expiry date of 30 June 2017.

Youth at Risk of Offending – Wraparound Services

About the programme

34. The programme involves the development and provision of community based wraparound services for Māori youth aged 10-16, who are at risk of offending. It aims to connect youth to their local communities, increasing their engagement in education and ensuring a more stable living environment. It includes social work support, group work and one-to-one mentoring.

35. The programme appropriation is \$0.937 million per annum.

About the provider

36. The following table sets out the details concerning the single provider currently delivering the programme, including their location and the aligned Whānau Ora Commissioning Agency, and the contracted funding for 2014/15.

Youth at Risk of Offending – Wraparound Services provider

Provider	Location	Commissioning Agency	Funding for 2014/15 (\$)
Te Whānau O Waipareira Trust	Waitakere	Te Pou Matakana	936,582.90
Total			936,582.90

37. As at May 2015, the Te Whānau O Waipareira Trust had a contract expiry date of 30 June 2015. This is currently in the process of being renewed for another 12 months ie until 30 June 2016, for the same amount per annum.

Grant Funding

Te Punanga Haumarū

About the fund

38. The Te Punanga Haumarū fund (generally applied by way of a single 12 month grant) supports whānau and community-driven projects to encourage positive social behaviour in children and young people (up to 19 years) and reduce bullying.
39. It aims to build a community-wide commitment to addressing bullying of children and young people, and is intended to build on the experience and expertise that already exists in communities.
40. Projects must be collaborative, have support from across the community and a clear plan to drive positive change. Children and young people must be involved in the planning and delivery. The projects should also complement work being carried out by schools. Priority is given to projects for the benefit of children aged 12 and under.
41. The fund appropriation is \$3.000 million per annum.

About the providers

42. The following table sets out the 34 providers who delivered Te Punanga Haumarū in 2014/15, their location and the aligned Whānau Ora Commissioning Agency, and the contracted funding for the year.

Te Punanga Haumarū providers

Provider	Location	Commissioning Agency	Funding for 2014/15 (\$)
Manaia Primary Health Organisation	Whangarei	Te Pou Matakana	100,000.00
Chinese New Settlers Services Trust	Manurewa		95,000.00
The Otara Boards' Forum Inc	Manukau		100,000.00
Violence Free Waitakere Inc	Waitakere		90,000.00
Shakti Community Council Inc	Auckland		42,414.00
Zeal Waitakere	Waitakere		54,000.00
Umma Trust	Auckland		12,980.00
Counties Manukau Sports Foundation	Manukau		10,000.00
Te Ukaipo Mercy Initiatives	Waitakere		10,000.00
CAPS Hauraki Inc	Thames		100,000.00
Whakaatu Whanaunga Trust	Opotiki		93,600.00
WERA Aotearoa Charitable Trust	Rotorua		80,000.00
Central Plateau REAP	Taupo		79,236.00
Journey Church	Waitomo		65,500.00
Starfish Social Services Trust	Waikato		47,840.00
Wellington Boys & Girls Institute Inc	Wellington		100,000.00
Wanganui Centrl Baptist Kindergarten	Wanganui		100,000.00
Anglican Social Services (HV) Trust	Lower Hutt		80,132.00
Stopping Violence Services Wairarapa	Masterton		80,000.00
Waiohiki Community Charitable Trust	Hastings		80,000.00
Te Manawa Services Charitable Trust	Manawatu		69,500.00
Changemakers Refugee Forum Inc	Wellington		35,000.00

Central Hawkes Bay District Council	Hawkes Bay	Te Pou Matakana	33,120.00
Napier Family Centre Inc	Napier		31,400.00
YMCA Palmerston North	Manawatu		10,000.00
Barnardos New Zealand Inc	Levin		95,500.00
Community Networking Trust	Gore	Te Pūtahitanga o Te Walpounamu	94,850.00
Central Otago REAP	Otago		94,071.00
Maataa Waka Ki Te Tau Ihu Trust	Marlborough		87,100.00
Stopping Violence Dunedin Inc	Dunedin		83,820.00
Safer Ashburton District	Ashburton		65,500.00
SVS - Living Safe	Nelson		56,500.00
Fale Pasifika o Aoraki Trust Society	Timaru	Pasifika Futures	60,000.00
Pasifika Foundation Charitable Trust	Maungakiekie		50,000.00
Total			2,287,063.00

43. As noted, the funding is generally applied by way of a single 12 month grant, so the majority of these organisations had a contract expiry date of 30 June 2015. However, six of them have an additional 12 months funding expiring on 30 June 2016 (as shown in Annex Three). This totals \$481,011. So the unallocated funding available for transfer in 2015/16 is the current appropriation less this amount, being \$2,518,989.

Transfer to Whanau Ora:
Programme Detail (including provider funding for 2014/15)

Provider	Location	Commissioning Agency Alignment	Breakthrough (youth gangs)	Early Years Service Hub	Family Service Centres	Family Support Services	Whanau Toko i Te Ora	Youth at Risk of Offending - Wrap around Services	Total % Community Investment Funding to be transferred
Devereux Medical Centre	Kapiti			118,500.00					100%
Parahi Ahi Northwest	Rodney					22,011.40			100%
Auckland Youth Trust	Far North					15,434.50			21%
Te Whanau O Whangaroa Trust	Whangaroa		140,000.00					916,583.00	5%
Whangaroa O Te Whangaroa Charitable Trust Inc	Whangaroa		500,000.00						100%
s 8(2)(iv) Active consideration									
Sorrel Youth Trust	Hawke Bay		515,000.00						64%
Great Potentials Foundation	Pasadena			202,118.48	197,555.60				8%
Cropover Industries Trust	Hawke Bay		390,000.00						100%
Whangaroa Marine Society Inc	Pasadena			124,435.94					29%
Whangaroa Community Trust	Auckland			126,794.00					100%
Whangaroa Family Support Trust	Pasadena			114,666.00					24%
Manurewa Parenting Hub (PPH)	Manurewa		73,959.50		4,969.58				100%
Community Approach Trust	Auckland		75,000.00						33%
STRIVE Community Trust	Okara		640,000.00			17,753.22			30%
The Youth Heritage Trust	Auckland		75,000.00						1%
s 8(2)(iv) Active consideration									
Parent Support Inc	North Shore					45,147.20			100%
Teaehore Auckland Inc	Teaehore					18,025.00			100%
Teaehore Education Centre Charitable Trust	Manurewa					36,349.01			6%
Auckland Council	Auckland		35,000.36						38%
Daigong Trust	Waikato					13,692.81			74%
Prevent Aid Whangaroa Inc	Whangaroa					30,578.00			100%
Kaitiaki Women's Centre	Grey Lynn	Te Poo Hakaia				20,070.90			2%
Prevent Aid Central West Auckland Inc	Auckland					23,004.84			20%
North Shore Community Health Network Inc	North Shore					18,723.60			18%
CASE Waikato	Waikato					16,046.64			15%
Te Whaka Awhia	Otago				331,203.60				23%
s 8(2)(iv) Active consideration									
Te Whaka Awhia (BEP)	Whangaroa			124,435.94					29%
Te Whaka Awhia Trust	Te Whaka Awhia			124,435.94					29%
Ngā Haka Trust	Te Whaka Awhia				4,202.00				5%
Prevent Aid Whangaroa Trust	Whangaroa				364,028.00				63%
Prevent Aid Whangaroa Services Trust	Whangaroa			124,435.94					63%
Great Start Te Whaka Awhia	Te Whaka Awhia			124,435.94					63%
s 8(2)(iv) Active consideration									
Canterbury Home Foundation North	Canterbury					36,947.20			100%
Prevent Aid Whangaroa	Whangaroa					77,552.12			100%
He Whaka Awhia Trust	Whangaroa					20,347.00			100%
Life to the Max	Canterbury					25,645.93			57%
s 8(2)(iv) Active consideration									
Whangaroa Centre New Plymouth Inc	New Plymouth					16,795.30			100%
Whangaroa Support Services Inc	New Plymouth					17,577.45			100%
Whangaroa Family Planning Association Inc	New Plymouth					14,547.40			5%
Whangaroa Family Planning Association Inc	New Plymouth					13,800.32			100%
Whangaroa Family Support Services Trust	Lower Hutt					18,141.15			22%
Barnardos New Zealand Inc	Levin			124,435.94					2%
Whangaroa Family Service Centre	Te Whaka Awhia				210,574.85				84%
Whangaroa Family Service Centre	Te Whaka Awhia				15,889.36				74%
Early Start Project	Christchurch				124,435.94				5%
s 8(2)(iv) Active consideration									
AMS - Living Safe	Nelson	Te Whaka Awhia				4,000.00			21%
Kaitiaki District Council	Kaitiaki	Te Whaka Awhia				35,000.00			33%
Te Whaka Awhia Community Support Trust	Southland					36,349.01			100%
Whangaroa District Community Charitable Trust	Southland					21,634.80			81%
Whangaroa District Community Charitable Trust	Southland					12,814.00			50%
Whangaroa District Community Charitable Trust	Southland					6,916.44			21%
s 8(2)(iv) Active consideration									
Total - provider programme funding for 2014/15			7,310,999.50	1,471,833.02	1,713,583.03	1,424,310.83	981,832.34	936,642.60	

Annex Two

Contract Key by Colour Code
30-Jan-15
30-Sep-16
30-Jun-17

Commissioning Agency Alignment
Indicate the only

Total % of Total Te Whaka Awhia Grant (2014/15) (after a possible - see Annex Three)
--

Transfer to Whanau Ora:

Grant Funding Detail (including provider funding for 2014/15)

Provider	Location	Te Punanga Haumaru
Manaiia Primary Health Organisation	Whangarei	100,000.00
Chinese New Settlers Services Trust	Manurewa	95,000.00
The Otara Boards' Forum Inc	Manokatu	100,000.00
Violence Free Waitakere Inc	Waitakere	90,000.00
Shakti Community Council Inc	Auckland	42,414.00
Zeal Waitakere	Waitakere	54,000.00
Umma Trust	Auckland	12,980.00
Counties Manukau Sports Foundation	Manukau	10,000.00
Te Ukaiapo Mercy Initiatives for Rangatahi	Waitakere	10,000.00
CAPS Hauraki Inc	Thames	100,000.00
Whakaatu Whanaunga Trust	Opotiki	93,600.00
WERA Aotearoa Charitable Trust	Rotorua	80,000.00
Central Plateau Reap Inc	Taupo	79,236.00
Journey Church	Waikato	65,500.00
Starfish Social Services Trust	Waikato	47,840.00
Wellington Boys & Girls Institute Inc	Wellington	100,000.00
Wanganui Central Baptist Kindergarten & Creche	Wanganui	100,000.00
Anglican Social Services (HV) Trust Board	Lower Hutt	80,132.00
Stopping Violence Services Wairarapa Inc	Masterton	80,000.00
Waiohiki Community Charitable Trust	Hastings	80,000.00
Te Manawa Services Charitable Trust	Manawatu	69,500.00
Changemakers Refugee Forum Inc	Wellington	35,000.00
Central Hawkes Bay District Council	Hawkes Bay	33,120.00
Napier Family Centre Inc	Napier	31,400.00
YMCA Palmerston North	Manawatu	10,000.00
Barnardos New Zealand Inc	Levin	95,500.00
Community Networking Trust Eastern Southland	Gore	94,850.00
Central Otago REAP Inc	Otago	94,071.00
Maataa Waka Ki Te Tau Ihu Trust	Marlborough	87,100.00
Stopping Violence Dunedin Inc	Dunedin	83,820.00
Safer Ashburton District	Ashburton	65,500.00
SVS - Living Safe	Nelson	56,500.00
Fale Pasifika o Aoraki Trust Society Inc	Timaru	60,000.00
Pasifika Foundation Charitable Trust	Maungakiekie	50,000.00
Total - provider grant funding for 2014/15		2,287,063.00

Annex Three

Contract Expiry Colour Code
30-Jun-15
Funding of \$1,806,052
30-Jun-16
Funding of \$481,011



8 October 2015

Te Minita Whānau Ora

OPTIONS FOR TRANSFER OF MINISTRY OF SOCIAL DEVELOPMENT FUNDING AND/OR PROGRAMMES TO SUPPORT WHĀNAU ORA

Kaupapa/Purpose

1. The content of this briefing relates to the Whānau Ora priority kaupapa.
2. In response to your request, this briefing provides further advice on options for transferring Vote Social Development funding and programmes to support Whānau Ora outcomes.

Key Points

3. On 2 September 2015 you sought further advice from Te Puni Kōkiri on the options for how \$12 million in funds and/or programmes could be transferred from Vote Social Development to Vote Māori Development to support Whānau Ora outcomes.
4. The potential transfer of funding and/or programmes represents a key opportunity to grow the Whānau Ora portfolio and increase the availability of whānau-centred services for high-needs whānau.
5. All of the transfer options available have risks associated. The immediate transfer of both uncommitted funding and ongoing programmes to Whānau Ora Commissioning Agencies carries a high risk of service disruption for current programme providers and clients, and may attract criticism for Whānau Ora.
6. A phased transfer to Whānau Ora Commissioning Agencies of uncommitted funding in late 2015 followed by the transfer of programmes and/or funding as contracts expire involves less risk of service disruption, but may attract criticism (including negative media attention) if Commissioning Agencies choose not to invest in current programme providers.
7. Officials recommend a phased transfer whereby presently uncommitted Te Punanga Haumaru funding will be transferred as soon as possible for Te Puni Kōkiri to administer via contracts with Commissioning Agencies. The remaining funding and programmes will then be transferred to Commissioning Agencies following the expiry of current contracts with providers.
8. Officials will provide you with detailed advice by 30 October 2015 on the recommended option of transferring \$2.55 million in Te Punanga Haumaru funds in late 2015. Based on Ministers' preferred transfer option, officials will also provide you with further advice by 30 November 2015 regarding the implementation of the preferred approach. This will include a full implementation plan and communications/stakeholder management approach for each transfer phase.

Attachments

9. Appendix One attaches for your reference a summary of previous advice regarding the proposed transfer of funding and/or programmes from Vote Social Development to Vote Māori Development to support Whānau Ora outcomes. Appendix Two attaches details regarding the programmes/funding identified for potential transfer.



Recommended Action

10. Te Puni Kōkiri recommends that you:

- a. **Note** the available options for the transfer of Vote Social Development funding and/or programmes to support Whānau Ora outcomes;
- b. **Note** that there are risks associated with each option, including the risk of negative media attention should Ministers agree to a transfer of uncommitted funds rather than programmes, which needs to be balanced against the high transaction costs associated with the transfer of programmes;
- c. **Approve**, in relation to the transfer model, for the \$12 million in funding and/or programmes to be:
 - i. Administered by Te Puni Kōkiri through contracts with Whānau Ora Commissioning Agencies (option one – **recommended**); **YES / NO**
 - ii. Administered by the Ministry of Social Development through contracts with Whānau Ora Commissioning Agencies (option two); or **YES / NO**
 - iii. Administered by the Ministry of Social Development through ongoing direct contracts with current providers but incorporating a Whānau Ora approach (option three); **YES / NO**
- d. **Approve** in relation to the nature and timing of the transfer:
 - i. A **phased transfer**, whereby uncommitted funding for the 2015/16 financial year is transferred as soon as possible and remaining programmes and/or funding is transferred following the expiry of current contracts (**recommended**); or **YES / NO**
 - ii. An **immediate transfer**, whereby both uncommitted funding for the 2015/16 financial year and current programmes are transferred as soon as possible (with existing contracts being novated to contract recipient(s) as necessary); **YES / NO**
- e. **Approve** the recommended transfer of \$2.55 million in Te Punanga Haumaru funds to Whānau Ora Commissioning Agencies in late 2015; **YES / NO**
- f. **Note** that officials will provide you with detailed advice by 30 October 2015 on the recommended option of transferring \$2.55 million in Te Punanga Haumaru funds in late 2015;
- g. **Note** that officials will provide you with further advice on the transfer of the remaining funding and programmes by 30 November 2015, including a detailed communications and stakeholder management plan for each phase of the proposed transfer and an assessment of ongoing provider viability;

h. **Forward** a copy of this briefing on to the Minister for Social Development;

YES / NO


i. **Discuss** during your meeting with the Minister for Social Development on 21 October 2015 (as per recommendation d above):

- i. Ministerial responsibility for programme contracts; and
- ii. Your preferences for either the transfer of ongoing programme contracts or the transfer of uncommitted funding following the expiry of programme contracts;

j. **Note** that Treasury and the Ministry of Social Development have been consulted on the content of this briefing; and

k. **Note** that officials are available to provide further advice if needed.

Di Grennell
Di Grennell
Manahautū Tuarua Hononga ā Rohe

NOTED / APPROVED

Hon Te Ururoa Flavell Te Minita Whānau Ora
Date: <u>19/10/2015</u>

Current Situation

1. In response to your request, this briefing provides further advice on options for transferring Vote Social Development funding and programmes to support Whānau Ora outcomes.

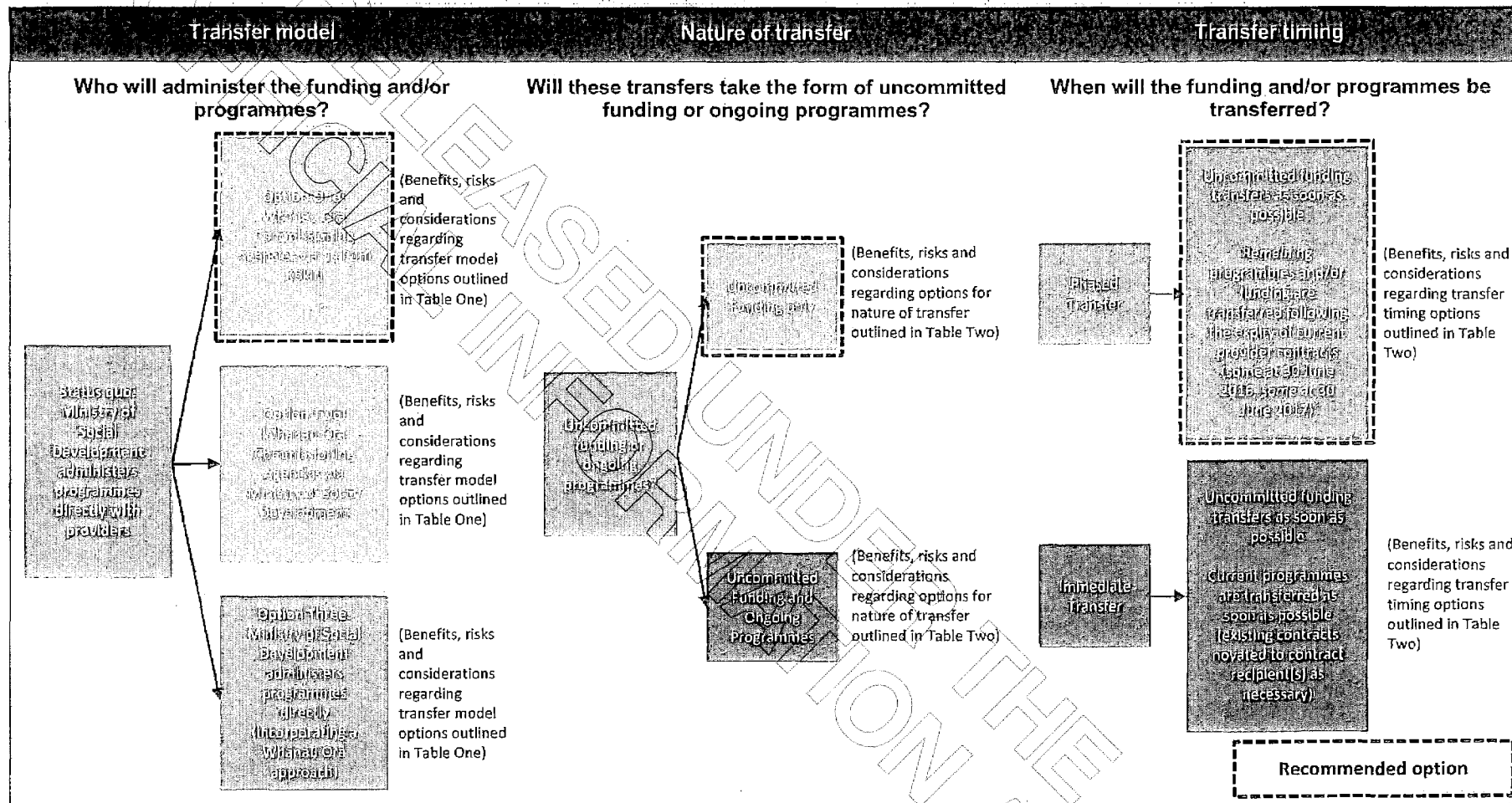
Background

2. In April 2015 the Minister of Finance, Minister for Social Development and Minister for Whānau Ora requested advice on options for transferring up to \$12 million in funding and/or programmes from Vote Social Development to Vote Māori Development to support Whānau Ora outcomes. This \$12 million forms part of the funding appropriated for the Community Investment Strategy.
3. The Government is interested in a whānau-centred approach as an innovative means of commissioning family-oriented services in an integrated way, and is working towards a portfolio of investments that achieves the best mix of individually and collectively-focused services. The Ministry of Social Development has identified a number of programmes currently administered within the Community Investment Strategy whose objectives broadly align with Whānau Ora outcomes.
4. This transfer of funding and/or programmes represents a key opportunity to grow the Whānau Ora portfolio. It is also a way to increase the visibility and availability of whānau-centred services for whānau in a manner consistent with your recent discussions with officials regarding the future direction of Whānau Ora.
5. On 2 September 2015 you sought further advice from Te Punī Kōkiri on the options for how \$12 million in Vote Social Development funding and/or programmes could be transferred to Vote Māori Development to support Whānau Ora outcomes.
6. You met with the Minister of Social Development on Wednesday 23 September 2015 to discuss matters relating to Whānau Ora. Following this meeting you requested further advice and analysis on the immediate transfer of uncommitted Te Punanga Haumaru funding to support Whānau Ora outcomes.

Proposed transfer – decisions required:

7. To progress the transfer of this funding and/or programmes to support Whānau Ora outcomes, Ministers need to decide on the following matters:
 - **Transfer model:** The model used to transfer this funding and/or programmes to support Whānau Ora outcomes (Who will administer the funding and/or programmes?); and
 - **Nature and timing of transfer:** How these funding and/or programmes will be transferred (Will these transfers take the form of uncommitted funding or ongoing programmes? Which funding and/or programmes will be transferred? When will the funding and/or programmes be transferred?).
8. Figure one provides an overview of the relevant options for each of these matters. Decisions are required on each of these matters in order to confirm the transfer of funds to support Whānau Ora outcomes.

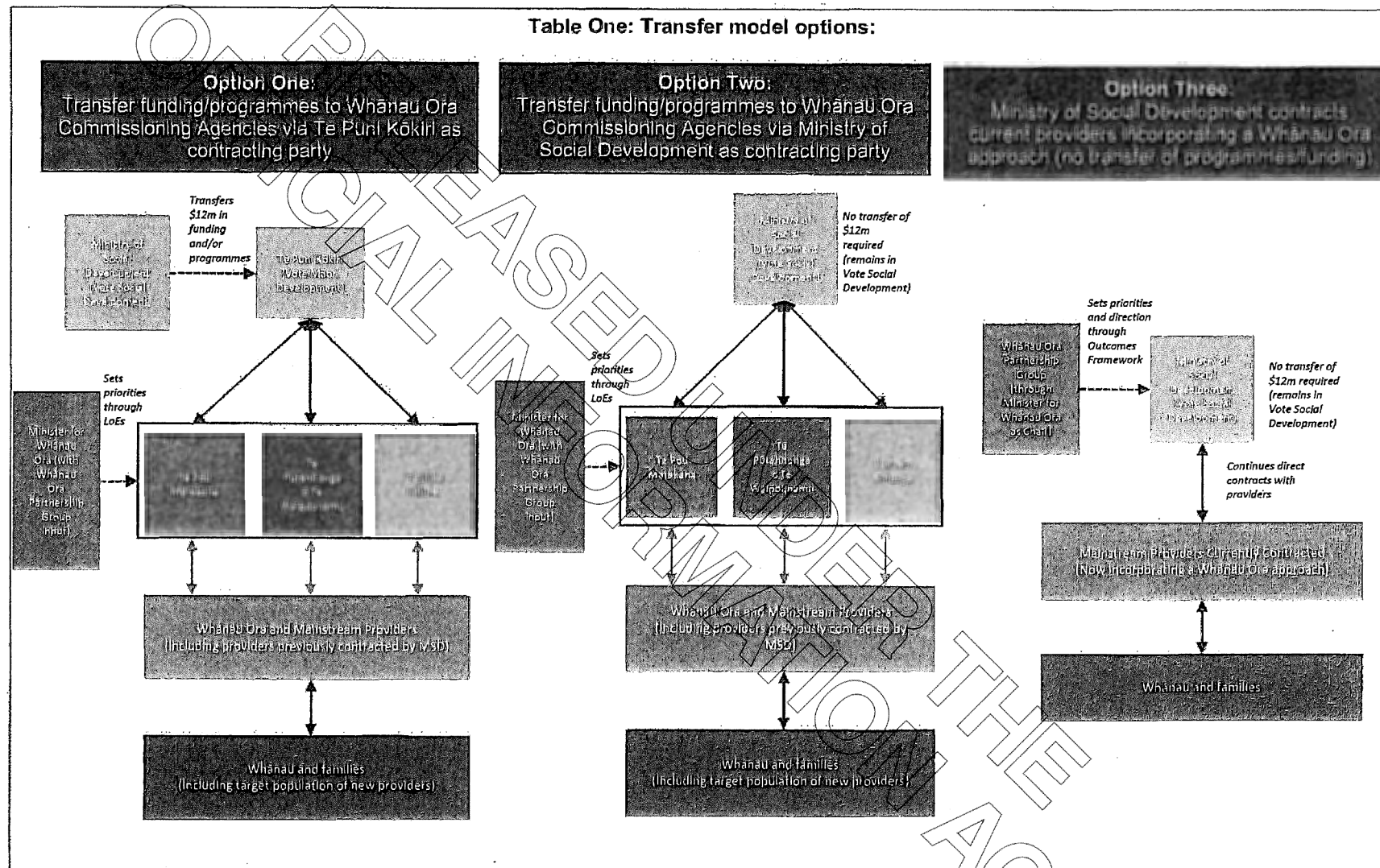
Figure One: Transfer of programmes and/or funding to support Whānau Ora outcomes – decisions required:



Transfer model

9. There are three options in relation to how the \$12 million could be transferred to support Whānau Ora outcomes. The \$12 million in funding and/or programmes could be:
 - Administered by Te Puni Kōkiri through contracts with Whānau Ora Commissioning Agencies (option one – **recommended**);
 - Administered by the Ministry of Social Development through contracts with Whānau Ora Commissioning Agencies (option two); or
 - Administered by the Ministry of Social Development through ongoing direct contracts with current providers but incorporating a Whānau Ora approach (option three).
10. Table one outlines our analysis of the mechanisms available for transferring this \$12 million in programmes/funding to support Whānau Ora outcomes, including the associated benefits, risks and considerations.
11. We have also considered the option of Te Puni Kōkiri administering this funding and/or programmes directly with providers to support Whānau Ora outcomes. We have excluded this option from consideration for the following reasons:
 - Te Puni Kōkiri does not have the capacity to manage multiple service delivery contracts of this nature with the relevant programme providers;
 - This option directly conflicts with the Whānau Ora commissioning approach, where investment in Whānau Ora outcomes should be channelled via Whānau Ora Commissioning Agencies; and
 - The option represents a move back to the first phase of Whānau Ora (administration of Whānau Ora funding by Te Puni Kōkiri).

Table One: Transfer model options:



Option	Benefits	Risks	Considerations
<p>Option One: Transfer funding and/or programmes to Whānau Ora Commissioning Agencies via Te Puni Kōkiri as contracting party</p> <p><i>(Te Puni Kōkiri develops and approves Commissioning Agencies' Annual Investment Plans)</i></p> <p>(recommended option)</p>	<ul style="list-style-type: none"> • Increase in whānau-centred Whānau Ora programmes/services • Increases overall investment in Whānau Ora outcomes • Compatible with the devolved commissioning for outcomes approach • Helps ensure consistency in Whānau Ora Commissioning Agency investments • May allow for alignment between funding/programmes and other Te Puni Kōkiri programmes (such as rangatahi Māori suicide prevention) • Draws on the expertise of the Commissioning Agencies to design, procure and monitor the success of the investments • Allows for specific outcomes to be purchased through the Whānau Ora commissioning approach • Minimises additional reporting compliance for Commissioning Agencies through maintaining a single contracting party 	<ul style="list-style-type: none"> • Additional administrative requirements involved with transferring funding between votes/departments • Providers may not agree to contracts being novated to Whānau Ora Commissioning Agencies (if programmes are transferred) • Negative media attention if current mainstream providers not picked up by Commissioning Agencies • High level of transaction cost involved with transfer of programme contracts 	<p><i>Operational considerations:</i></p> <ul style="list-style-type: none"> • Timing and approach within the Annual Investment Plan cycle – your 2016/17 Letters of Expectations will be sent to Commissioning Agencies in late 2015 (any new activity will need to be reflected) • Sustainability of providers if Ministry of Social Development contracts are not continued as a result of transfer <p><i>Legal considerations:</i></p> <ul style="list-style-type: none"> • Contracts with current providers will need to be novated to Commissioning Agencies <p><i>Funding considerations:</i></p> <ul style="list-style-type: none"> • Level of operating and administrative funding that can be provided to the Commissioning Agencies • Need to confirm approach to allocating funding across Commissioning Agencies <p><i>Communications considerations:</i></p> <ul style="list-style-type: none"> • Some or all current contract holders may not be re-contracted (will require close management of communications)

Option	Benefits	Risks	Considerations
<p>Option Two: Transfer funding and/or programmes to Whānau Ora Commissioning Agencies via Ministry of Social Development as contracting party</p> <p><i>(Ministry of Social Development and Te Puni Kōkiri jointly develop and approve Commissioning Agencies' Annual Investment Plans)</i></p> <p>(Option will increase support for Whānau Ora outcomes, but does not involve transfer of funding from Vote Social Development to Vote Māori Development)</p>	<ul style="list-style-type: none"> • Increase in whānau-centred Whānau Ora programmes/services • Increases overall investment in Whānau Ora outcomes • Compatible with devolved commissioning for outcomes • Facilitates joint development of the Annual Investment Plans on behalf of Te Puni Kōkiri and Ministry of Social Development • Encourages enhanced cross-agency involvement in commissioning for outcomes • Draws on Ministry of Social Development knowledge and expertise in managing contracts • Draws on the expertise of the Commissioning Agencies to design, procure and monitor the success of the investments • Potential for cost-effectiveness (despite duplication of reporting to multiple agencies) • Allows for specific outcomes to be purchased through Whānau Ora commissioning approach • Could demonstrate the potential of the devolved commissioning for outcomes approach for other departments/Ministers • No funding transfer between votes 	<ul style="list-style-type: none"> • Ability of Commissioning Agencies to absorb the additional activities • Lack of compatibility of priority outcomes with Commissioning Agencies' own needs assessments • Level of discretion Commissioning Agencies expect over investment decisions • Higher level of reporting compliance to two agencies (Ministry of Social Development and Te Puni Kōkiri) • May reduce likelihood of commissioning other existing programmes • Providers may not agree to contracts being novated to Whānau Ora Commissioning Agencies • Negative media attention if current mainstream providers not picked up by Commissioning Agencies • High level of transaction cost involved with transfer of programme contracts 	<p><i>Operational considerations:</i></p> <ul style="list-style-type: none"> • Timing and approach within the Annual Investment Plan cycle – your 2016/17 Letters of Expectations will be sent to Commissioning Agencies in late 2015 (any new activity will need to be reflected) • Sustainability of providers if Ministry of Social Development contracts are not continued as a result of transfer <p><i>Legal considerations:</i></p> <ul style="list-style-type: none"> • Contracts with current providers will need to be novated to Commissioning Agencies <p><i>Funding considerations:</i></p> <ul style="list-style-type: none"> • Level of operating and administrative funding that can be provided to the Commissioning Agencies • Need to confirm approach to allocating funding across Commissioning Agencies <p><i>Communications considerations:</i></p> <ul style="list-style-type: none"> • Timing of funding transfer and delivery commencement • Some or all current contract holders may not be re-contracted (will require close management of communications)

Option	Benefits	Risks	Considerations
<p>Option Three: Funding and/or programmes continue to be administered by the Ministry of Social Development through ongoing direct contracts with current providers but incorporating a Whānau Ora approach</p> <p><i>(Whānau Ora Commissioning Agencies not involved in purchase or delivery of services)</i></p> <p>(Option will increase support for Whānau Ora outcomes, but does not involve transfer of funding from Vote Social Development to Vote Māori Development)</p>	<ul style="list-style-type: none"> • Increase in whānau-centred Whānau Ora programmes/services • Increases overall investment in Whānau Ora outcomes • Maintains stability for providers currently contracted by Ministry of Social Development • Encourages enhanced cross-agency involvement in adopting a Whānau Ora approach • Broadens mainstream provider involvement in Whānau Ora • Maintains departmental oversight over administration of funding • Has the potential to demonstrate the benefits of a Whānau Ora approach in investing in social outcomes • No funding transfer between votes 	<ul style="list-style-type: none"> • May be perceived as competing with Whānau Ora services offered by Commissioning Agencies' investment partners/providers • Could conflict with Whānau Ora commissioning approach (presumption that all investment in Whānau Ora outcomes should be channelled via Commissioning Agencies) • Existing contracts already prescribe outcomes/outputs purchased (changes to incorporate a Whānau Ora approach may take time to implement) 	<p><i>Operational considerations:</i></p> <ul style="list-style-type: none"> • Need to define what the incorporation of a Whānau Ora approach within current contracts with providers would look like, what would change for providers as a result • Need to consider how Whānau Ora Partnership Group Outcomes Framework would be applied in delivery of programmes/services <p><i>Legal considerations:</i></p> <ul style="list-style-type: none"> • No changes – current contracts with providers can be maintained <p><i>Funding considerations:</i></p> <ul style="list-style-type: none"> • No changes – current contracts with providers can be maintained <p><i>Communications considerations:</i></p> <ul style="list-style-type: none"> • Need to consider how to present the expansion of Whānau Ora investments

12. Officials recommend any funding and/or programmes transferred to support Whānau Ora outcomes are transferred to Te Puni Kōkiri to administer via contracts with Commissioning Agencies (option one). Options two and three would also increase support for Whānau Ora outcomes, however these options do not involve a transfer from Vote Social Development to Vote Māori Development.
13. Officials are available to provide any further information you may require regarding these options, including information on how the Ministry of Social Development could incorporate a Whānau Ora approach within current contracts.

Nature and timing of Transfer

14. We have identified two options for the nature and timing of this transfer:

- A **phased transfer**, whereby uncommitted funding for the 2015/16 financial year is transferred as soon as possible and remaining programmes and/or funding is transferred following the expiry of current contracts (**recommended**); or
- An **immediate transfer**, whereby both uncommitted funding for the 2015/16 financial year and current programmes are transferred as soon as possible (with existing contracts being novated to contract recipient(s) as necessary).

Table two: Options for nature and timing of transfer:

Transfer option	Benefits	Risks
Phased transfer of uncommitted funding only (2015/16 uncommitted funding is transferred as soon as possible, remaining programmes and/or funding is transferred following expiry of current contracts) (recommended option)	<ul style="list-style-type: none"> • Greater flexibility for administrator(s) in purchasing Whānau Ora outcomes • Greater flexibility in allocating funding/programmes between Commissioning Agencies • Fewer administrative requirements (no programme transfers/novation required) • Minimises disruption for current service providers • Less risk associated with transfer of existing mainstream programmes to support Whānau Ora outcomes • Recipients of service contracts have time to prepare for transfer 	<ul style="list-style-type: none"> • Current programmes must either expire or be terminated before transferring • Less immediate support for Whānau Ora outcomes than with immediate transfer • Some risk of criticism associated with transfer of funding to Whānau Ora following expiry of contracts for mainstream programmes
Immediate transfer of uncommitted funding and ongoing programmes (2015/16 uncommitted funding is transferred and contracts for ongoing programmes are novated to new programme administrator(s))	<ul style="list-style-type: none"> • More significant and immediate support for Whānau Ora outcomes • Broadens provider involvement in Whānau Ora 	<ul style="list-style-type: none"> • Risk of service disruption for providers of current programmes and programme end users • All parties must agree to contract novation – higher transaction costs associated with novation • Less flexibility in allocating funding/programmes between Commissioning Agencies (will be determined by location of current contracts)

		<ul style="list-style-type: none"> • Administrator(s) required to continue current programmes until contract expiry • Risk of criticism associated with transfer of contracts for mainstream programmes to support Whānau Ora
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15. A primary factor regarding the timing of these transfers is the need to avoid undue disruption to service delivery for current provider clients, as well as the impact of these transfers on provider viability. These impacts will depend on the expiry date for current contracts and providers' access to alternative sources of funding.
16. As shown in Appendix Two, the contracts between the Ministry of Social Development and programme providers expire at different points in time:
 - BreakThru; Early Years Service Hubs; Family Service Centres; Family Support Services: Expiry dates range from 30 June 2016 – 30 June 2017;
 - Youth at Risk of Reoffending: Contract expires on 30 June 2016; and
 - Whānau Toko I Te Ora: Contract expires on 30 June 2017.
17. Of the \$3 million in Te Punanga Haumarū funding per annum, \$2.55 million is currently uncommitted for the 2015/16 financial year. It would therefore be possible to transfer this \$2.55 million to Commissioning Agencies in late 2015.
18. Given the risks involved with transferring both uncommitted funding and ongoing programmes, we recommend uncommitted Te Punanga Haumarū funding is transferred to Commissioning Agencies in late 2015, and ongoing programmes remain in place with the Ministry of Social Development until their contracts expire.
19. Following the expiry of contracts, Commissioning Agencies will then have the option of contracting programme providers to continue the same (or similar) services in line with their investment approach, or using the uncommitted funds to support enhanced commissioning activity.
20. Under either of these options, Commissioning Agencies will be supported to invest in additional Whānau Ora outcomes for whānau. While the contracts will have ended, officials anticipate that there is still a risk of negative media attention should Commissioning Agencies not re-invest in existing providers.
21. Officials note that the Minister for Social Development's agreed approach as expressed in response to the 24 April 2015 briefing is for ongoing contracts to be transferred to support Whānau Ora outcomes, rather than transferring uncommitted funding following the expiry of programme contracts.
22. The Minister for Social Development also agreed that as contracts for programmes reach their expiry dates, you should be responsible as Minister for Whānau Ora for the decision as to whether contracts should be renewed or funding used for Whānau Ora commissioning.
23. Officials recommend this matter should be tabled for further discussion during your meeting with the Minister for Social Development scheduled for 21 October 2015, and will provide you with talking points for your reference ahead of this meeting.

Recommended option: Phased transfer of uncommitted funding

24. All of the transfer options available have elements of risk associated. The immediate transfer of both uncommitted funding and ongoing programmes to Commissioning Agencies carries a high risk of service disruption for current programme providers and clients, and may attract criticism for Whānau Ora.
25. A phased transfer to Whānau Ora Commissioning Agencies of uncommitted funding in late 2015 followed by the transfer of remaining programmes and/or funding as current contracts expire involves less risk of service disruption. However this may still attract criticism for Whānau Ora if Commissioning Agencies choose not to invest in programme providers on an ongoing basis.
26. We recommend a phased approach to the transfer of funding and programmes to Commissioning Agencies as described in table three. Commissioning Agencies can then decide whether to contract existing programme providers or use uncommitted funding to support commissioning activity for high-needs whānau.
27. This approach allows for the risks associated with the transfer to be managed as effectively as possible, and minimises the administrative burden involved with the transfer. The recommended phased approach is described in table three.

Table three: Proposed Phased Approach to Transfer:

Phase	Funding/programmes transferred ¹	Date(s) of transfer
Phase one	Uncommitted Te Punanga Haumaru funding (\$2.55m)	November-December 2015
Phase two	Programmes with contracts expiring 30 June 2016 (\$6.73m)	1 July 2016
Phase three	Programmes with contracts expiring 30 June 2017 (\$2.11m)	1 July 2017

28. We recommend the \$2.55 million in Te Punanga Haumaru funding currently uncommitted for the 2015/16 year is transferred to Commissioning Agencies in late 2015 to support enhanced core commissioning activity for high-needs whānau. If you wish to proceed with this transfer, this will require Minister of Finance approval following a letter from you and the Minister for Social Development.
29. Should you approve this option, officials will provide you with advice by 30 October 2015 on the transfer of Te Punanga Haumaru funding to Commissioning Agencies, including the indicative funding split between Commissioning Agencies. Officials' preliminary advice is that funding should be allocated using the core commissioning funding allocation formula.
30. Informing stakeholders and interested parties of the details of the transfer will require careful consideration on behalf of Te Puni Kōkiri and the Ministry of Social Development. Based on Ministers' preferred transfer option, officials will provide you with further advice by 30 November 2015 regarding the implementation of the preferred approach, including a full implementation plan and communications/stakeholder management approach for each transfer phase.

¹ A full list of these programmes is provided in Appendix Two. Note: This Appendix lists an additional \$259,186.93 in programme funding for which the Ministry of Social Development is currently re-negotiating existing contracts, plus contracts for Te Punanga Haumaru funding of \$452,244.00 which expire during the 2016/17 financial year.

31. This advice will include an assessment of ongoing provider viability as a result of this transfer, and a plan for the mitigation of potential associated criticisms of Whānau Ora. Ministry of Social Development officials have advised that collecting and assessing provider viability information will require additional time.

Administrative funding

32. The \$12 million in funding and/or programmes has no administrative funding component, and both Te Puni Kōkiri and the Commissioning Agencies have little ability to absorb an additional administrative burden. The joint briefing of 6 August 2015 notes that the Ministry of Social Development could provide some resourcing for a defined period. The advice to be provided on 30 November 2015 will include recommended options regarding administrative funding.

Treasury comment

33. Treasury stated in the joint briefing of 24 April 2015 that it did not support the transfer of contracts either to Whānau Ora Commissioning Agencies via Te Puni Kōkiri or directly to Te Puni Kōkiri, and recommended that the programmes remain administered by the Ministry of Social Development. However, Treasury noted that an alternative option would be to transfer contracts directly to Commissioning Agencies via the Ministry of Social Development (transfer model option two).
34. Treasury supports the proposed phased approach to transferring funding to Te Puni Kōkiri as contracts expire. The proposed approach resolves Treasury's previous concerns regarding the capability and capacity of Te Puni Kōkiri to manage ongoing service delivery contracts, and the risk that NGO providers would not agree to the transfer of contracts. Transferring funding, rather than contracts, enables the integrity of the Commissioning Agency model to be maintained.
35. Treasury considers that as part of upcoming advice on transfers of funding, the Ministry of Social Development should identify the administrative costs associated with managing the existing contracts, and explore options for transferring these administrative costs with the funding for contracts.

Next Steps

36. Officials will provide you with detailed advice on 30 October 2015 regarding the transfer of uncommitted Te Punanga Haumaru funding to Commissioning Agencies in late 2015, including how funds will be allocated to Commissioning Agencies.
37. Officials will then provide you with further advice on 30 November 2015 regarding the timing for the transfer of currently committed funding and/or programmes to support Whānau Ora outcomes, and related implementation matters. This advice will include an assessment of ongoing provider viability as a result of this transfer, as well as a recommended communications and stakeholder management approach for each phase of the proposed transfer.

Appendix One: Previous advice and decisions regarding the proposed transfer

Briefing / paper	Content	Recommendations	Subsequent decision(s)
<p>Te Puni Kōkiri aide memoire to the Minister for Whānau Ora:</p> <p>'Ministry of Social Development funding for Whānau Ora'</p> <p>20 March 2015</p>	<ul style="list-style-type: none"> Provides an update on identification of MSD funding to support Whānau Ora Provides design principles and a recommended option for MSD funding to support Whānau Ora 	<p>Te Puni Kōkiri:</p> <ul style="list-style-type: none"> Note content of aide memoire Note recommended option for MSD to contract directly with Commissioning Agencies Note officials will continue to develop preferred funding and delivery approach 	<p>Minister for Whānau Ora:</p> <ul style="list-style-type: none"> Noted content of aide memoire
<p>Joint Te Puni Kōkiri / Ministry of Social Development / Treasury briefing to the Minister of Finance, Minister for Social Development and Minister for Whānau Ora</p> <p>'Options for Transferring Programmes to Whānau Ora'</p> <p>24 April 2015</p>	<ul style="list-style-type: none"> Provides advice on options for transferring programmes and/or funding from Vote Social Development to Vote Māori Development for the purposes of supporting Whānau Ora outcomes Seeks Ministers' preferred options for the transfer of programmes 	<p>Te Puni Kōkiri / Ministry of Social Development:</p> <ul style="list-style-type: none"> Agree that the list of programmes and grant funding attached be transferred to Te Puni Kōkiri via baseline transfer Agree that Te Puni Kōkiri: <ul style="list-style-type: none"> Should seek to negotiate the administration of these programmes for the duration of their contracts by Whānau Ora Commissioning Agencies; or Should administer these programmes for the duration of their contracts, subjects to providers' agreement to transfer to Te Puni Kōkiri's management Agree that as the contracts for these programmes reach their expiry dates, joint Ministers will decide whether they should be renewed or the funding used for Whānau Ora commissioning Note that officials recommend deferring implementation of this change to 1 July 2016 Agree to announce this change as part of Budget 2015 but defer implementation to 1 July 2016 Agree to the Ministry of Social Development and Te Puni Kōkiri providing the Ministers for Social Development and Whānau Ora with further advice on implementation issues, stakeholder management and communications in the run up to Budget announcements <p>Treasury:</p> <ul style="list-style-type: none"> Contracts should remain with Ministry of Social Development If Ministers wish to transfer contracts to Commissioning Agencies, Ministry of Social Development could transfer contracts directly to Commissioning Agencies 	<p>Minister for Whānau Ora:</p> <ul style="list-style-type: none"> Response to recommendations unknown <p>Minister for Social Development:</p> <ul style="list-style-type: none"> Agreed for Te Puni Kōkiri to negotiate the administration of the programmes for the duration of their contracts by Whānau Ora Commissioning Agencies Agreed that as contracts for programmes reach their expiry dates, the "Minister responsible for Te Puni Kōkiri" will decide whether they should be renewed or the funding used for Whānau Ora commissioning (modified recommendation) Agreed to all other recommendations <p>Minister of Finance</p> <ul style="list-style-type: none"> Agreed to recommendations as modified by Minister for Social Development

Briefing / paper	Content	Recommendations	Subsequent decision(s)
<p>Te Puni Kōkiri aide memoire to the Minister for Whānau Ora:</p> <p>'Ministry of Social Development funding for Whānau Ora'</p> <p>28 April 2015</p>	<ul style="list-style-type: none"> Provides further advice on risks associated with the proposed transfer of programmes from Vote Social Development to Vote Māori Development to support Whānau Ora outcomes 	<p>Te Puni Kōkiri:</p> <ul style="list-style-type: none"> Note the range of risks identified by officials in relation to the proposed transfer of programmes from Vote Social Development to support Whānau Ora outcomes Note that officials will continue to support discussions between Ministers regarding the proposal Note that officials are available to discuss these risks 	<p>Minister for Whānau Ora:</p> <ul style="list-style-type: none"> Noted content of aide memoire
<p>Joint Te Puni Kōkiri / Ministry of Social Development / Treasury briefing to the Minister of Finance, Minister for Social Development and Minister for Whānau Ora</p> <p>'Assigning responsibility for funding in Vote Social Development to the Minister for Whānau Ora'</p> <p>6 May 2015</p>	<ul style="list-style-type: none"> Outlines a proposed approach to implementing Ministers' joint decisions on the transfer of \$12 million of funding and/or programmes to the Whānau Ora Commissioning Agencies by 1 July 2016 	<p>Te Puni Kōkiri / Ministry of Social Development / Treasury:</p> <ul style="list-style-type: none"> Note that officials' recommended option is to establish a separate appropriation that is the responsibility of the Minister for Whānau Ora of \$12 million to achieve Whānau Ora outcomes, funded from the programmes identified, within Vote Social Development Note that this new appropriation would expire on 30 June 2016 and the funding transfer to Vote Māori Development Note that the Ministry of Social Development will provide the Minister for Whānau Ora with more detailed advice on the programmes and associated contracts, and the options for their transition to being funded through Vote Māori Development Note that once the funding is transferred to the Whānau Ora Commissioning Agencies it will be subject to the existing process for governance and administration of that funding Note that the Ministry of Social Development and Te Puni Kōkiri will provide the Ministers for Social Development and Whānau Ora on 11 May 2015 with further advice on implementation issues, stakeholder management and communications 	<p>Minister for Whānau Ora:</p> <ul style="list-style-type: none"> Response to recommendations unknown <p>Minister for Social Development:</p> <ul style="list-style-type: none"> Response to recommendations unknown <p>Minister of Finance:</p> <ul style="list-style-type: none"> Response to recommendations unknown
<p>Joint Te Puni Kōkiri / Ministry of Social Development briefing to the Minister for Social Development and Minister for Whānau Ora</p> <p>'Whānau Ora programme / funding transfer – implementation issues, stakeholder and communication advice'</p> <p>12 May 2015</p>	<ul style="list-style-type: none"> Provides additional information regarding implementation issues, stakeholder management and communications in the run up to and following Budget announcements 	<p>Te Puni Kōkiri / Ministry of Social Development:</p> <ul style="list-style-type: none"> Note the contents of this report Agree to the approach outlined in this report, including the approach to stakeholder management, announcements, media enquiries (including key messages) and risk management Note that a detailed communications strategy will be provided by 19 May 2015 	<p>Minister for Whānau Ora:</p> <ul style="list-style-type: none"> Response to recommendations unknown <p>Minister for Social Development:</p> <ul style="list-style-type: none"> Response to recommendations unknown

Briefing / paper	Content	Recommendations	Subsequent decision(s)
<p>Joint Te Puni Kōkiri / Ministry of Social Development briefing to the Minister for Social Development and Minister for Whānau Ora</p> <p>'Transfer of Programmes and Funding to Whānau Ora'</p> <p>6 August 2015</p>	<ul style="list-style-type: none"> Provides additional detail concerning \$12 million in programmes and grant funding to be transferred from Vote Social Development to Vote Māori Development by 1 July 2016 to support Whānau Ora outcomes Notes that officials are progressing the 	<p>Te Puni Kōkiri / Ministry of Social Development:</p> <ul style="list-style-type: none"> Note the information contained within this paper concerning programmes and grant funding to be transferred from Vote Social Development to Vote Māori Development by 1 July 2016 to support Whānau Ora outcomes Note that it would be possible to adopt a phased approach to the transfer: <ul style="list-style-type: none"> Initially, within the shorter-term, moving the Te Punanga Haumarua grant funding (which is largely unallocated for 2015/16) The moving the BreakThru (youth gangs), Early Years Service Hubs, Family Service Centres, Family Support Services, Whānau Toko i Te Ora and Youth at Risk of Reoffending – Wraparound Services programmes by 1 July 2016 Note that officials from the Ministry of Social Development and Te Puni Kōkiri are taking a collaborative approach towards this work, and will report back to you on progress by 30 September 2015 Note that this timeframe will allow the work to be better informed by engagement on the alignment of the Community Investment Strategy and Whānau Ora results measurement frameworks Note that the 30 September 2015 report back will include advice relating to how we will: <ul style="list-style-type: none"> Implement the changes at an operational level, transitioning the programmes and funding to the Whānau Ora Commissioning Agencies Carry out and support the related negotiations between the Ministry of Social Development and Te Puni Kōkiri, the contracted providers and the Whānau Ora Commissioning Agencies Manage the related fiscally neutral budget transfers Note that the 30 September 2015 report back will also include advice about the individual providers and contracts as well as broader supporting information 	<p>Minister for Whānau Ora:</p> <ul style="list-style-type: none"> Response to recommendations unknown <p>Minister for Social Development:</p> <ul style="list-style-type: none"> Response to recommendations unknown

Appendix Two: Ministry of Social Development Programme and Funding Information

RELEASED UNDER THE
OFFICIAL INFORMATION ACT

Transfer to Whānau Ora Programme Detail (including provider funding for 2015/16)

Provider	Location	Smallbiz - (youth per cent)	Early Years Service Hub	Family Service Centres	Family Support Services	Whānau Toko I Te Ora	Youth at Risk of Offending - Wraparound Services	Total % Community Investment Funding to be transferred
Porirua Whānau Centre Trust	Porirua			554,056.00				63%
Whānau Family Support Service Trust	Lower Hutt				12,143.15			20%
s.8(2)(iv) Active consideration								
Auckland Council	Auckland City	33,960.50						47%
Reunited New Zealand Incorporated	Levin	124,472.00						1%
Youth Horizons Trust	Auckland	73,000.00						0%
Parent Aid Waikaiti Incorporated	Waikaiti				30,774.00			100%
Waypoint Trust	Waikaiti				33,692.94			24%
Tei Hāwai Tāmaki Trust	Porirua				30,340.00			100%
Aupōri Youth Trust	Far North				14,134.57			21%
s.8(2)(iv) Active consideration								
Best Potentials Foundation	Papahuri Site Area			153,211.46	197,472.60			9%
C.A.N.E. Waikaiti TIA CASE Waikaiti	Waikaiti				18,046.96			18%
Parent Aid Northland	Rosely				22,011.60			100%
s.8(2)(iv) Active consideration								
Parent Aid Central West Auckland Incorporated	Auckland City				21,008.84			100%
Queensway Whānau Trust	Auckland City	1,580,000.00						100%
Lymington Community Trust	Christchurch	545,538.29			17,793.20			3%
Thompson Auckland Incorporated	Sydney Oak				39,015.00			100%
Papahuri Home Society Incorporated	Papahuri				124,438.84			37%
Tea-Whānau Support Trust	Papahuri				114,666.00			24%
The Auckland Women's Centre Incorporated T/A Auckland Women's Centre	Grey Lynn				39,070.00			30%
Home Care Community Health Services Incorporated	North Shore				18,520.40			100%
s.8(2)(iv) Active consideration								
Parent Support Incorporated	North Shore				14,641.20			100%
Te Whānau o Waikaiti Trust	Waikaiti	146,000.00				616,000.00		87%
s.8(2)(iv) Active consideration				31,303.50				82%
s.8(2)(iv) Active consideration								
Community Approach Trust	Auckland City	75,000.00						33%
Tairāwhiti Education Centre Charitable Trust	Manawatu City				34,349.00			6%
Family Rural Education Activities (FREAP) Incorporated	Whānauāke				141,431.92			20%
Central Youth Trust	Manawatu City	115,000.00						67%
Whānau o Tairāwhiti Charitable Trust Inc	Manawatu City	510,000.00						100%
Waikaiti Community Trust Inc	Auckland City				120,794.00			100%
Te Hāu Tūke Trust	Tairāwhiti				124,438.84			87%
Manurewa Sporting Hub (MHS)	Manurewa Board	79,869.50			6,501.00			100%
Rock Road Hubs	Thames							92%
Papahuri Community Services Trust	Papahuri				124,472.50			33%
Canterbury House Trust T/A Canterbury House Palmerston North	Palmerston North				30,847.00			100%
New Zealand Family Planning Association Incorporated	Palmerston North				10,600.92			100%
Designate Health Centre	Albany				116,551.00			100%
Great Start Trust	Lower Hutt				124,438.84			100%
Manurewa Rural Support Service Incorporated	Manurewa				17,837.45			100%
Women's Centre New Plymouth Incorporated	New Plymouth				14,134.57			100%
s.8(2)(iv) Active consideration								
Manurewa Self Community Trust	Christchurch				21,688.92			87%
Pregnancy Help Incorporated T/A Pregnancy Help Tairāwhiti	Springfield				14,372.50			100%
Otago and District Community Charitable Trust	Dunedin				21,688.92			81%
s.8(2)(iv) Active consideration								
Tairāwhiti Community Worker Support Trust	Southland				28,228.60			100%
PHS - Living Safe	Manawatu				1,000.00			7%
Manurewa Family Service Centre	Manurewa				310,571.85			69%
Northland Community Resource Centre Charitable Trust	Southland							55%
Manurewa Mission Southern	Otago				12,814.00			27%
Early Start Project Limited	Christchurch				14,372.50			8%
s.8(2)(iv) Active consideration								
s.8(2)(iv) Active consideration								
Te Ora Hou Northland Incorporated	Manurewa				120,377.92			11%
Central Otago RZAP (Rural Education Activities Programme) Incorporated	Central Otago							0%
Auckland Social Services (Whānau Ora) Trust (ASST)	Lower Hutt							0%
The Wellington Boys and Girls Institute Incorporated	Wellington							0%
Northland Women's Refuge	Manurewa				45,060.00			29%
MFL Ethnic Social Services Trust	Grey Lynn				22,745.80			19%
Te Aka Ora Charitable Trust	Springfield							0%
Tea-Whānau Community Support Incorporated	West Tairāwhiti							0%
Manurewa Kōwhiri Trust	Manurewa							0%
Refuge for Women and Children with Disabilities including Mental Health Issues	Manurewa				41,800.00			100%
Male Survivors of Sexual Abuse Trust Wāikaiti	Manurewa				20,000.00			25%
The Young People's Organisation of Tairāwhiti Incorporated	Tairāwhiti				14,347.40			2%

Annex One

Contract/Project Code	Total
30-Jun-16	5,727,156.45
30-Jun-17	2,112,359.81
30-Jun-18	283,365.00
Total	8,088,693.25

Total % includes 7% Percentage of Annual grant funding (where applicable - see Annex Two)



Te Puni Kōkiri
REALISING MĀORI POTENTIAL



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

BRIEFING

Transfer of Vote Social Development Funding to Support Whānau Ora: Implementation and Next Steps

Date:	Friday 29 January 2016	Priority	High
Classification	Budget Sensitive: In Confidence	Tracking Number	30941
Action sought			Date action required by
<p>It is recommended that you:</p> <ol style="list-style-type: none"> Note that the Minister for Whānau Ora and Minister for Social Development agreed on 8 December 2015 to progress the transfer of \$11.84 million per annum from Vote Social Development to Vote Māori Development to support Whānau Ora outcomes; Note that Ministers agreed to progress this transfer in tranches following the expiry of current contracts for this funding; Note that Ministers agreed to take joint responsibility for decisions concerning existing funding and contracts within this \$11.84 million per annum; Note the recommended next steps in progressing the transfer of funding to support Whānau Ora; and Approve the attached joint letter to the Minister of Finance on behalf of the Minister for Whānau Ora and Minister for Social Development requesting approval for the transfer of uncommitted Te Punanga Haumaru funding for the 2015/16 financial year to support an increase in Whānau Ora commissioning activity. 			5 February 2016
Contact for telephone discussion (if required)			
Name	Position	Telephone	Mobile
Di Grennell	Deputy Chief Executive, Regional Partnerships, Te Puni Kōkiri	04 819 6147	027 589 6374
Murray Edridge	Deputy Chief Executive, Community Investment, Ministry of Social Development	04 916 3798	027 485 1896
Hamiora Bowkett	Chief Advisor, Office of the Chief Executive, Te Puni Kōkiri	04 819 6045	027 280 9436
Ruth Palmer	General Manager, Service Development and Innovation, Community Investment, Ministry of Social Development	04 916 3627	029 200 6622
Other Agencies Consulted			
<input type="checkbox"/> MBIE	<input type="checkbox"/> MoJ	<input type="checkbox"/> NZTE	<input checked="" type="checkbox"/> MSD
<input type="checkbox"/> MEAT	<input type="checkbox"/> MPI	<input type="checkbox"/> MfE	<input type="checkbox"/> DIA
<input type="checkbox"/> Other			<input checked="" type="checkbox"/> Treasury
Attachments	1. Draft joint letter to the Minister of Finance from the Minister for Whānau Ora and Minister for Social Development requesting approval for the transfer of uncommitted 2015/16 Te Punanga Haumaru funding to support an increase in commissioning activity.		

Minister's office to complete:

Comments:

- | | |
|---|--|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Declined |
| <input type="checkbox"/> Noted | <input type="checkbox"/> Needs change |
| <input type="checkbox"/> Seen | <input type="checkbox"/> Overtaken by Events |
| <input type="checkbox"/> See Minister's Notes | <input type="checkbox"/> Withdrawn |

Received office of Hon Anne Tolley
9. Feb. 2016

29 January 2016

Te Minita Whānau Ora
Minister for Social Development

Transfer of Vote Social Development Funding to Support Whānau Ora: Implementation and Next Steps

Purpose

1. This briefing outlines the recommended next steps in implementing the transfer of Vote Social Development funding and contracts to support Whānau Ora outcomes.
2. This briefing attaches a draft joint letter to the Minister of Finance from the Minister for Whānau Ora and the Minister for Social Development seeking approval for the transfer of uncommitted Te Punanga Haumarū funding for the 2015/16 financial year to support Whānau Ora commissioning.

Executive Summary

3. You agreed on 8 December 2015 to progress the transfer of approximately \$11.84 million per annum from Vote Social Development to Vote Māori Development to support Whānau Ora outcomes.
4. You also agreed to take joint responsibility for decisions concerning existing funding and contracts within this \$11.84 million per annum, and agreed to progress this transfer in tranches following the expiry of current contracts for this funding.
5. This \$11.84 million per annum consists of provider contracts with a range of expiry dates, plus uncommitted Te Punanga Haumarū grant funding of \$2.05 million for the 2015/16 financial year (\$3 million per annum from 2016/17 onwards). This uncommitted funding for the 2015/16 financial year may be transferred to support Whānau Ora commissioning activity through approval on behalf of the Minister of Finance of a joint letter on behalf of the Minister for Whānau Ora and the Minister for Social Development.
6. Note the uncommitted Te Punanga Haumarū grant funding of \$2.05 million for the 2015/16 financial year has decreased from an original total of \$2.30 million. This reflects a reallocation of funds by the Minister of Social Development to support the Gangs Action Plan for the remainder of the financial year.
7. We have attached for your approval and signature a joint letter to the Minister of Finance from you in your capacities as the Minister for Whānau Ora and Minister for Social Development seeking approval for the transfer of uncommitted Te Punanga Haumarū funding of \$2.05 million for the 2015/16 financial year to support Whānau Ora commissioning activity.
8. Following approval from the Minister of Finance, Te Puni Kōkiri officials will work with Whānau Ora Commissioning Agencies to make arrangements for this funding to be incorporated into their 2015/16 Annual Investment Plans.

9. Cabinet approval is required to assign joint responsibility for the transfer of remaining contracts and funding of up to \$9.54 million to the Minister for Whānau Ora and the Minister for Social Development. Officials will provide you with a briefing on Tuesday 23 February 2016 recommending the treatment of the second tranche of contracts to be transferred (expiring on 30 June 2016) attaching a draft Cabinet Social Policy Committee paper seeking approval for this joint responsibility.
10. The next steps in progressing this transfer are summarised in Table One. A full description of these steps is outlined in Table Three in the body of this briefing.

Table One – Summary of next steps in progressing transfer:

Element of transfer	January 2016	February 2016	March 2016	From April 2016
First tranche of funding ((\$2.05 million in uncommitted Te Punanga Haumaru funding))	Joint letter to Minister of Finance seeking approval of transfer Minister for Whānau Ora approves allocation between Commissioning Agencies	Minister of Finance approves transfer Funding provided to Commissioning Agencies		
Second tranche of funding (up to \$7.43 million in funding / contracts expiring 30 June 2016)	Officials collect and analyse provider / contract information	Analysis and advice regarding contract treatment provided to joint Ministers Communications plan and stakeholder management advice provided to joint Ministers	Cabinet approves joint responsibility for contracts and funding ¹ Ministers decide on contract / funding treatment Notice given to providers by 31 March 2016	Funding / contracts transfer to Commissioning Agencies (from 1 July 2016)
Third tranche of funding (up to \$2.11 million in funding / contracts expiring 30 June 2017)			Section 9(2)(f)(iv) Active consideration	

Background

11. In April 2015 the Minister for Whānau Ora, Minister for Social Development and Minister of Finance requested advice on options for transferring up to \$12 million in funding and/or provider contracts from Vote Social Development to Vote Māori Development to support Whānau Ora outcomes. Te Puni Kōkiri and Ministry of Social Development officials then provided Ministers with a range of advice between April 2015 and December 2015.

¹ Note Cabinet approval for joint responsibility will be sought in relation to both the second and third tranches of contracts and funding.

12. On 8 December 2015 the Minister for Whānau Ora and the Minister for Social Development met to discuss the planned transfer of \$11.84 million in funding and contracts from Vote Social Development to Vote Māori Development to support Whānau Ora outcomes.
13. During this meeting you agreed that:
- a. uncommitted Te Punanga Haumarū funding for the 2015/16 financial year would be transferred from Vote Social Development to Vote Māori Development as soon as practicable, and that this funding would be used to support an increase in Whānau Ora commissioning activity;
 - b. advisors would seek clarity around the transfer process, including clarifying whether Cabinet approval is required, or whether Ministers (including the Minister of Finance) had previously been delegated authority to progress this transfer;
 - c. the rest of the \$11.84 million in funding would be transferred in stages following the end of current contracts between the Ministry of Social Development and providers (\$7.43 million on 1 July 2016 and \$2.11 million on 1 July 2017);
 - d. current contracts with providers will continue to be administered by the Ministry of Social Development until their expiry;
 - e. Ministers will take joint responsibility for decisions regarding the treatment of existing funding and contracts;
 - f. Ministers will seek advice from Ministry of Social Development and Te Puni Kōkiri officials on the treatment of current contracts and funding in advance of the expiry of these contracts, and will then decide whether:
 - i. existing provider contracts will expire and not be renewed, and the associated uncommitted funding will be provided to Whānau Ora Commissioning Agencies; or
 - ii. existing provider contracts will be novated (or re-contracted) to Whānau Ora Commissioning Agencies;
 - g. Ministry of Social Development and Te Puni Kōkiri officials will review existing provider contracts and assess whether these contracts:
 - i. could align with the Whānau Ora commissioning approach;
 - ii. have experience of achieving Whānau Ora outcomes; and
 - iii. have the ability to empower whānau to achieve their aspirations for themselves.
14. Ministers requested advice from Ministry of Social Development and Te Puni Kōkiri officials regarding the treatment of contracts and funding within the second tranche of funding available from 1 July 2016 by 23 February 2016. Ministers would then make joint decisions regarding the treatment of these contracts and funding by 16 March 2016 to allow notice to be given to providers in late March 2016.
15. Ministers also requested the preparation of a communications plan to manage any adverse reaction from providers whose contracts are not renewed.

Comment

Transfer process

16. Following your meeting on 8 December 2015, officials have consulted further with the Treasury regarding the process required to transfer funding and contracts. This has included consideration of whether the transfer may be progressed either through Budget 2016 or through the March Baseline Update process.
17. The Treasury has confirmed that uncommitted Te Punanga Haumaru funding of \$2.05 million for the 2015/16 financial year may be transferred from Vote Social Development to Vote Māori Development to support Whānau Ora commissioning activity either through approval on behalf of the Minister of Finance or through the March Baseline Update process.
18. However, the Treasury has stated that Cabinet approval is required to approve delegated joint Ministerial responsibility for the transfer of the remaining contracts and funding within the \$11.84 million on behalf of the Minister for Whānau Ora and the Minister for Social Development.
19. Officials have examined a number of available options for seeking Cabinet approval (including seeking this approval through other Cabinet Social Policy Committee papers scheduled for consideration in February-March 2016), and have determined that the best approach is for the Minister for Whānau Ora and Minister for Social Development to seek Cabinet approval through a separate paper to be considered in late February/early March 2016 depending on scheduling availability.
20. In line with this approach, this paper attaches for your joint consideration and approval a draft letter on your behalf to the Minister of Finance seeking approval for the transfer of uncommitted Te Punanga Haumaru funding for the 2015/16 financial year to support Whānau Ora commissioning activity. If you approve this option, we recommend you each sign this letter sequentially and send it to the Minister of Finance for consideration.
21. Officials do not recommend the option of transferring uncommitted Te Punanga Haumaru funding for the 2015/16 financial year through the March Baseline Update process, as this will not provide Whānau Ora Commissioning Agencies with sufficient time to implement this funding during the 2015/16 financial year.
22. A detailed description of the next steps involved with progressing this transfer, and the associated timeline, is included under 'Next Steps' below.
23. The funding and programmes identified will be transferred to support Whānau Ora outcomes in three tranches as outlined in Table Two according to the range of contract expiry dates.

Table Two – Tranches of funding and/or contracts to be transferred:

Tranche	Funding/programmes transferred	Date(s) of transfer
First tranche	Uncommitted Te Punanga Haumaru funding (\$2.05m)	February/March 2016
Second tranche	Programmes with contracts expiring 30 June 2016 (up to \$7.43m)	1 July 2016
Third tranche	Programmes with contracts expiring 30 June 2017 (up to \$2.11m)	1 July 2017
Total funding available for potential transfer: up to \$11.84m ²		

² Note: This includes contracts for Te Punanga Haumaru funding of \$452,244.00 which expire during the 2016/17 financial year (but are funded from 2015/16 funds).

Te Punanga Haumaru funding

24. As noted in paragraph 19 above, this paper attaches for your consideration and approval a draft joint letter to the Minister of Finance seeking approval for the transfer of uncommitted Te Punanga Haumaru funding of \$2.05 million for the 2015/16 financial year. If you approve and sign this letter, it will be sent to the Minister of Finance for consideration.
25. Following approval from the Minister of Finance, this funding will be made available to Whānau Ora Commissioning Agencies in early February 2016 to support an increase in their commissioning activity between February and June 2016. Officials will formalise arrangements for this funding within Commissioning Agencies' Annual Investment Plans for the 2015/16 financial year.
26. The transfer of uncommitted Te Punanga Haumaru funding for the 2015/16 financial year to support Whānau Ora Commissioning Agency investment activity will result in additional reporting requirements for Commissioning Agencies regarding the outcomes achieved for whānau and families through this funding. These additional reporting requirements will be reflected in Commissioning Agencies' Annual Investment Plans for the 2015/16 financial year.³
27. The treatment of Te Punanga Haumaru funding of \$3 million per annum from the 2016/17 financial year onwards will be jointly determined by the Minister for Whānau Ora and the Minister for Social Development following Cabinet approval of delegated joint responsibility for the transfer in late February-early March 2016.

Communications and stakeholder management

28. As agreed on 8 December 2015, the Minister for Whānau Ora and Minister for Social Development will take joint responsibility for communications and stakeholder management regarding the proposed transfer.
29. A crucial element of managing the transfer of funding and/or contracts to support Whānau Ora will be ensuring clear communications concerning the implications for providers and the end users of their services.
30. Ministry of Social Development and Te Puni Kōkiri officials are currently developing a stakeholder management plan for the transfer, including a communications strategy. This will be provided to you as an attachment to the joint briefing to be provided by 23 February 2016.

Cabinet Social Policy Committee paper

31. Officials are currently developing a draft Cabinet Social Policy Committee paper seeking approval for joint delegated Ministerial authority for the Minister for Whānau Ora and the Minister for Social Development to transfer funding and contracts from Vote Social Development to Vote Māori Development to support Whānau Ora.
32. This Cabinet paper will cover off a range of technical matters, including the availability and transfer of administrative funding associated with the funding and contracts.
33. A draft of this paper will be provided with the briefing paper to be provided by 23 February 2016 recommending the treatment of second tranche funding and contracts. Officials will liaise with the Cabinet office to determine the timing for consideration of this paper.

³ The transfer of Te Punanga Haumaru funding to support Whānau Ora commissioning activity will also have implications for Ministry of Social Development and Te Puni Kōkiri internal and external reporting. These implications will be reflected within departmental performance reporting.

Next Steps

34. The attached draft joint letter requesting approval for the transfer of uncommitted Te Punanga Haumarū funding for the 2015/16 financial year will be sent to the Minister of Finance for consideration, pending your approval and signature.
35. Subject to approval of this transfer from the Minister of Finance, Te Puni Kōkiri officials will work with Whānau Ora Commissioning Agencies to make arrangements for this funding to be incorporated into their 2015/16 Annual Investment Plans.
36. A full description of the next steps involved in progressing this transfer is outlined in Table Three below:

Table Three – Next steps and associated time frames for progressing transfer:

Step required	Timeframe
<ul style="list-style-type: none"> Te Puni Kōkiri drafts briefing for Minister for Whānau Ora recommending allocation of uncommitted Te Punanga Haumarū funding between Whānau Ora Commissioning Agencies (to be forwarded to Minister for Social Development for information) 	Monday 25 January 2016 – Thursday 28 January 2016
<ul style="list-style-type: none"> Ministers for Whānau Ora and Social Development approve letter to Minister of Finance seeking approval for transfer of FY2015/16 Te Punanga Haumarū funding 	Friday 29 January 2016
<ul style="list-style-type: none"> First tranche of funding provided to Whānau Ora Commissioning Agencies to support an increase in commissioning activity (via additions to their 2015/16 Annual Investment Plans) 	Early February 2016 (timing dependent on Minister of Finance approval and Minister for Whānau Ora approval of allocation)
Section 9(2)(f)(iv) Active consideration	

Step required	Timeframe
Section 9(2)(f)(iv) Active consideration	
<p>OFFICIAL INFORMATION ACT</p> <p>RELEASED UNDER THE</p>	

Consultation

37. This paper has been prepared jointly by Te Puni Kōkiri and the Ministry of Social Development. The Treasury has been consulted on the contents of this briefing.

Recommended Action

38. It is recommended that you:

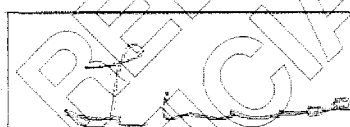
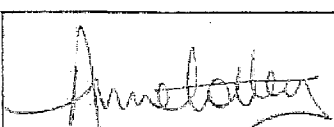
1. Note that the Minister for Whānau Ora and Minister for Social Development agreed on 8 December 2015 to progress the transfer of \$11.84 million per annum from Vote Social Development to Vote Māori Development to support Whānau Ora outcomes; Yes / No
2. Note that Ministers agreed to progress this transfer in tranches following the expiry of current contracts for this funding; Yes / No
3. Note that Ministers agreed to take joint responsibility for decisions concerning existing funding and contracts within this \$11.84 million per annum; Yes / No
4. Note the recommended next steps in progressing the transfer of funding to support Whānau Ora; Yes / No
5. Approve the attached joint letter to the Minister of Finance on behalf of the Minister for Whānau Ora and Minister for Social Development requesting approval for the transfer of uncommitted Te Punanga Haumaru funding for the 2015/16 financial year to support an increase in Whānau Ora commissioning activity. Yes / No



Di Grennell
Deputy Chief Executive, Regional Partnerships
Te Puni Kōkiri



Murray Edridge
Deputy Chief Executive, Community Investment
Ministry of Social Development

 Hon Te Ururoa Flavell Te Minita Whānau Ora	 Hon Anne Tolley Minister for Social Development
Date: <u>8</u> / <u>2</u> / 2016	Date: <u>10</u> / <u>2</u> / 2016



Report

Date: 9 February 2016

Security Level: IN CONFIDENCE

To: Hon Anne Tolley, Minister for Social Development

Whānau Ora: an update on the Ministry of Social Development's contribution

Purpose of the report

- 1 This report summarises the ongoing relationship between the Ministry of Social Development (the Ministry) and Whānau Ora, and outlines how the Ministry has been working to engage with and support the Whānau Ora initiative.
- 2 This report will feed into the process leading up to the March 2016 Whānau Ora Partnership Group meeting.

Executive summary

- 3 The Ministry and Whānau Ora have an ongoing relationship, and the Ministry has been working to engage and support the Whānau Ora initiative in a number of ways.
- 4 In phase one of the Whānau Ora initiative, the Ministry provided support by taking on responsibility for the development of integrated contracts for providers who wished to enter into one.
- 5 The Ministry's Community Investment branch have been working with Te Puni Kōkiri for several months, discussing the potential transfer of funding and programmes from Vote Social Development to Vote Māori Development. In December 2015, an approach for the transfer of \$12 million was agreed between yourself and Hon Te Ururoa Flavell, Minister for Māori Development and Whānau Ora. Community Investment has been gathering information about what the transfer process will involve, and will provide a paper with recommendations for the transfer in late February 2016.
- 6 Cabinet noted that you would work with the Minister for Whānau Ora to ensure the Community Investment Strategy's Results Measurement Framework and the Whānau Ora Outcomes Framework are aligned [SOC Min (15) 11/2 refers]. The Whānau Ora Partnership Group approved this Framework on 26 August 2015.
- 7 The Ministry and Te Puni Kōkiri have been developing a draft co-investment framework to use as a tool to increase the visibility of existing investments and potential growth, where Partnership Group members can combine resources to achieve Whānau Ora outcomes. Community Investment is gathering information to be used in a stocktake of the Ministry's current investment in Whānau Ora.
- 8 The Ministry has been involved in various cross-sector initiatives which relate to Whānau Ora, such as Children's Teams, Social Sector Integration and the Ministerial Group on Family Violence and Sexual Violence Work Programme.

9 The Ministry is interested in providing further support to Whānau Ora in the following ways:

- sharing knowledge and expertise in evaluation and evidence on 'what works', particularly at a whānau level
- providing advice and assistance on the use of data to inform planning and purchasing
- facilitating understanding of the aims and operation of Whānau Ora across the wider social sector and assisting integration of Whānau Ora within cross-government operational initiatives such as Children's Teams and place-based initiatives
- continuing to work at a local level with Whānau Ora collectives and navigators to gain access to and support the delivery of effective services for Māori and Pasifika families.

Recommended actions

It is recommended that you:

- 1 **note** that the Ministry of Social Development (the Ministry) has an ongoing relationship with Whānau Ora, and will continue to engage with and support the Whānau Ora initiative

Yes / No

- 2 **note** that the Ministry is working with Te Puni Kōkiri on the transfer of funding and services from Vote Social Development to Vote Māori Development, with a paper presenting recommendations due in late February 2016

Yes / No

- 3 **note** that Insights MSD worked closely with Te Puni Kōkiri to ensure the Community Investment Results Measurement Framework was reflected within the Whānau Ora Outcomes Framework

Yes / No

- 4 **note** that the Ministry and Te Puni Kōkiri have been developing a draft co-investment framework to use as a tool to increase the visibility of existing investments and potential growth, where Whānau Ora Partnership Group members can combine resources to achieve Whānau Ora outcomes

Yes / No

- 5 **note** that the Ministry has also been involved in various cross-sector Initiatives which relate to Whānau Ora, such as Children's Teams, Social Sector Integration and the Ministerial Group on Family Violence and Sexual Violence Work Programme

Yes / No

- 6 **agree** that a signed copy of this report be sent by Ministry officials to Te Puni Kōkiri to assist in their preparation for the March 2016 meeting of the Whānau Ora Partnership Group

AT ☒ Agree / ☐ Disagree

- 7 **agree** to send a copy of the report to the Associate Minister for Social Development.

AT ☒ Agree / ☐ Disagree



Peter Galvin
Principal Advisor
Office of the Chief Policy Advisor

9/2/16
Date



Hon Arine Tolley
Minister for Social Development

16-2-16
Date

Background

- 10 Whānau Ora is an initiative, led by Te Puni Kōkiri in partnership with the Ministry of Social Development (the Ministry) and the Ministry of Health, which aims to achieve better outcomes for whānau and families in need by empowering whānau as a whole rather than focusing separately on individuals and their problems.
- 11 Whānau Ora was set up as a result of the 2009 Taskforce on Whānau-Centred Initiatives to create a policy framework for a new method of government interaction with Māori service providers and to improve the responsiveness of social services to Māori through promoting whānau-centred service delivery.
- 12 Whānau Ora is based on a service delivery model that:
 - takes a strengths-based approach rather than a deficit approach
 - centres services around whānau and families rather than individuals
 - empowers whānau to set their own goals and outcomes
 - delivers services through provider collectives to meet the needs of whānau.
- 13 In July 2014, Cabinet agreed to the establishment of the Whānau Ora Partnership Group, which is responsible for:
 - setting the direction for Whānau Ora (through agreed outcomes and priorities)
 - overseeing the progress and success of Whānau Ora (by monitoring progress towards the outcomes and identifying emerging opportunities).
- 14 The Whānau Ora Partnership Group includes you, the Ministers of Health, Education, Finance, Economic Development, and Whānau Ora, as well as a group of iwi chairs.
- 15 We have been asked to provide a report to summarise the ongoing relationship between the Ministry and Whānau Ora, and outline how the Ministry has been working to engage with and support the Whānau Ora initiative.
- 16 This report will feed into the process leading to the March 2016 Whānau Ora Partnership Group meeting.

The Ministry has an ongoing relationship with Whānau Ora

- 17 The Whānau Ora initiative is underpinned by a collective approach to achieving positive outcomes for whānau. The approach is strengths-based and requires agencies to commit to intergenerational solutions that reflect and respect the aspirations of whānau to determine their own futures.
- 18 The focus of Whānau Ora aligns with the Ministry's enduring interest in Māori and Pasifika family wellbeing, and has the potential to positively impact the social issues we work to address as a Ministry. The flexible funding model of Whānau Ora provides an opportunity to fill service gaps and provide co-ordination and navigation across services that the Ministry funds.
- 19 In the first phase of Whānau Ora, the Ministry provided support by taking on responsibility for the development of integrated contracts for providers who wished to enter into one. An integrated contract streamlines multiple contracts and relationships with government funders into a single outcomes-focused contract and relationship management plan for the provider. We will continue to support this work and ensure we have relationships in place to learn from and build on the strengths of the Whānau Ora model.

Alignment of the Community Investment Results Measurement Framework and the Whānau Ora Outcomes Framework will continue to be maintained

- 20 Cabinet noted that you will work with the Minister for Whānau Ora to ensure the Community Investment Strategy's Results Measurement Framework and the Whānau Ora Outcomes Framework are aligned [SOC Min (15) 11/2 refers]. The Whānau Ora

Partnership Group approved the Whānau Ora Outcomes Framework on 26 August 2015.

- 21 Whānau Ora aims to achieve the following outcomes for whānau:
- being self-determining
 - to live healthy lifestyles
 - to confidently participate in society
 - to confidently participate in Te Ao Māori
 - to be economically secure and wealth creating
 - to be caring, resilient and nurturing.
- 22 Insights MSD worked closely with Te Puni Kōkiri to ensure the Community Investment Results Measurement Framework was reflected within the Whānau Ora Outcomes Framework.
- 23 The Results Measurement Framework contains three priority result areas; vulnerable children, vulnerable young people and vulnerable adults. These areas link with Better Public Services targets, the Children's Action Plan, the Youth Crime Action Plan, and the Ministerial Family Violence and Sexual Violence Work Programme.
- 24 Direct alignment between the Results Measurement Framework and the short-term outcomes outlined in the Whānau Ora Outcomes Framework is evident when looking at some of the high-level indicators of success within the Results Measurement Framework, including, but not limited to:
- children are resilient, experience positive parenting (supporting child development) and educational outcomes
 - increased proportion of 18 year olds with NCEA Level 2 or equivalent
 - fewer people are the victims/survivors of family violence and sexual violence.
- 25 We will need to maintain an ongoing alignment between the two frameworks over time at an operational performance level, particularly in building into our theory of change the role that whānau plays in supporting sustained achievement of the outcomes sought.

We are transferring funding and services from Vote Social Development to Vote Māori Development

- 26 The Ministry's Community Investment branch have been working with Te Puni Kōkiri for several months, discussing the transfer of funding and programmes from Vote Social Development to Vote Māori Development. In December 2015, an approach for the transfer of \$12 million was agreed between yourself and Hon Te Ururoa Flavell, Minister for Māori Development and Whānau Ora.
- 27 The agreed approach includes, but is not limited to, the below changes:
- the uncommitted Te Punanga Haumarua funding of approximately \$2.3 million will be transferred from Vote Social Development to Vote Māori Development as soon as practicable, and this funding be used to support an increase in commissioning activity
 - residual funding will be transferred from Vote Social Development to Vote Māori Development in two stages (\$7.43 million on 1 July 2016 and \$2.11 million on 1 July 2017).
- 28 To achieve this approach, the Ministry and Te Puni Kōkiri officials are reviewing existing provider contracts and will assess if they:
- can align to the Whānau Ora commissioning approach
 - have proven experience of achieving Whānau Ora outcomes
 - have the ability to empower whānau to achieve their aspirations for themselves.

- 29 Community Investment has been gathering information about what the transfer process will involve. A paper with recommendations to Ministers is due from officials in late February 2016.

We are developing a co-investment framework

- 30 The Ministry and Te Puni Kōkiri have been developing a draft co-investment framework to use as a tool to increase the visibility of existing investments and potential growth, where Whānau Ora Partnership Group members can combine resources to achieve Whānau Ora outcomes.
- 31 Community Investment has been gathering information for a stocktake of the Ministry's current investment.
- 32 It was proposed at the last Whānau Ora Partnership Group meeting on 17 November 2015 that the Strategic Advisors Group will lead the development of a co-investment framework for Whānau Ora. The co-investment framework will:
- illustrate the unique point of difference for the Whānau Ora approach – the existence of iwi as a co-investor with the Government to achieve improved Whānau Ora outcomes
 - provide iwi and the Government with a tool to increase the visibility of obvious points of leverage where Whānau Ora Partnership Group members could target their investments on a joint basis to achieve better outcomes
 - increase transparency about how funding currently maps to the Whānau Ora Partnership Group's outcomes to enable the better targeting of potential co-investment through a range of possible structures and ventures.
- 33 The Strategic Advisory Group to the Whānau Ora Partnership Group, made up of senior iwi executives and political advisors from relevant Ministers' offices, has advised Te Puni Kōkiri that the co-investment framework should be put on hold while iwi partners engage with iwi on the Whānau Ora Outcomes Framework. This engagement is intended to check in with iwi on the framework and encourage their ownership of it, given that it has been developed in Wellington. Engagement is likely to increase local iwi interest in having input to investment plans that direct service provision in their areas of interest.
- 34 From a Community Investment perspective, we are engaging with iwi through a mix of direct contact and broader forums. The Whānau Ora model provides for iwi input to Whānau Ora investment plans through the Partnership Group. However, the urban authority-based Commissioning Agent has faced challenges in responding to diverse local iwi interests across the North Island.
- 35 The co-investment framework should make the link between Ministry funded services and Commissioning Agency funded services more apparent, and we will continue to work with Te Puni Kōkiri to identify how iwi can provide input into a more integrated investment plan.

The Ministry has been involved in cross-sector initiatives that align with Whānau Ora

Children's Teams

- 36 Whānau Ora and Children's Teams align at a high level, each aiming to achieve improved outcomes for vulnerable groups. In practice, Children's Teams are frequently working with the same whānau and communities as Whānau Ora providers.
- 37 Whānau Ora provides a referral pathway to Children's Teams for families and whānau who may not be well linked to services, and offers options for delivery of culturally appropriate responses for a child and their whānau who are with a Children's Team, through suitably qualified navigators.

Social Sector Investment Change Programme

- 38 In July 2015, the Social Sector Board established the Social Sector Investment Change Programme, a cross-agency team tasked with starting to build the tools and infrastructure required to enable a social investment system. The Programme was originally set up until March 2016 to align with Budget 2016 processes, and has since been extended until 30 June 2017.
- 39 This work aligns with the co-investment framework and can assist deliberations of the Whānau Ora Partnership Group and the direction they provide Commissioning Agencies.
- 40 Examples of Whānau Ora provider collectives taking a stronger local leadership role in social services are evident within the North Island. A recent example is a Whānau Ora provider collective in Palmerston North who are applying to the Better Public Services seed fund to become tenancy managers for Housing New Zealand and make wrap-around whānau-based services available to those tenants.

The Ministerial Group on Family Violence and Sexual Violence Work Programme

- 41 The Ministerial Group on Family Violence and Sexual Violence Work Programme aims to better coordinate family and sexual violence services to ensure that people receive the right support at the right time. Service-level programme reviews will be conducted, covering some providers that take a whānau-centred approach.
- 42 The Ministerial Group Work Programme will seek engagement with a variety of stakeholders, including Māori and Pasifika peoples.

Next steps

- 43 The Ministry is interested in providing further support to Whānau Ora in the following ways:
 - sharing knowledge and expertise in evaluation and evidence on 'what works'
 - providing advice and assistance on the use of data to inform planning and purchasing
 - facilitating understanding of the aims and operation of Whānau Ora across the wider social sector and assisting integration of Whānau Ora within cross-government operational initiatives such as Children's Teams
 - continuing to work at a local level with Whānau Ora collectives and navigators to gain access to and support the delivery of effective services for Māori and Pasifika families.

File ref: A8636816



Report

Date: 18 March 2016

Security Level: IN CONFIDENCE

To: Hon Anne Tolley, Minister for Social Development

Transfer of contracts and funding to support Whānau Ora

Purpose

- 1 The purpose of this report is to:
 - brief you on progress in the transfer of contracts and funding to support Whānau Ora
 - to seek a discussion with you on an issue that has arisen concerning the potential transfer of related operational funding, and how this may be resolved.

Recommended actions

It is recommended that you:


- 1 **Note** that the Ministry of Social Development and Te Puni Kokiri have been working together to identify options for managing the transfer of \$11.38 million in contracts and funding to the Whānau Ora Commissioning Agencies. ☒ Yes / ☐ No
- 2 **Note** we have been developing (with Te Puni Kokiri) a joint Cabinet paper for your and Minister Flavell's approval, seeking authority to make the necessary related decisions for achieving the transfer. ☒ Yes / ☐ No
- 3 **Note** our intention has been for this paper to be available (subject to your approval) for consideration by the Cabinet Social Policy Committee on 30 March 2016. ☒ Yes / ☐ No
- 4 **Note** that an outstanding issue has been identified through the agency consultation process, that must be resolved before we can finalise the draft paper and submit it to you for your consideration. ☒ Yes / ☐ No
- 5 **Note** that this issue involves the question of whether the transfer should include an additional operating funding component. ☒ Yes / ☐ No
- 6 **Note** that we have been consulting on the issue with Te Puni Kokiri and the Treasury (as detailed in this paper), and now need to meet with you to discuss our preferred way forward. ☒ Yes / ☐ No
- 7 **Note** that, immediately following this meeting we will move ahead to work with officials to reach a mutually agreed position, and report back to you with related advice as quickly as possible. ☒ Yes / ☐ No

8 Note that the draft Cabinet paper, originally intended for your and Minister Flavell's approval and subsequent consideration by the Cabinet Social Policy Committee on 30 March 2016, will continue to be held over until the operational funding issue is resolved.

Yes / No

9 Agree to forward a copy of this report to the Associate Minister for Social Development.

Yes / No


Murray Edridge
Deputy CE, Community Investment

18/03/2016
Date


Hon Anne Tolley
Minister for Social Development

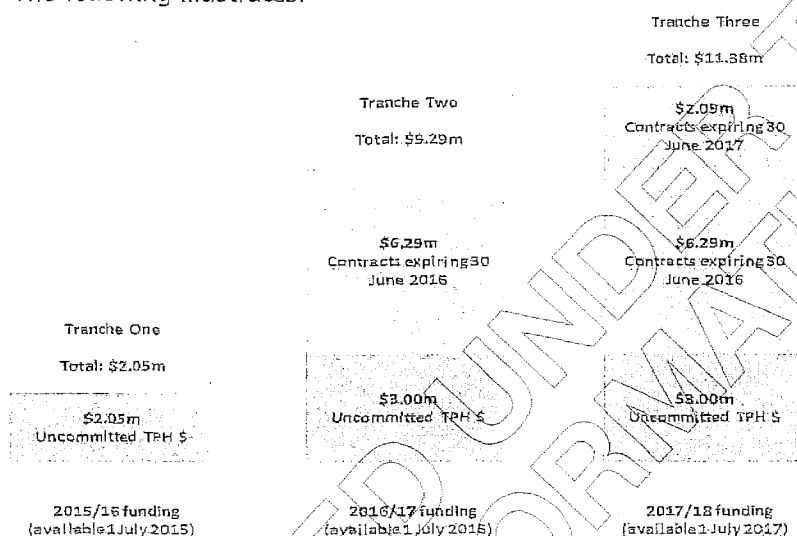
18/03/16
Date

RELEASED UNDER THE OFFICIAL INFORMATION ACT

We have been working on the best way to carry out the transfer

We have an agreed overall approach

- 2 As you know, the Ministry of Social Development (MSD) and Te Puni Kokiri (TPK) have been working together to identify options for managing the transfer of \$11.38 million in contracts and funding to the Whānau Ora Commissioning Agencies.
- 3 In December 2015 an approach for managing the transfer was agreed between you and Minister Flavell:
 - uncommitted Te Punanga Haumaru funding to be transferred as soon as practicable, this financial year
 - residual contracts and funding to be transferred in two further stages, on 1 July 2016 and 1 July 2017.
- 4 The following illustrates.



We need to take this to Cabinet

- 5 Most recently, we have been developing (with TPK) a joint Cabinet paper for your and Minister Flavell's approval, seeking authority for you and Minister Flavell, and the Minister of Finance, to make the necessary related decisions for achieving the transfer.
- 6 Our intention has been for this paper to be available (subject to your approval) for consideration by the Cabinet Social Policy Committee (SOC) on 30 March 2016.
- 7 However, an outstanding issue has been identified through the agency consultation process, that must be resolved before we can finalise the draft paper and submit it to you for your consideration.

An outstanding issue that needs to be resolved

Treasury has raised a concern regarding the absence of operating funding

- 8 In its feedback on the draft Cabinet paper, the Treasury has noted that the \$11.38 million in transferring contracts and funding has no operating funding component.

- 9 It has also noted TPK's advice that the Commissioning Agencies have little ability to absorb any additional monitoring, reporting and contracting requirements without additional funding support.
- 10 The Treasury is, therefore, recommending that MSD identify an appropriate level of operating funding to transfer to the Commissioning Agencies. This would be alongside the transferring provider contracts and funding – with the amount identified, for example, as a relative proportion of Community Investment's current operating costs.
- 11 This view is shared by TPK, with both agencies being concerned that an absence of additional (operating) funding would unduly impact upon Commissioning Agency service provision, given a likely reduction in the pool of funding available for these services. (TPK advise that the Commissioning Agencies would expect to withhold a portion of the newly transferred funding, for their administrative costs.)
- 12 TPK have also voiced concern that brokering new relationships with transferring providers will result in significant operating costs for the Commissioning Agencies, particularly in the early stages immediately following transfer.

Our position

- 13 Any administration costs incurred by Community Investment in relation to the transferring contracts and funding (and the programmes they represent) are entirely marginal, within the context of our management of \$330 million in social services funding (per annum) and are simply met through our general operating budget.
- 14 Consequently, transfer of the contracts and funding to Whānau Ora will not release or free up any quantifiable resource, which could be ascribed a dollar value for concurrent transfer as an 'associated operating expense'.
- 15 The issue of operating funding has been discussed previously with TPK, and it has always been made clear that the contracts and funding identified for transfer are entirely comprised of NDOE (Non-Department Output Expenditure). That is, provider funding only.
- 16 For these reasons we do not support transferring any (additional) operating funding component.

An alternative way forward

s 9(2)(g)(i) Free and frank advice

We seek a discussion with you on these options

- 24 To assist us in resolving this matter, and in progressing the transfer, we seek to meet with you to discuss the operating funding issue, and the options outlined above and their associated impacts.
- 25 Following this we will immediately move ahead to work with officials to reach a mutually agreed position, and report back to you with related advice as quickly as possible.
- 26 The draft Cabinet paper, originally intended for your and Minister Flavell's approval, and subsequent consideration by SOC on 30 March 2016, will continue to be held over until the operational funding issue is resolved.



Te Puni Kōkiri
REALISING MŌHIO POTENTIAL



**MINISTRY OF SOCIAL
DEVELOPMENT**
TE HĀNATU WHAKAHIAO ORA

BRIEFING

Transfer of Vote Social Development Funding to Support Whānau Ora: Progressing Transfer of Second Tranche Funding and Contracts

Date:	Wednesday 13 April 2016	Priority	High
Classification	Budget Sensitive: In Confidence	Tracking Number	30943

Action sought	Date action required by
<p>It is recommended that you:</p> <ol style="list-style-type: none"> Note that Te Puni Kōkiri and Ministry for Social Development officials provided the Minister for Whānau Ora and the Minister for Social Development with a joint briefing on Tuesday 23 February 2016 seeking approval for the recommended treatment of all second tranche funding and contracts, and attaching a draft Cabinet paper and communications plan for the transfer; Note that following discussions on Monday 11 April 2016, Ministers requested updates to this briefing to reflect revised timing for progressing the transfer and agreed arrangements for the availability of operating funding for Commissioning Agencies associated with the transfer of contracts; Approve officials' recommended treatment of second tranche contracts and funding as outlined in Appendix Three, resulting in the allocation of contracts and funding to Commissioning Agencies of: <ol style="list-style-type: none"> Te Pou Matakana: \$6,726,744.67 (72.44% of total available); Pasifika Futures: \$1,584,748.60 (17.07% of total available); Te Pūtahitanga o Te Waiapouamu: \$975,048.90 (10.50% of total available); Note that Cabinet approval is required to grant the Minister for Whānau Ora, the Minister for Social Development and the Minister of Finance joint delegated Ministerial authority to determine the treatment of funding and contracts identified for potential transfer; Approve the draft Cabinet Business Committee paper seeking approval for this joint delegated Ministerial authority attached as Appendix Five; Note that if you approve, officials recommend you lodge this Cabinet paper by 10am on Thursday 14 April 2016 for Cabinet Business Committee consideration on Monday 18 April 2016; Approve the draft Communications Plan for the transfer of contracts and uncommitted funding attached as Appendix Four; Note that in the event that Cabinet Business Committee does not approve joint delegated responsibility to Ministers to determine the treatment of funding and contracts, the transfer of uncommitted Te Punanga Haumarū grant funding to support Whānau Ora commissioning activity may still be progressed via a joint letter to the Minister of Finance; Approve and sign the attached joint letter to the Minister of Finance seeking approval for the transfer of uncommitted Te Punanga Haumarū funding to support Whānau Ora commissioning activity from the 2016/17 financial year onwards attached as Appendix Six; and Note the attached joint letter to the Minister of Finance seeking approval for the recommended treatment of tranche two contracts and funding attached as Appendix Seven, to be signed and sent to the Minister of Finance as soon as possible following consideration of the paper by Cabinet Business Committee on Monday 18 April 2016. 	14 April 2016

Contact for telephone discussion (if required)				
Name	Position	Telephone	Mobile	1 st contact
Di Grennell	Deputy Chief Executive, Regional Partnerships, Te Puni Kōkiri	04 819 6147	027 589 6374	✓
Murray Edridge	Deputy Chief Executive, Community Investment, Ministry of Social Development	04 916 3796	027 485 1896	
Tom Baragwanath	Advisor, Whānau Ora Commissioning Team, Te Puni Kōkiri	04 462 7051	021 757 815	
Ruth Palmer	General Manager, Service Development and Innovation, Community Investment, Ministry of Social Development	04 916 3627	029 200 6622	

Other Agencies Consulted					
<input type="checkbox"/> MBIE	<input type="checkbox"/> MoJ	<input type="checkbox"/> NZTE	<input checked="" type="checkbox"/> MSD	<input type="checkbox"/> TEC	<input type="checkbox"/> MoE
<input type="checkbox"/> MFAT	<input type="checkbox"/> MPI	<input type="checkbox"/> MfE	<input type="checkbox"/> DIA	<input checked="" type="checkbox"/> Treasury	<input type="checkbox"/> MoH
<input type="checkbox"/> Other					

Appendices	<ol style="list-style-type: none"> 1. Programme descriptions; 2. Contract and funding assessment tool; 3. Recommended second tranche contract and funding treatment (including recommended allocation of contracts and funding to Whānau Ora Commissioning Agencies); 4. Draft Communications Plan for transfer; and 5. Draft Cabinet Business Committee paper seeking approval of joint delegated Ministerial authority for the Minister for Whānau Ora, the Minister for Social Development and the Minister of Finance to determine treatment of funding and contracts. 6. Draft joint letter to the Minister of Finance seeking approval for the transfer of uncommitted Te Punanga Hauāru funding. 7. Draft joint letter to the Minister of Finance seeking approval for the recommended treatment of tranche two contracts and funding.
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Minister's office to complete:

Comments:

☐ Approved

☐ Noted

☐ Seen

☐ See Minister's Notes

☐ Declined

☐ Needs change

☐ Overtaken by Events

☐ Withdrawn

13 April 2016

Te Minita Whānau Ora
Minister for Social Development

Transfer of Vote Social Development Funding to Support Whānau Ora: Progressing Transfer of Second Tranche Funding and Contracts

Purpose

1. This briefing seeks your approval of officials' recommended treatment of tranche two contracts and funding selected for transfer from the Ministry of Social Development to Te Puni Kōkiri to support Whānau Ora outcomes.
2. This briefing also attaches for your approval a draft Cabinet paper seeking authority for the Minister for Whānau Ora, the Minister for Social Development and the Minister of Finance to determine the treatment of contracts and funding, and a draft Communications Plan to support this transfer.

Executive Summary

3. You agreed on 8 December 2015 to progress the transfer of approximately \$11.38 million per annum from Vote Social Development to Vote Māori Development to support Whānau Ora outcomes.¹ You also agreed to take joint responsibility for decisions concerning existing funding and contracts within this \$11.38 million per annum, and agreed to progress this transfer in three tranches following the expiry of current contracts for this funding.
4. Te Puni Kōkiri and Ministry for Social Development officials provided you with a joint briefing on Tuesday 23 February 2016 seeking approval for the recommended treatment of all second tranche funding and contracts, and attaching a draft Cabinet paper and communications plan for the transfer.
5. Following discussions on Monday 11 April 2016, you requested updates to this briefing to reflect revised timing for progressing the transfer and agreed arrangements for the availability of operating funding for Commissioning Agencies associated with the transfer of contracts.
6. The \$11.38 million per annum in funding and contracts consists of 58 provider contracts with a range of expiry dates, plus uncommitted Te Punanga Haumaru grant funding of \$3 million per annum (available from 1 July 2016).
7. Cabinet approval is required to assign joint responsibility for the transfer of remaining contracts and funding within this \$11.38 million to the Minister for Whānau Ora, the Minister for Social Development and the Minister of Finance. This briefing attaches a draft Cabinet Business Committee paper seeking approval of this joint responsibility.
8. If you approve, officials recommend you lodge this paper with the Cabinet Business Committee by 10am on Thursday 14 April 2016 for consideration on Monday 18 April 2016.

¹ Note: The overall quantum of this funding was previously listed as \$11.84 million, however officials have confirmed that the total amount of funding (both contracted funding and uncommitted funding) is approximately \$11.38 million per annum, consisting of:

- \$6.29 million per annum in provider contracts expiring on 30 June 2016;
- \$2.09 million per annum in provider contracts expiring on 30 June 2017; and
- \$3 million in grant funding per annum previously attached to Te Punanga Haumaru (note: \$2.05 million in Te Punanga Haumaru funding is presently uncommitted for the 2015/16 financial year, but the full \$3 million in annual grant funding will be uncommitted from 1 July 2016 onwards).

Officials have undertaken analysis of the second tranche contracts and funding identified for potential transfer in terms of:

- a. the degree of alignment with Whānau Ora;
- b. the likely impact on service provision and ongoing provider viability; and
- c. the rationale for allocation to Whānau Ora Commissioning Agencies.

9. Appendix Two attaches an overview of our assessment approach for contracts and funding.
10. The results of this analysis and the recommended treatment of contracts and funding is attached as Appendix Three. Following Cabinet approval of delegated joint responsibility for the treatment of these contracts and funding, these decisions will then be reflected in communications to affected providers and Commissioning Agencies in late April 2016. A draft Communications Plan supporting the transfer is attached for your approval as Appendix Four.
11. The next steps based on our recommended transfer are summarised in Table One. A full description of these steps is outlined in Table Four in the body of this briefing.

Table One – Summary of next steps in progressing transfer:

Element of transfer	January 2016	February 2016	March/April 2016	From April 2016
First tranche of funding ((\$2.05 million in uncommitted 2015/16 Te Punanga Haumaru funding)	Joint letter to Minister of Finance seeking approval of transfer (Completed)	Minister of Finance approves transfer (Completed) Minister for Whānau Ora approves allocation between Commissioning Agencies (Completed) Funding provided to Commissioning Agencies (In progress)		
Second tranche of funding (Up to \$9.29 million in funding / contracts expiring 30 June 2016 ²)	Officials collect and analyse provider / contract information (Completed)	Analysis and advice regarding contract treatment provided to joint Ministers (Completed) Communications plan and stakeholder management advice provided to joint Ministers (Completed)	Cabinet approves joint responsibility for contracts and funding for Ministers for Whānau Ora, Social Development and the Minister of Finance ³ Ministers confirm contract / funding treatment Notice given to providers by 29 April 2016	Funding / contracts transfer to Commissioning Agencies (from 1 July 2016)
Third tranche of funding (Up to \$2.09 million in funding / contracts expiring 30 June 2017)			Section 9(2)(f)(iv) Active consideration	

² Note: this \$9.29 million consists of 50 contracts with a total value of \$6.29 million and Te Punanga Haumaru funding of \$3 million committed for the 2015/16 year which becomes available on 1 July 2016.

³ Note: Cabinet approval for joint responsibility will be sought in relation to both the second and third tranches of contracts and funding.

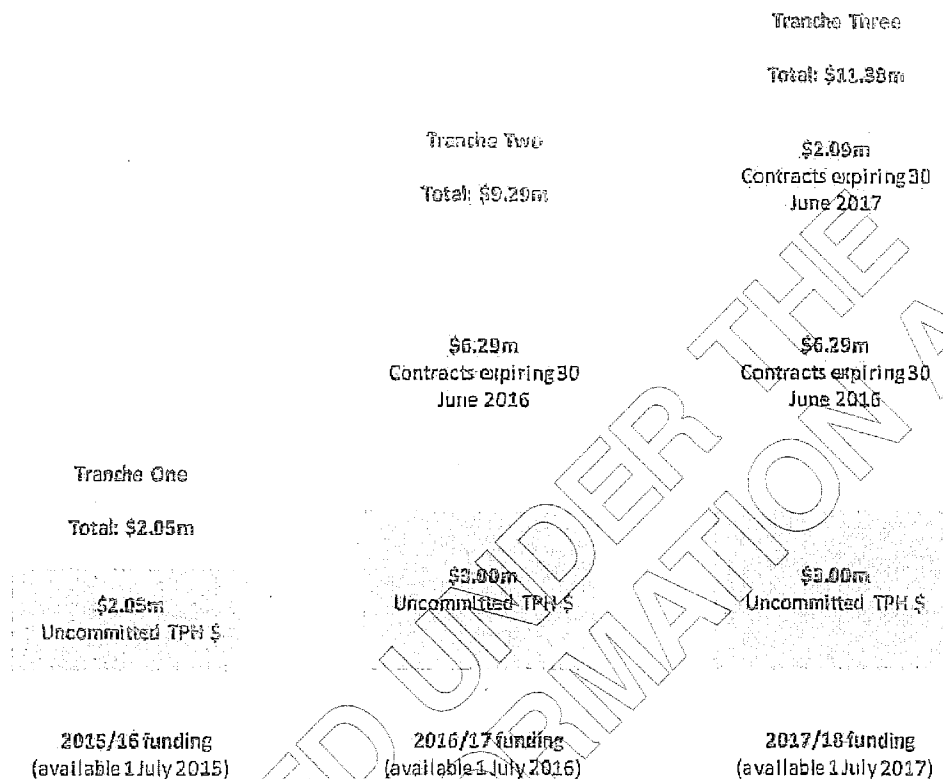
				Section 9(2)(f)(iv) Active consideration	

Background

12. As outlined in the briefing of 6 August 2015 provided by the Ministry of Social Development ('Transfer of Programmes and Funding to Whānau Ora'), with the release of its Community Investment Strategy the Government is signalling its focus on key priority areas, coupled with new and effective ways of supporting the most vulnerable in our communities.
13. Officials have identified seven programmes currently administered by the Ministry of Social Development whose objectives already broadly align with Whānau Ora outcomes. These programmes also involve (to varying degrees) a focus on working with families and whānau. These programmes are:
 - a. BreakThru (Youth Gangs);
 - b. Early Years Service Hubs;
 - c. Family Service Centres;
 - d. Family Support Services;
 - e. Whānau Toko I Te Ora;
 - f. Youth At Risk of Reoffending – Wraparound Services; and
 - g. Te Punanga Haumaru.
14. A description of these programmes is outlined in Appendix One.
15. Officials provided joint Ministers with advice on the transfer of programme contracts to support Whānau Ora outcomes at various stages throughout 2015.
16. On 8 December 2015 the Minister for Whānau Ora and the Minister for Social Development met to discuss the planned transfer of \$11.38 million in funding and contracts from Vote Social Development to Vote Māori Development to support Whānau Ora outcomes. You agreed in-principle to the transfer of these programme contracts to support Whānau Ora outcomes, but requested further analysis of the risks and implications associated with the transfer of each provider contract within these programmes before proceeding with the transfer.
17. During this meeting you agreed to take joint responsibility for decisions regarding the transfer of funding and contracts within this \$11.38 million, and to transfer funding and contracts to support Whānau Ora outcomes in stages following the expiry of current contracts.
18. The \$11.38 million in funding and programme contracts identified will be transferred to support Whānau Ora outcomes in three tranches as outlined in Figure One according to the range of contract expiry dates.⁴

⁴ Note: This total includes contracts for Te Punanga Haumaru funding of \$452,244.00 which expire during the 2016/17 financial year (but are funded from 2015/16 funds).

Figure One – Tranches of Vote Social Development funding identified for transfer:



19. You requested advice assessing second tranche funding and provider contracts totalling \$9.29 million in terms of:
- the degree of alignment between contracted providers and the Whānau Ora commissioning approach;
 - provider performance in achieving Whānau Ora outcomes and empowering whānau to achieve their aspirations;
 - the likely impact of the potential transfer of funding and contracts to Whānau Ora Commissioning Agencies on current service provision; and
 - the likely impact of the potential transfer of funding and contracts to Whānau Ora Commissioning Agencies on ongoing provider viability.
20. This assessment has identified:
- existing provider contracts that would transfer to Commissioning Agencies; and
 - contracts that would be exited with the funding transferred to Commissioning Agencies.
21. Note: five providers contracted within these programmes that provide specialist family and/or sexual violence services have been removed from consideration due to the inclusion of these services in the cross-agency Family Violence and Sexual Violence Ministerial Group work programme.
22. You also requested a draft Communications Plan for the transfer and a draft Cabinet paper seeking approval for joint delegated Ministerial responsibility for the Minister for Whānau Ora, the Minister for Social Development and the Minister of Finance to determine the treatment of

funding and contracts identified for potential transfer. These documents are attached as Appendices Four and Five.

Comment

Provider / funding assessment approach

23. Our approach in assessing each of the 50 provider contracts within the second tranche of funding in terms of their potential alignment with the Whānau Ora commissioning approach and the risks to service provision and provider viability is attached as Appendix Two.
24. We have developed this assessment tool based on the understanding that the programme contracts and funding identified for potential transfer from Vote Social Development to Vote Māori Development have been selected due to their overall alignment with Whānau Ora at a programme level. However, there are individual providers contracted within these programmes whose service approach may not be directly aligned with Whānau Ora.
25. Our assessments are underpinned by two core overarching assessment principles:
- a. If a provider's service approach aligns with the Whānau Ora commissioning approach, its contract should be picked up by Whānau Ora Commissioning Agencies wherever possible.
 - b. If a provider's service approach does not align with the Whānau Ora commissioning approach, its contract should be exited and the associated uncommitted funding should transfer to Whānau Ora Commissioning Agencies. The Ministry of Social Development would consider the local impact, and alignment with the Community Investment Strategy, and the management of related risks.
26. The assessment approach includes the following rationale for the allocation of contracts and/or funding to a particular Commissioning Agency:
- a. Where a provider's service approach aligns with the Whānau Ora commissioning approach, that provider's contract should be transferred to the Commissioning Agency with the most complementary target group or region of activity (for example, a contract for the provision of family support to a client base in South Auckland that is primarily Pacific families would be transferred to Pasifika Futures).
 - b. Where a provider's service approach does not align with the Whānau Ora commissioning approach, that provider's contract should be exited and the associated uncommitted funding transferred to a Commissioning Agency to support commissioning activity:
 - i. Where the provider contract is for services or outcomes at a national level, the uncommitted funding will be allocated to Commissioning Agencies using the base commissioning funding allocation model; and
 - ii. Where the provider contract is for services or outcomes at a targeted regional level, the uncommitted funding will be allocated to the Commissioning Agency with the most complementary target group or region of activity.
- (27) The Ministry of Social Development will consider the local impact and alignment with the Community Investment Strategy for providers with contracts that are exited, and funding transferred to Commissioning Agencies, including the management of related risks.
28. Ten of the second tranche providers are also involved in wider work concerning the re-alignment of core programmes to support the Children's Teams. The potential impact on this work will be carefully managed.

Provider / funding assessment results

29. The results of our assessment of these 50 provider contracts, and recommended treatment of these contracts based on these assessments, is attached. Our analysis has been based on relevant information held by regional Ministry of Social Development officials, and has taken into account providers' publically available financial information, where relevant and available.

30. From our analysis of these contracts against the assessment tool, the contracts fall into four broad categories as set out in Table Two (note: table Two is also included in Appendix Three).



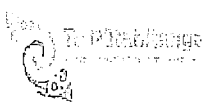
Table Two – Summary of recommended second tranche contract treatment:

Contract category	Recommended treatment	Number of contracts
Category A: Available information demonstrates sufficient provider alignment with Whānau Ora commissioning approach to justify transfer to Commissioning Agency, low risk to service provision/provider viability associated with transfer to relevant Commissioning Agency	Transfer contract to Commissioning Agency most closely aligned to provider/service	21 contracts Total value \$4,056,749.01 (64.53% of total contract value)
Category B: Available information demonstrates sufficient provider alignment with Whānau Ora commissioning approach to justify transfer to Commissioning Agency, but it is either unclear based on present information whether the relevant Commissioning Agency will be able to contract providers in a way that is functional and productive, or there are unresolved risks requiring further investigation	Transfer contract to Commissioning Agency most closely aligned to provider / service pending further information on ability to contract and / or unresolved risks	10 contracts Total value \$1,573,356.40 (25.03% of total contract value)
Category C: Available information does not show sufficient alignment with Whānau Ora commissioning approach to justify transfer to Commissioning Agency, however there will be <u>limited / minimal</u> potential impact on service provision and provider viability if contract is exited and funding is transferred to relevant Commissioning Agency	Exit contract and transfer funds to relevant Commissioning Agency to support Whānau Ora services in the same region Ministry of Social Development to consider local impact and alignment with the Community Investment Strategy, and management of related risks	12 contracts Total value \$477,398.99 (7.59% of total contract value)
Category D: Available information does not show sufficient alignment with Whānau Ora commissioning approach to justify transfer to Commissioning Agency, and there will be <u>significant potential</u> impact on service provision and provider viability if contract is exited and funding is transferred to Commissioning Agency	Exit contract and transfer funds to relevant Commissioning Agency to support Whānau Ora services in the same region Ministry of Social Development to consider local impact and alignment with the Community Investment Strategy, and management of related risks	7 contracts Total value \$179,036.77 (2.85% of total contract value)
TOTAL SECOND TRANCHE CONTRACTS: 50 contracts (total value \$6,286,540.17⁵)		

⁵ Note: This total does not include operating funding of approximately \$1.126 million for Commissioning Agencies to support the engagement of providers as a result of the transfer of contracts. This operating funding will be allocated to Commissioning Agencies proportionately according to the total value of

31. Many of the providers identified for potential transfer have a client base consisting of a mix of both Māori and Pacific whānau and individuals, as well as other client groups. This has presented some complexities in allocating contracts and/or uncommitted funding to either Te Pou Matakana (as the Commissioning Agency for whānau Māori in Te-Ika-a-Māui) or Pasifika Futures (as the Commissioning Agency for Pacific families in New Zealand).
32. Where there is alignment between a provider's primary target population/region and the priority population of a particular Commissioning Agency, we have recommended that the provider (or the funding previously contracted by that provider) is allocated to the Commissioning Agency most aligned to that provider. For example, in the case of the Aupōuri Youth Trust providing services in the Far North, we have recommended that this transfer to Te Pou Matakana, as there is strong alignment with the focus area and priority population.
33. Where the community served by a contract holder does not clearly align with the priority population of any one Commissioning Agency, we have recommended the transfer of the relevant contract and/or funding to the Commissioning Agency with the operational scale and regional network most likely to support a successful contracting relationship with that provider. For example, in the case of funding previously provided to Auckland Council for a Youth Gangs programme, we have recommended that this funding be provided to Te Pou Matakana for the provision of Whānau Ora services in Auckland City.
34. Providers with a primarily Pacific community focus have been allocated to Pasifika Futures. Where the community served by providers incorporate a mix of Māori and Pacific whānau and families, these contracts have been allocated to Te Pou Matakana in recognition of the mix of whānau and families that accessed Te Pou Matakana provider services during 2014/15.
35. The resulting allocation of second tranche contracts and funding is shown in Table Three.

Table Three – Total second tranche funding / contract allocation:

Commissioning Agency	Number of contracts for transfer ⁶	Total value of contracts for transfer	Total value of uncommitted funding for transfer ⁷	Total value of funding / contracts for transfer
 Te Pou Matakana Commissioning Agency	40 contracts (19 'A' contracts, 4 'B' contracts, 11 'C' contracts, 6 'D' contracts)	\$5,360,544.67 85.37%	\$1,360,200.00 45.34%	\$6,720,744.67 72.44%
 Te Punanga Haumaru Commissioning Agency	5 contracts (2 'A' contracts, 1 'B' contract, 1 'C' contract, 1 'D' contract)	\$506,546.60 9.49%	\$986,200.00 32.94%	\$1,504,746.60 17.07%
 Te Pūnaki Commissioning Agency	5 contracts (0 'A' contracts, 5 'B' contracts, 0 'C' contracts, 0 'D' contracts)	\$323,446.90 5.15%	\$651,600.00 21.72%	\$975,046.90 10.50%
TOTALS	50 contracts	\$6,286,540.17	\$3,000,000.00	\$9,286,540.17

36. The resulting allocation of funding and contracts between Commissioning Agencies is driven by the factors outlined within Appendix Two (Commissioning Agency alignment, managing risks to service provision and provider viability, and supporting productive contracting relationships with providers). However, this allocation is able to be adjusted if required.

Progressing the transfer of providers and funding with Commissioning Agencies

37. Once Cabinet has granted approval for joint delegated authority to transfer funding and contracts, officials will engage with Commissioning Agencies regarding provider contracts and funding they have been allocated.

38. Due to the commercially confidential nature of your joint decisions regarding the treatment of providers and funding, it is not possible to provide Commissioning Agencies with early notification regarding the provider contracts and funding allocated to them for transfer from 1 July 2016.

39. As per the draft Communications Plan attached as Appendix Four, Commissioning Agencies will be informed at the same time affected providers are informed. This is scheduled to take place late on Friday 29 April 2016. Note: providers will be given 60 days' notice regarding changes to these contracts as a result of the transfer.

40. It is possible that Commissioning Agencies may not wish to contract a particular provider or providers that are assigned to them for transfer. Should this be the case, Te Puni Kōkiri officials will then work directly with the relevant Commissioning Agency to seek a resolution.

⁶ Note: The total contracts identified for transfer to Commissioning Agencies includes both 'ongoing' contracts and uncommitted funding previously attached to contracts which will be exited.

⁷ Note: This total includes the allocation of \$3 million in uncommitted Te Punanga Haumaru funding between Commissioning Agencies in accordance with the base commissioning allocation model (as this funding was previously used to support outcomes and activity at a national level). Officials have provided the Minister for Whānau Ora with advice on options for the allocation of new sources of uncommitted Whānau Ora commissioning funding – the allocation of this uncommitted Te Punanga Haumaru funding for the 2016/17 financial year and beyond will be confirmed with the Minister for Whānau Ora.

If this results in the allocation of a provider or funding to a different Commissioning Agency, officials will provide you with advice seeking your approval of this.

Te Punanga Haumaru funding

41. You jointly wrote to the Minister of Finance to seek approval for the transfer of \$2.05 million in uncommitted Te Punanga Haumaru funding for the 2015/16 financial year, to support Whānau Ora commissioning activity for the remainder of 2015/16, on Thursday 11 February 2016. The Minister of Finance subsequently approved this transfer on Tuesday 16 February 2016.
42. The Minister for Whānau Ora has approved the allocation of this uncommitted Te Punanga Haumaru funding between Whānau Ora Commissioning Agencies, and Te Puni Kōkiri officials are working with Whānau Ora Commissioning Agencies to make arrangements for this funding to be incorporated into their 2016/16 Annual Investment Plans.
43. As noted in Appendix Three, given Te Punanga Haumaru grant funding was previously used to support whānau and community-driven projects to encourage positive social behaviour in children and young people at a national level, we recommend this funding of \$3 million per annum is allocated to Commissioning Agencies according to the base commissioning funding allocation model from 1 July 2016 onwards. This is reflected in the recommended allocation shown in Appendix Three.
44. Note: Officials have provided the Minister for Whānau Ora with advice on options for the allocation of new sources of uncommitted Whānau Ora commissioning funding. The allocation of this uncommitted Te Punanga Haumaru funding for the 2016/17 financial year and beyond will be confirmed with the Minister for Whānau Ora.
45. In the event that the Cabinet Business Committee does not approve joint delegated responsibility to Ministers to determine the treatment of funding and contracts on Monday 18 April 2016, the transfer of uncommitted Te Punanga Haumaru grant funding to support Whānau Ora commissioning activity may still be progressed via a joint letter to the Minister of Finance.
46. Officials have prepared a joint letter to the Minister of Finance seeking approval for the transfer of uncommitted Te Punanga Haumaru funding to support Whānau Ora commissioning activity from the 2016/17 financial year onwards. This letter is attached for your approval as Appendix Six.

Operating funding

47. As noted in our previous advice of 8 October 2015 the transfer of contracts does not include an operating funding component, and Commissioning Agencies have little ability to absorb any additional monitoring, reporting and contracting requirements without additional funding supporting these activities. In addition, Commissioning Agencies will also face increased costs as a result of the new relationships with providers that need to be developed as a result of the transfer.
48. In line with funding guidelines contained within the outcomes agreements between Te Puni Kōkiri and Commissioning Agencies, we anticipate Commissioning Agencies will expect to withhold a portion of new funding for operating costs.
49. Te Puni Kōkiri and the Ministry of Social Development have agreed to an approach to provide the necessary operating funding support for Commissioning Agencies associated with the transfer of contracts. Operating funding of approximately \$1.126 million will be made available to support the engagement of providers recommended for transfer – this figure represents 20% of the total value of contract categories A and B (\$5,630,105.41). This funding will be made available from within existing baselines.

50. This operating funding will be allocated to Commissioning Agencies proportionately according to the total value of Category A and B contracts recommended for transfer to each Commissioning Agency. Arrangements for this funding will be finalised with Commissioning Agencies at the earliest possible opportunity.

Communications and stakeholder management

51. This briefing attaches for your approval a draft Communications Plan regarding the proposed transfer. In particular, this draft Communications Plan focuses on public announcements regarding the transfer of the second tranche of funding and contracts from 1 July 2016 onwards.
52. As agreed on 8 December 2015, the Minister for Whānau Ora and Minister for Social Development will take joint responsibility for communications and stakeholder management regarding the proposed transfer.
53. This Communications Plan aims to ensure clear communications concerning the implications for providers and the end users of their services, as well as clear communications to Whānau Ora Commissioning Agencies and wider stakeholders.
54. This Communications Plan emphasises the core rationale of the transfer of funding and programme contracts as a continuation of the Government's focus on expanding and enhancing the availability of Whānau Ora and supporting Whānau Ora Commissioning Agencies to empower whānau and families to identify their goals and achieve their aspirations.
55. Officials are available to make revisions to this draft Communications Plan as required.

Cabinet Business Committee paper

56. This paper attaches as Appendix Five a draft Cabinet Business Committee paper seeking approval for joint delegated Ministerial authority for the Minister for Whānau Ora, the Minister for Social Development and the Minister of Finance to transfer funding and contracts from Vote Social Development to Vote Māori Development to support Whānau Ora. This draft Cabinet paper outlines the rationale for the proposed transfer of funding and contracts to support Whānau Ora.
57. Officials have consulted with Treasury, the State Services Commission, the Ministry of Business, Innovation and Employment, the Ministry of Health, and the Ministry of Education on this paper. The Department of Prime Minister and Cabinet has been informed. A number of revisions have been made to this paper as a result of departmental consultation, notably:
- a. to provide additional information regarding the selection of programmes for potential transfer due to their alignment with the outcomes included in the Whānau Ora Outcomes Framework;
 - b. to clarify the nature of the decision-making process between joint delegated Ministers;
 - c. to confirm that in the event Commissioning Agencies do not support the transfer of particular provider contracts and/or funding, joint Ministers will seek further advice from officials on alternative options; and
 - d. to clarify the agreed approach regarding the availability of operating funding for Commissioning Agencies associated with the transfer of contracts.
58. If you approve this draft paper, officials recommend you lodge it with Cabinet Business Committee by 10am on Thursday 14 April 2016 for consideration on Monday 18 April 2016. Officials will provide you with talking points to support your presentation of this paper to the Cabinet Business Committee.

59. Officials are available to make revisions to this draft Cabinet paper as required.

Next Steps

60. Following your approval of the recommended treatment of second tranche contracts and funding, officials will make any necessary changes to the draft Cabinet Business Committee paper ahead of the deadline for lodging this paper on Thursday 14 April for consideration on Monday 18 April 2016.

61. Following Cabinet approval of joint delegated Ministerial authority for the treatment of funding and contracts, you will then need to sign a joint letter to the Minister of Finance seeking approval for the transfer of provider contracts and funding. A draft of this letter is attached to this briefing as Appendix Seven. Once the Minister of Finance has approved this letter, notice regarding the transfer of contracts and funding will be communicated to affected parties in accordance with the draft Communications Plans attached as Appendix Four.

62. A full description of the next steps involved in progressing this transfer is outlined in Table Four below.

Table Four – Timeline for progressing transfer

Step	Timeframe	Status
<ul style="list-style-type: none"> Te Puni Kōkiri and Ministry for Social Development officials provided Ministers with a joint briefing outlining the next steps in implementing the transfer of these funding and contracts to support Whānau Ora outcomes, including a letter to the Minister of Finance seeking approval for the transfer of \$2.05 million in uncommitted Te Punanga Haumaru funding for the 2015/16 financial year to support Whānau Ora commissioning activity 	Friday 29 January 2016	✓
<ul style="list-style-type: none"> Te Puni Kōkiri officials provided the Minister for Whānau Ora with a briefing on the options for allocating uncommitted Te Punanga Haumaru funding of \$2.05 million for the 2015/16 financial year between Whānau Ora Commissioning Agencies on Wednesday 10 February 2016 	Wednesday 10 February 2016	✓
<ul style="list-style-type: none"> The Minister of Finance approved the transfer of \$2.05 million in uncommitted Te Punanga Haumaru funding for the 2015/16 financial year to support Whānau Ora commissioning activity 	Tuesday 16 February 2016	✓
<ul style="list-style-type: none"> Te Puni Kōkiri and Ministry of Social Development provide the Minister for Whānau Ora and Minister for Social Development with a briefing: <ul style="list-style-type: none"> Outlining assessment of second tranche providers identified for potential transfer in light of all available information (in terms of alignment with Whānau Ora, performance, impact on ongoing viability, impact on end users of services) Recommending treatment of second tranche provider contracts: <ul style="list-style-type: none"> Contracts exited and uncommitted funding provided to Commissioning Agencies to support commissioning activity; or Contracts transferred to Commissioning Agencies to invest directly in Whānau Ora outcomes Attaching stakeholder management plan (including communications strategy/plan) 	Tuesday 23 February 2016	✓

Step	Timeframe	Status
◦ Attaching draft Cabinet paper seeking approval for joint delegated Ministerial responsibility for remaining contracts/programmes		
◦ First tranche of funding to be provided to Whānau Ora Commissioning Agencies to support an increase in commissioning activity (via additions to their 2015/16 Annual Investment Plans)	March 2016	✓
◦ Te Puni Kōkiri and Ministry of Social Development officials distribute draft Cabinet Business Committee paper for departmental consultation	Thursday 25 February – Wednesday 2 March 2016	✓
◦ Minister for Whānau Ora and Minister for Social Development distribute draft Cabinet Business Committee paper for Ministerial consultation	Wednesday 13 April 2016	
◦ The Minister for Whānau Ora and Minister for Social Development lodge the draft Cabinet Business Committee paper by 10am on Thursday 14 April 2016 for consideration on Monday 18 April 2016	10am Thursday 14 April 2016	
◦ Cabinet Business Committee approves recommendations granting joint delegated Ministerial responsibility for the Minister for Whānau Ora, Minister for Social Development and the Minister of Finance to determine treatment of funding and contracts	Monday 18 April 2016	
◦ Minister of Finance signs joint letter from Minister for Whānau Ora and Minister for Social Development seeking approval of transfer of second tranche contracts and funding	Tuesday 19 April 2016	
◦ Minister for Social Development and Minister for Whānau Ora issue joint press release regarding the transfer of programmes to support Whānau Ora	29 April 2016	
◦ Ministry of Social Development (with Te Puni Kōkiri involvement as necessary) provides notice to providers regarding treatment of contracts beyond 30 June 2016	29 April 2016	
◦ Te Puni Kōkiri notifies Whānau Ora Commissioning Agencies regarding second tranche funding/contracts to be transferred to support commissioning activity (to be kept in-confidence until notice given to affected providers)	29 April 2016	
◦ Second tranche of available funding and contracts transferred to Whānau Ora Commissioning Agencies (consists of \$6.29 million in programme contracts and \$3 million in Te Punanga Haumaru grant funding, total of \$9.29 million)	1 July 2016	

Section 9(2)(f)(iv) Active consideration

Step	Timeframe	Status
Section 9(2)(f)(iv) Active consideration		

Consultation

63. This paper has been prepared jointly by Te Puni Kōkiri and the Ministry of Social Development. The Treasury has been consulted on the contents of this briefing.

Recommended Action

It is recommended that you:

1. Note that Te Puni Kōkiri and Ministry for Social Development officials provided the Minister for Whānau Ora and the Minister for Social Development with a joint briefing on Tuesday 23 February 2016 seeking approval for the recommended treatment of all second tranche funding and contracts, and attaching a draft Cabinet paper and communications plan for the transfer; Yes/No ^{AK}
2. Note that following discussions on Monday 11 April 2016, Ministers requested updates to this briefing to reflect revised timing for progressing the transfer and agreed arrangements for the availability of operating funding for Commissioning Agencies associated with the transfer of contracts; Yes/No ^{AK}
3. Note that officials have jointly assessed the 50 provider contracts forming the second tranche of the contracts and funding (expiring on 30 June 2016) identified for transfer to support Whānau Ora totalling approximately \$6.29 million; Yes/No ^{AK}
4. Note that officials' recommended treatment of these 50 contracts is outlined as Appendix Three; Yes/No ^{AK}
5. Note that in addition to these 50 contracts with a total value of approximately \$6.29 million, the second tranche of funding also includes Te Punanga Haumaru funding of \$3 million which is uncommitted from 1 July 2016 onwards, bringing the total second tranche value to \$9.29 million; Yes/No ^{AK}
6. Approve officials' recommended treatment of these 50 contracts (and uncommitted funding), resulting in the allocation of the following in contracts and uncommitted funding to Commissioning Agencies as outlined in Appendix Three: Yes/No ^{AK}
 - a. Te Pou Matakana: \$6,726,744.67 (72.44% of total available);

- b. Pasifika Futures: \$1,564,748.60 (17.07% of total available);
- c. Te Pūtahitanga o Te Waipounamu: \$975,046.90 (10.50% of total available);
7. Note that Te Puni Kōkiri officials have provided the Minister for Whānau Ora with advice on options for the allocation of new sources of Whānau Ora commissioning funding, and the allocation of this uncommitted Te Pūnanga Haumaru funding between Commissioning Agencies for the 2016/17 financial year and beyond will be confirmed with the Minister for Whānau Ora; Yes / No
 8. Note that Cabinet approval is required to grant the Minister for Whānau Ora, the Minister for Social Development and the Minister of Finance joint delegated Ministerial authority to determine the treatment of funding and contracts identified for potential transfer from Vote Social Development to support Whānau Ora outcomes; Yes / No
 9. Approve the draft Cabinet Business Committee paper seeking approval for this joint delegated Ministerial authority, attached as Appendix Five; Yes / No
 10. Note that if you approve this draft paper, officials recommend you lodge this paper by 10am on Thursday 14 April 2016 for consideration on Monday 18 April 2016; Yes / No
 11. Note that in the event that Cabinet Business Committee does not approve joint delegated responsibility to Ministers to determine the treatment of funding and contracts, the transfer of uncommitted Te Pūnanga Haumaru grant funding to support Whānau Ora commissioning activity may still be progressed via a joint letter to the Minister of Finance; Yes / No
 12. Approve and sign the attached joint letter to the Minister of Finance seeking approval for the transfer of uncommitted Te Pūnanga Haumaru funding to support Whānau Ora commissioning activity from the 2016/17 financial year onwards attached as Appendix Six; Yes / No
 13. Note the attached joint letter to the Minister of Finance seeking approval for the recommended treatment of tranche two contracts and funding attached as Appendix Seven, to be signed and sent to the Minister of Finance as soon as possible following consideration of the paper by Cabinet Business Committee on Monday 18 April 2016; Yes / No
 14. Note that following the Minister of Finance's approval of this joint letter, the transfer of contracts and uncommitted funding will be communicated to affected parties and stakeholders by Friday 29 April 2016; Yes / No
 15. Approve the draft Communications Plan for the transfer of contracts and uncommitted funding attached as Appendix Four; and Yes / No

No

John

Chief Executive, R
ni Kōkin

 Hon Te Ururoa Flavell Te Minita Whānau Ora	 Hon Anne Tolley Minister for Social Development
Date: <u>12</u> / <u>12</u> / 2016	Date: <u>18</u> / <u>12</u> / 2016

Appendix One: Programme Descriptions

1. This Appendix provides information about the programmes and grant funding identified for transfer from Vote Social Development to Vote Māori Development to support Whānau Ora outcomes. Information on the specific providers within these programmes is included in Appendix Three.
2. Programmes and funding have been identified for transfer due to their alignment with overarching Whānau Ora outcomes and outcomes sought by Whānau Ora Commissioning Agencies. The selection of these programmes also took into account the degree of emphasis within these programmes on service co-ordination and the use of a 'Navigation' approach.

BreakThru (Youth Gangs)

3. BreakThru involves the provision of integrated case management, support from community youth workers, and parenting programmes, for children and young people from six to 24 years who are at risk of becoming affiliated with youth gang culture and gang involvement, and their families and whānau. It aims to connect these young people to positive pathways, and to their communities, families and whānau.
4. Through the programme, 'at risk' young people and their families have knowledge of, and access to, the support and help available in their community. The young people have opportunities to participate in education, training, recreational activities, employment and other activities that contribute to their long-term wellbeing.
5. The programme appropriation is \$2.410 million per annum.

Early Years Service Hubs

6. Early Years Service Hubs are located within or alongside existing community facilities, providing a central point where families and whānau can access core early intervention services. For example, ante-natal care, WellChild/Tamariki Ora health checks, and parenting information, education and support.
7. The aim is to improve outcomes for children from pre-birth to six years, by improving the co-ordination of these core early years services.
8. The Hubs are supported by a co-ordinator, who implements the initial set up, develops a strong network of Early Years Service providers, and works to keep families and whānau connected to the core services.
9. The programme appropriation is \$1.485 million per annum.

Family Service Centres

10. The Family Service Centres provide integrated services to Māori and Pacific families and whānau with children under six years, who are in need of support. The services aim to increase positive educational experiences of disadvantaged children, foster parental engagement, and empower parents to view themselves as the primary educators of their children.
11. Services include early childhood education, advice and support for parenting, family social services, and health services such as family planning and WellChild / Tamariki Ora health checks.
12. The programme appropriation is \$1.714 million per annum.

Family Support Services

13. The programme includes a variety of different services that focus on restoring the wellbeing of children, young people and their families and whānau, where they are experiencing family breakdown and increased risk of poor welfare, education and health outcomes.
14. Services include social work support and advice, early childhood education, advice and support for parenting, and health services such as family planning and WellChild/Tamariki Ora health checks.
15. The focus is on keeping families together and assisting them to meet their care and support responsibilities, including the provision of a safe home environment for children and young people.
16. The programme appropriation is \$1.538 million per annum.

Whānau Toko I Te Ora

17. Whānau Toko I Te Ora is a high intensity, home-based family support service for Māori whānau. The programme supports parenting, based on a holistic approach that emphasises the growth and development of children during the first five years of life.
18. The programme aims to improve and promote the wellbeing of children, support positive parenting skills, develop family functioning and supportive relationships within whānau, and enhance childhood learning opportunities.
19. The programme appropriation is \$0.962 million per annum.

Youth at Risk of Offending – Wraparound Services

20. The programme involves the development and provision of community based wraparound services for Māori youth aged 10-16, who are at risk of offending. It aims to connect youth to their local communities, increasing their engagement in education and ensuring a more stable living environment. It includes social work support, group work and one-to-one mentoring.
21. The programme appropriation is \$0.937 million per annum.

Te Punanga Haumarū

22. The Te Punanga Haumarū fund (generally applied by way of a single 12 month grant) supports whānau and community-driven projects to encourage positive social behaviour in children and young people (up to 19 years) and reduce bullying.
23. It aims to build a community-wide commitment to addressing bullying of children and young people, and is intended to build on the experience and expertise that already exists in communities.
24. Projects must be collaborative, have support from across the community and a clear plan to drive positive change. Children and young people must be involved in the planning and delivery. The projects should also complement work being carried out by schools. Priority is given to projects for the benefit of children aged 12 and under.
25. The fund appropriation is \$3.000 million per annum.

Vote Social Development transfer to support Whānau Ora outcomes: contract & funding assessment tool

Overarching assessment principles:

- If provider service approach aligns with the Whānau Ora commissioning approach, contracts will be picked up by Whānau Ora Commissioning Agencies wherever possible.
- If provider service approach does not align with the Whānau Ora Commissioning Approach, contracts will be exited, uncommitted funding will transfer to Whānau Ora Commissioning Agencies, and the Ministry of Social Development will consider the local impact and management of related risks.

1) Alignment with Whānau Ora

Provider contracts have been identified for transfer based on potential alignment with the commissioning approach.

Contracts should only be transferred where there is alignment with the Whānau Ora commissioning approach.

2) Likelihood of successful contracting

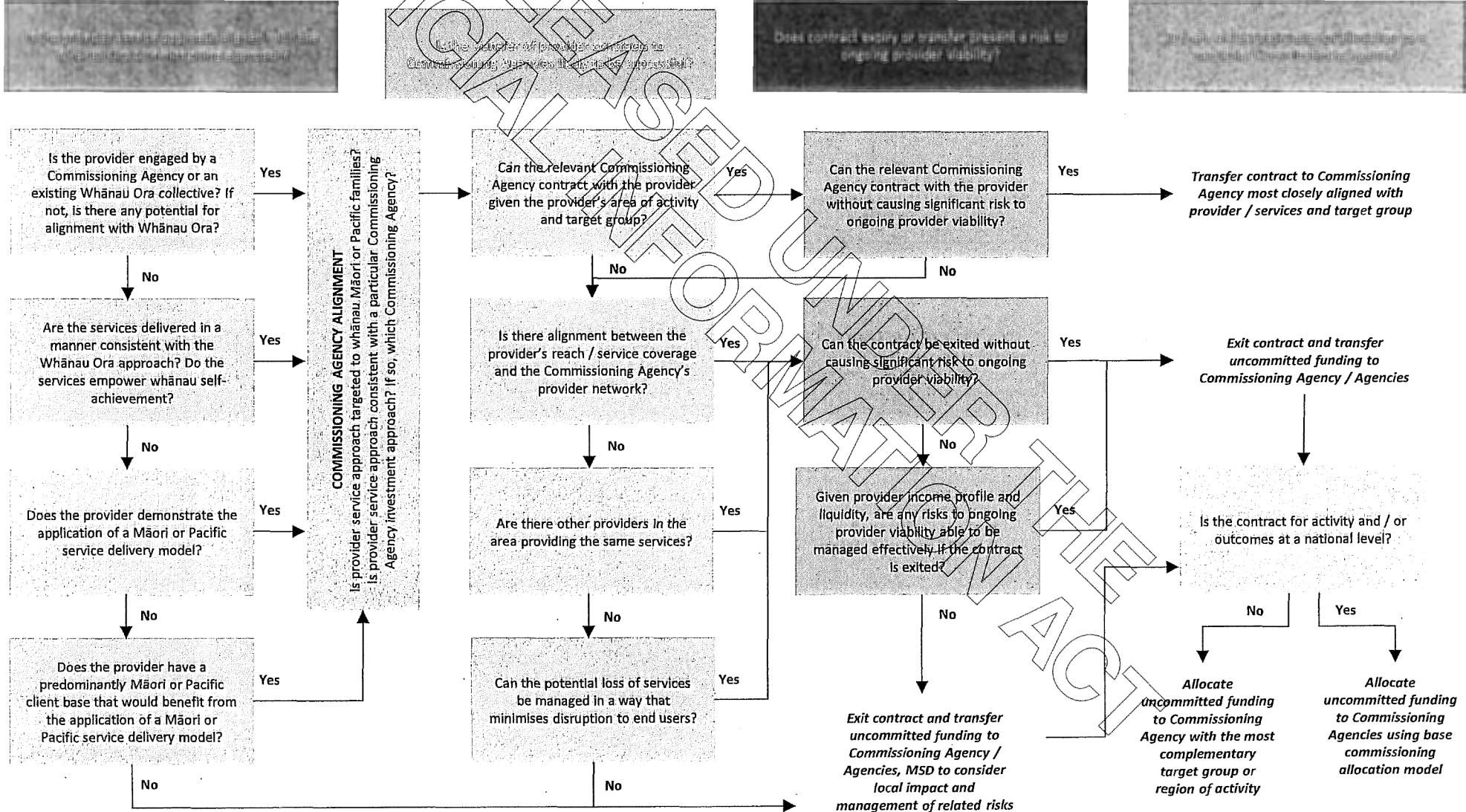
The transfer of uncommitted funding or provider contracts should examine the likelihood of successful contracting, and should take into account service coverage for end users in areas of high need.

3) Risks to provider viability

The transfer of uncommitted funding or provider contracts should not result in significant risks to the ongoing viability of service providers as a result.

4) Commissioning Agency Allocation

Contracts and funding should be allocated in a way that supports productive contracting relationships and is consistent with Commissioning Agency investment approaches.





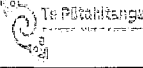
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Appendix Three

Tranche Two Contracts / Funding – Summary of recommended treatment:

Contract category	Recommended treatment	Number of contracts
Category A: Available Information demonstrates sufficient provider alignment with Whānau Ora commissioning approach to justify transfer to Commissioning Agency, low risk to service provision/provider viability associated with transfer to relevant Commissioning Agency	Transfer contract to Commissioning Agency most closely aligned to provider/service	21 contracts Total value \$4,056,749.01 (64.83% of total contract value)
Category B: Available Information demonstrates sufficient provider alignment with Whānau Ora commissioning approach to justify transfer to Commissioning Agency, but it is either unclear based on present information whether the relevant Commissioning Agency will be able to contract providers in a way that is functional and productive, or there are unresolved risks requiring further investigation	Transfer contract to Commissioning Agency most closely aligned to provider / service pending further information on ability to contract and / or unresolved risks	10 contracts Total value \$1,573,356.40 (25.03% of total contract value)
Category C: Available information does not show sufficient alignment with Whānau Ora commissioning approach to justify transfer to Commissioning Agency, however there will be limited / minimal potential impact on service provision and provider viability if contract is exited and funding is transferred to Commissioning Agency	Exit contract and transfer funds to relevant Commissioning Agency to support Whānau Ora services in the same region Ministry of Social Development to consider local impact and alignment with the Community Investment Strategy, and management of related risks	12 contracts Total value \$477,398.99 (7.59% of total contract value)
Category D: Available information does not show sufficient alignment with Whānau Ora commissioning approach to justify transfer to Commissioning Agency, and there will be significant potential impact on service provision and provider viability if contract is exited and funding is transferred to Commissioning Agency	Exit contract and transfer funds to relevant Commissioning Agency to support Whānau Ora services in the same region Ministry of Social Development to consider local impact and alignment with the Community Investment Strategy, and management of related risks	7 contracts Total value \$179,035.77 (2.85% of total contract value)
Total contracts		50 contracts Total value \$6,286,540.17

Total Tranche Two Contracts / Funding Allocated to Three Commissioning Agencies:

Commissioning Agency	Number of contracts for transfer	Total value of contracts for transfer	Total value of uncommitted funding for transfer	Total value of funding and contracts for transfer
 Te Pou Matakana (19 'A' contracts, 4 'B' contracts, 11 'C' contracts, 6 'D' contracts)	40 contracts	\$5,366,544.67 85.37%	\$1,360,200.00 45.34%	\$6,726,744.67 72.44%
 Pasifika Futures (2 'A' contracts, 1 'B' contract, 1 'C' contract, 1 'D' contract)	5 contracts	\$596,548.60 9.49%	\$988,200.00 32.94%	\$1,584,748.60 17.07%
 Te Pūhanga (0 'A' contracts, 5 'B' contracts, 0 'C' contracts, 0 'D' contracts)	5 contracts	\$323,446.90 5.15%	\$651,600.00 21.72%	\$975,046.90 10.50%
TOTALS	50 contracts	\$6,286,540.17	\$3,000,000.00	\$9,286,540.17

¹ Note: The total contracts identified for transfer to Commissioning Agencies includes both ongoing contracts and uncommitted funding previously attached to contracts which will be left to expire.

² Note: This total includes the allocation of \$3 million in uncommitted Te Pūhanga Hauānau funding between Commissioning Agencies in accordance with the base commissioning allocation model (as this funding was previously used to support outcomes and activity at a national level).

³ Note: This total does not include operating funding of \$1,126,021.00 for Commissioning Agencies to support the engagement of providers as a result of the transfer of contracts. This operating funding will be allocated to Commissioning Agencies proportionately according to the total value of Category A and B contracts recommended for transfer to each Commissioning Agency. Arrangements for this funding will be finalised with Commissioning Agencies at the earliest possible opportunity.

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Second Tranche Contract & Funding Treatment – Summary of Analysis and Recommendations:

	Provider name and MSD ID number	Provider location	Service delivery location	Total CI & CYF funding	Total \$ for transfer	% of MSD provider \$ for transfer	Programme type	Alignment with Whānau Ora	Likelihood of successful contracting	Provider Viability risks	Community Impact	Contract category	Recommended treatment
Te Tai Tokerau													
1.	Aupouri Youth Trust (1406)	Far North	Far North	\$66,811.18	\$14,254.50	21%	Family Support Services	Close alignment with Whānau Ora.	s 9(2)(a) Free and frank advice			A	Transfer contract to Te Pou Matakana.
2.	Dargaville Medical Centre (55526)	Kaipara	Dargaville	\$116,501.00	\$116,501.00	100%	Early Years Service Hubs	Close alignment with Whānau Ora.				A	Transfer contract to Te Pou Matakana.
3.	Te Ora Hou Northland Incorporated (1002)	Whangarei	Whangarei	\$1,093,265.47	\$120,377.92	11%	Early Years Service Hubs	Services aligned with Whānau Ora.				A	Transfer contract to Te Pou Matakana.
Auckland													
4.	C.A.R.E. Waitakere T/A CARE Waitakere (15165)	Waitakere	Henderson-Massey, Waitakere Ranges	\$86,824.46	\$16,045.64	18%	Family Support Services	Services aligned with Whānau Ora. Closer alignment with Te Pou Matakana given Te Pou Matakana provider network.				A	Transfer contract to Te Pou Matakana.
5.	Crosspower Ministries Trust (1627)	Manukau City	Otara-Papatoetoe	\$390,000.00	\$390,000.00	100%	Youth Gangs	Close alignment with Whānau Ora. Closer alignment with Pasifika Futures given client focus.				A	Transfer contract to Pasifika Futures.
6.	Franklin Family Support Trust (2012)	Papakura	Franklin	\$477,996.29	\$114,666.00	24%	Early Years Service Hubs	Close alignment with Whānau Ora. Services are delivered via joint venture with Hukina Development Trust aligned with Te Pou Matakana.				A	Transfer contract to Te Pou Matakana.
7.	Manurewa Parenting Hub (MPH) (53176)	Manurewa	Manurewa	\$79,999.50	\$79,999.50	100%	Youth Gangs	Limited alignment with Whānau Ora, however Māori and Pacific client base would benefit from application of a Whānau Ora service model. Alignment to Te Pou Matakana.				A	Transfer contract to Te Pou Matakana.
8.	Papakura Māori Society Incorporated (1916)	Papakura	Papakura	\$328,049.34	\$124,438.64	38%	Early Years Service Hubs	Close alignment with Whānau Ora.				A	Transfer contract to Te Pou Matakana.

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	Provider name and MSD ID number	Provider location	Service delivery location	Total CI & CYF funding	Total \$ for transfer	% of MSD provider \$ for transfer	Programme type	Alignment with Whānau Ora	Likelihood of successful contracting	Provider viability risks	Community Impact	Contract category	Recommended treatment
9.	STRIVE Community Trust (5636)	Otago	Albert-Eden, Franklin, Great Barrier, Howick, Mangere-Otago, Manurewa, Maungakiekie-Tamaki, Ōrākei, Otara-Papatoetone, Puketapu, Rodney, Waikato, Waitemata, Whau	\$2,060,471.55	\$567,753.22	27%	Family Support Services, Youth Gangs	Some alignment with Whānau Ora, provider has a predominantly Māori and Pacific client base that would benefit from the application of a Whānau Ora service model. Aligned with Te Pou Matakana.	6 (2/3) Free and frank advice			A	Transfer contract to Te Pou Matakana.
10.	Teanga Education Centre Charitable Trust (50199)	Manukau City	Manurewa	\$600,819.72	\$36,349.02	6%	Family Support Services	Some alignment with Whānau Ora, provider has a predominantly Māori and Pacific client base that would benefit from the application of a Whānau Ora service model. Aligned with Te Pou Matakana.				A	Transfer contract to Te Pou Matakana.
11.	Te Whānau o Waipareira Trust (3311)	Waikato	Henderson-Massey, Waikato Ranges, Whau, Mangere-Otago, Manurewa, Otara-Papatoetone, Waitemata	\$2,048,952.99	\$1,078,582.90	53%	Youth at Risk of Reoffending – Whānau Ora, Youth Gangs	Close alignment with Whānau Ora, provider has an existing relationship with Te Pou Matakana.				A	Transfer contract to Te Pou Matakana.
12.	Waikōwhiri Community Trust (50452)	Auckland City	Albert-Eden, Great Barrier, Mangere-Otago, Maungakiekie-Tamaki, Ōrākei, Puketapu, Rodney, Waikato, Waitemata, Whau	\$120,794.00	\$120,794.00	100%	Early Years Service Hub	Limited alignment with Whānau Ora, however provider has a client base that includes Māori and Pacific families who would benefit from a Whānau Ora service delivery model. Closer alignment with Te Pou Matakana given scale of provider network.				A	Transfer contract to Te Pou Matakana.
13.	Whānau O Tūmanako Charitable Trust Inc. (50431)	Manukau City	Manurewa	\$540,000.00	\$540,000.00	100%	Youth Gangs	Close alignment with Whānau Ora, services are delivered to predominantly Māori client base in a manner consistent with Whānau Ora.				A	Transfer contract to Te Pou Matakana.
14.	Youth Horizons Trust (13296)	Auckland City	Whau	\$15,436,772.80	\$75,000.00	<1%	Youth Gangs	Some alignment with Whānau Ora, provider has a client base including Māori and Pacific clients who would benefit from a Whānau Ora service delivery model. Aligned to Pasifika Futures.				A	Transfer contract to Pasifika Futures.

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	Provider name and MSD ID number	Provider location	Service delivery location	Total CI & CYF funding	Total \$ for transfer	% of MSD provider \$ for transfer	Programme type	Alignment with Whānau Ora	Likelihood of successful contracting	Provider viability risks	Community impact	Contract Category	Recommended treatment
15.	Community Approach Trust (50081)	Auckland City	Puketapapa	\$226,250.00	\$75,000.00	33%	Youth Gangs	Some alignment with Whānau Ora. Alignment with Pasifika Futures.	a 9/12/2017 Free and frank advice			B	Transfer contract to Pasifika Futures.
16.	Genesis Youth Trust (50362)	Manukau City	Otara-Papatoetoe, Māngere-Otahuhu, Papakura	\$774,390.00	\$515,000.00	67%	Youth Gangs	Some alignment with Whānau Ora. Closer alignment with Te Pou Matakana given client base.				B	Transfer contract to Te Pou Matakana.
17.	Great Potentials Foundation (1503)	Papakura	Manurewa, Papakura	\$5,222,425.78	\$411,001.08	8%	Early Years Service Hubs, Family Service Centres, Family Support Services	Some alignment with Whānau Ora, provider has a predominantly Māori and Pacific client base that would benefit from the replication of a Whānau Ora service model. Closer alignment with Te Pou Matakana.				B	Transfer contract to Te Pou Matakana.
18.	Auckland Council (12429)	Auckland City	Albert-Eden, Devonport-Takapuna, Henderson-Massey, Maungakīkīla-Tamaki, Otara-Papatoetoe, Papakura, Waitakere Ranges.	\$115,001.00	\$85,000.00	45%	Youth Gangs	No information showing alignment with Whānau Ora. Potential alignment with Te Pou Matakana given Te Pou Matakana provider network.				C	Expire and transfer funds to Te Pou Matakana for the provision of services in Auckland City. MSD to consider management of related risks.
19.	North Shore Community Health Network Incorporated (2902)	North Shore	Devonport-Takapuna, Kaipōtiki, Upper Harbour	\$105,361.60	\$18,523.60	18%	Family Support Services	No information showing alignment with Whānau Ora. May align with Pasifika Futures due to high presence of Pacific population.				C	Expire and transfer funds to Pasifika Futures for the provision of services in Devonport-Takapuna, Kaipōtiki, Upper Harbour. MSD to consider local management of related risks.
20.	NZ Ethnic Social Services Trust (15611)	Grey Lynn	Henderson-Massey, Waitakere Ranges	\$238,970.10	\$23,746.60	10%	Family Support Services	Limited alignment with Whānau Ora, provider works in a whānau-centred way and empowers whānau self-achievement, however provider does not work with Māori or Pacific clients (migrant and refugee sector). Potential alignment with Te Pou Matakana given scale of provider network.				C	Expire and transfer funds to Te Pou Matakana for the provision of services in Henderson-Massey, Waitakere Ranges. MSD to consider management of related risks.

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	Provider name and MSD ID number	Provider location	Service delivery location	Total CI & CYF funding	Total \$ for transfer	% of MSD provider \$ for transfer	Programme type	Alignment with Whānau Ora	Likelihood of successful contracting	Provider viability risks	Community impact	Contract category	Recommended treatment
21.	Presbyterian Support (Northern) T/A Family Works (2805)	Auckland City	Albert-Eden, Henderson-Massey	\$1,562,473.63	\$22,245.35	1%	Family Support Services	No information showing alignment with Whānau Ora. Potential alignment with Te Pou Matakana given provider network.	\$123 (QND) Free and frank advice			C	Expire and transfer funds to Te Pou Matakana for the provision of services in Albert-Eden, Henderson-Massey.
22.	Parent Aid Central West Auckland Incorporated (16021)	Auckland City	Albert-Eden, Puketapapa, Whau	\$22,008.84	\$22,008.84	100%	Family Support Services	No information showing alignment with Whānau Ora. Potential alignment with Te Pou Matakana due to scale of provider network.				C	Expire and transfer funds to Te Pou Matakana for the provision of services in Albert-Eden, Puketapapa, Whau. MSD to consider local impact and management of related risks.
23.	Parent Aid Northwest (15197)	Rodney	Kaipara	\$22,011.60	\$22,011.60	100%	Family Support Services	No information showing alignment with Whānau Ora. Potential alignment with Te Pou Matakana due to scale of provider network.				C	Expire and transfer funds to Te Pou Matakana for the provision of services in Kaipara. MSD to consider local impact and management of related risks.
24.	Parent Aid Waiakere Incorporated (13501)	Waiakere	Waiakere Ranges	\$30,578.00	\$30,578.00	100%	Family Support Services	No information showing alignment with Whānau Ora. Potential alignment with Te Pou Matakana due to scale of provider network.				C	Expire and transfer funds to Te Pou Matakana for the provision of services in Waiakere Ranges. MSD to consider local impact and management of related risks.
25.	Parent Support Incorporated (3115)	North Shore	Upper Harbour	\$48,147.20	\$48,147.20	100%	Family Support Services	No information showing alignment with Whānau Ora. Potential alignment with Te Pou Matakana due to scale of provider network.				C	Expire and transfer funds to Te Pou Matakana for the provision of services in Upper Harbour. MSD to consider local impact and management of related risks.
26.	Auckland Women's Centre Incorporated T/A Auckland Women's Centre (2335)	Grey Lynn	Waitemata	\$109,450.00	\$30,070.00	30%	Family Support Services	No information showing alignment with Whānau Ora, no information to suggest provider client base would benefit from the application of Whānau Ora service delivery models. Potential alignment with Te Pou Matakana given scale of network.				D	Expire and transfer funds to Te Pou Matakana for the provision of services in Waitemata. MSD to consider local impact and management of related risks.

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	Provider name and MSD ID number	Provider location	Service delivery location	Total CI & CYP funding	Total \$ for transfer	% of MSD provider \$ for transfer	Programme type	Alignment with Whānau Ora	Likelihood of successful contracting	Provider viability risks	Community Impact	Contract category	Recommended treatment
27.	Dayspring Trust (13576)	Waitakere	Waitakere Ranges, Whau	\$45,582.42	\$33,692.92	74%	Family Support Services	No information showing alignment with Whānau Ora, no information to suggest client base that would benefit from a Whānau Ora approach. Potential alignment with Te Pou Matakana given scale of network.	9.2(g)(i) Free and frank advice			D	Expire and transfer funds to Te Pou Matakana for the provision of services in Waitakere. MSD to consider local impact and management of related risks.
28.	Toughlove Auckland Incorporated (1711)	Royal Oak	Franklin, Mangere-Otahuhu, Upper Harbour, Waitakere Ranges, Waitemata	\$38,025.00	\$38,025.00	100%	Family Support Services	No information showing alignment with Whānau Ora, no information to suggest provider client base would benefit from a Whānau Ora approach. Closer alignment with Pasifika Futures than Te Pou Matakana.				D	Expire and transfer funds to Pasifika Futures for the provision of services in Franklin, Mangere-Otahuhu, Upper Harbour, Waitakere Ranges, Waitemata. MSD to consider local impact and management of related risks.
Midlands													
29.	Te Manu Toroa Trust (50563)	Tauranga-TLA	Tauranga	\$236,835.97	\$124,435.92	53%	Early Years Service Hubs	Close alignment with Whānau Ora.				A	Transfer contract to Te Pou Matakana.
30.	Te Wheke Arawhai Ltd (3821)	Ōpōtiki-TLA	Ōpōtiki	\$1,166,675.46	\$331,303.50	28%	Family Service Centres	Close alignment with Whānau Ora, already part of Eastern Bay of Plenty Whānau Ora collective.				A	Transfer contract to Te Pou Matakana.
31.	Eastbay Rural Education Activities (REAP) Inc. (50237)	Whakatāne-TLA	Whakatāne	\$481,543.30	\$124,435.92	26%	Early Years Service Hubs	Some alignment with Whānau Ora approach, many of the provider's clients may benefit from the application of a Whānau Ora service delivery model.				B	Transfer contract to Te Pou Matakana.
32.	Kidz Need Dadz (54827)	Tauranga-TA	Tauranga	\$15,022.00	\$8,362.00	56%	Family Support Services	No information showing alignment with Whānau Ora. Nature of services provided suggests limited alignment with Whānau Ora. Potential alignment with Te Pou Matakana given scale of provider network.				D	Expire and transfer funds to Te Pou Matakana for the provision of services in Tauranga. MSD to consider local impact and management of related risks.

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	Provider name and MSD ID number	Provider location	Service delivery location	Total CI & CVF funding	Total \$ for transfer	% of MSD provider \$ for transfer	Programme type	Alignment with Whānau Ora	Likelihood of successful contracting	Provider viability risks	Community impact	Contract category	Recommended treatment
Central Region													
33.	Carmella House Trust T/A Carmella House Palmerston North (5520)	Palmerston North	Palmerston North	\$35,847.20	\$36,847.20	100%	Family Support Services	Some alignment with Whānau Ora, potential for provider relationship with Whānau Ora collective. Closer alignment with Te Pou Matakana given scale of provider network.	b 2(2)(g)(i) Free and frank advice			A	Transfer contract to Te Pou Matakana.
34.	Great Start Taiā (56028)	Hutt	Taitā	\$124,365.50	\$124,365.50	100%	Early Years Service Hubs	Some alignment with Whānau Ora, closer alignment with Te Pou Matakana given scale of Te Pou Matakana provider network.				A	Transfer contract to Te Pou Matakana.
35.	He Huarahi Tamariki Trust (13714)	Porirua	Porirua	\$30,347.00	\$30,347.00	100%	Family Support Services	Strong alignment with Whānau Ora, provider works closely with both Māori and Pasifika Whānau Ora providers. Closer alignment with Te Pou Matakana given scale of Te Pou Matakana provider network.				A	Transfer contract to Te Pou Matakana.
36.	Whānau/Family Support Services Trust (12167)	Lower Hutt	Lower Hutt	\$52,083.51	\$12,141.15	23%	Family Support Services	Information shows strong alignment with Whānau Ora service delivery model, provider has a predominantly Māori client base that would benefit from a Whānau Ora service delivery model.				A	Transfer contract to Te Pou Matakana.
37.	Young Men's Christian Association of Taranaki Inc. (7117)	Taranaki	New Plymouth	\$275,595.98	\$14,547.40	5%	Family Support Services	Information suggests alignment with Whānau Ora approach, predominantly Māori client base would benefit from Whānau Ora service delivery model. Information suggests alignment with Te Pou Matakana.				A	Transfer contract to Te Pou Matakana.
38.	Fahatua Community Services Trust (5515)	Taranua	Taranua	\$236,468.55	\$124,472.50	53%	Early Years Service Hubs	Some alignment with Whānau Ora. Potential alignment with Te Pou Matakana given client base and scale of Te Pou Matakana provider network.				B	Transfer contract to Te Pou Matakana.

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	Provider name and MSD ID number	Provider location	Service delivery location	Total CI & CYF funding	Total \$ for transfer	% of MSD provider \$ for transfer	Programme type	Alignment with Whānau Ora	Likelihood of successful contracting	Provider viability risks	Community impact	Contract category	Recommended treatment
39.	Barnardos New Zealand Inc. (13284)	New Zealand	Horowhenua	\$11,965,261.85	\$124,472.00	1%	Early Years Service Hubs	Information suggests limited alignment with Whānau Ora. Potential alignment with Te Pou Matakana given scale of Te Pou Matakana provider network.	Is (2) (3) (4) Free and frank advice			C	Expire and transfer funds to Te Pou Matakana for the provision of services in Horowhenua. MSD to consider local impact and management of related risks.
40.	New Zealand Family Planning Association Inc. (5525)	Palmerston North	Manawatu, Palmerston North	\$13,600.32	\$13,600.32	100%	Family Support Services	Information suggests limited alignment with Whānau Ora. Potential alignment with Te Pou Matakana given scale of Te Pou Matakana provider network.				C	Expire and transfer funds to Te Pou Matakana for the provision of services in Manawatu region. MSD to consider local impact and management of related risks.
41.	Wairarapa Safer Community Trust (6761)	Carterton	Carterton, South Wairarapa, Masterton	\$28,978.62	\$11,146.32	38%	Family Support Services	Information suggests limited alignment with Whānau Ora. Potential alignment with Te Pou Matakana.				C	Expire and transfer funds to Te Pou Matakana for the provision of services in the Wairarapa. MSD to consider local impact and management of related risks.
42.	Manawatu Rural Support Service Incorporated (6605)	Manawatu	Manawatu	\$17,577.45	\$17,577.45	100%	Family Support Services	No information showing alignment with Whānau Ora; no information to suggest provider client base would benefit from the application of Whānau Ora service delivery model. Potential alignment with Te Pou Matakana given location of service.				D	Expire and transfer funds to Te Pou Matakana for the provision of services in Manawatu region. MSD to consider local impact and management of related risks.
43.	Pregnancy Help Incorporated T/A Pregnancy Help Taranaki (7076)	Stratford	New Plymouth, South Taranaki, Stratford	\$32,552.50	\$32,552.50	100%	Family Support Services	Information shows limited alignment with Whānau Ora (drop-in centre and telephone helpline for pregnant women). Potential alignment with Te Pou Matakana given scale of Te Pou Matakana provider network.				D	Expire and transfer funds to Te Pou Matakana for the provision of services in Taranaki region. MSD to consider local impact and management of related risks.

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	Provider name and MSD ID number	Provider location	Service delivery location	Total CI & CYF funding	Total \$ for transfer	% of MSD provider \$ for transfer	Programme type	Alignment with Whānau Ora	Likelihood of successful contracting	Provider viability risks	Community impact	Contract category	Recommended treatment
44.	Women's Centre New Plymouth Inc. (6559)	New Plymouth	New Plymouth	\$18,758.00	\$18,756.00	100%	Family Support Services	No information showing alignment with Whānau Ora. No information to suggest client base that would benefit from the application of the Whānau Ora service model. Potential alignment with Te Pou Matahara given scale of provider network.	9/20/00 Free and frank advice			D	Expire and transfer funds to Te Pou Matahara for the provision of services in New Plymouth. MSD to consider local impact and management of related risks.
National Office													
45.	Stand for Children National Office (50136)	Wellington	New Zealand	\$17,019,527.60	\$85,920.15	1%	Family Support Services	Uncommitted funding, alignment with services previously supported. Unclear on available information. Potential alignment with Te Pou Matahara given scale of provider network.				C	Expire and transfer funds to Te Pou Matahara for the provision of services. MSD to consider local impact and management of related risks.
Southern Region													
46.	Early Start Project Ltd (8764)	Christchurch	Christchurch	\$1,316,542.84	\$124,077.50	9%	Early Years Service Hubs	Some information showing alignment with Whānau Ora. Potential alignment with Te Pūhanga o Te Waipounamu.				B	Transfer contract to Te Pūhanga o Te Waipounamu.
47.	Methodist Mission Southern (16471)	Otago Urban	Dunedin, Otago	\$180,372.00	\$138,591.00	77%	Early Years Service Hubs, Family Support Services	Some information showing alignment with Whānau Ora. Potential alignment with Te Pūhanga o Te Waipounamu.				B	Transfer contract to Te Pūhanga o Te Waipounamu.
48.	Northern Southland Community Resource Centre Charitable Trust (16466)	Southland	Southland	\$22,941.30	\$12,814.00	56%	Family Support Services	Some information showing alignment with Whānau Ora. Potential alignment with Te Pūhanga o Te Waipounamu.				B	Transfer contract to Te Pūhanga o Te Waipounamu.
49.	Ōtautau and District Community Charitable Trust (11062)	Southland	Southland	\$26,712.30	\$21,894.80	81%	Family Support Services	Some information showing alignment with Whānau Ora. Potential alignment with Te Pūhanga o Te Waipounamu.				B	Transfer contract to Te Pūhanga o Te Waipounamu.
50.	Tuatapere Community Worker Support Trust (11162)	Southland	Southland	\$26,339.60	\$26,329.60	100%	Family Support Services	Some information showing alignment with Whānau Ora. Potential alignment with Te Pūhanga o Te Waipounamu.				B	Transfer contract to Te Pūhanga o Te Waipounamu.

Commercial in Confidence

Office of the Minister for Whānau Ora

Office of the Minister for Social Development

Chair

Cabinet Business Committee

VOTE SOCIAL DEVELOPMENT TRANSFER TO SUPPORT WHĀNAU ORA

Proposal

1. This paper seeks Cabinet approval for joint delegated Ministerial authority for the Ministers for Whānau Ora, Social Development and the Minister of Finance to transfer up to \$11.38 million in programme contracts and funding from Vote Social Development to Vote Māori Development to support Whānau Ora outcomes.

Executive Summary

2. As members of the Crown-lwi Whānau Ora Partnership Group, stakeholder Ministers and lwi representatives are tasked with informing complementary Government efforts to support the Whānau Ora commissioning model across a range of Ministerial portfolios.
3. Through Whānau Ora Partnership Group consideration of complementary efforts to support Whānau Ora, we have identified \$11.38 million in programmes within Vote Social Development whose objectives align with outcomes sought through Whānau Ora. These programmes are currently delivered by a number of community-based providers contracted to the Ministry of Social Development.
4. We consider that channelling this \$11.38 million in programme contracts and funding through the Whānau Ora commissioning approach will result in greater outcomes for whānau and families.
5. The transfer of programme contracts and funding to support Whānau Ora outcomes is consistent with the objectives of the Community Investment Strategy, as it supports a focus on priority areas and populations coupled with new and effective ways of supporting vulnerable whānau.
6. We seek Cabinet approval for joint delegated Ministerial authority for the Ministers for Whānau Ora and Social Development and the Minister of Finance to transfer programme contracts and uncommitted funding from Vote Social Development to Vote Māori Development to support Whānau Ora outcomes.

Background

7. Whānau Ora is an aspirations-based approach focussed on improving the wellbeing of whānau across a broad range of outcomes. Its whānau and family-centred approach is characterised by:
 - a. Culturally grounded and holistic engagements to improve the wellbeing of whānau and families;
 - b. A focus on relationships, self-determination and capability building for whānau to make progress towards positive outcomes; and
 - c. Looking beyond traditional social service approaches, including a focus on economic and cultural factors as well as social factors.
8. Whānau Ora works to help whānau identify their aspirations and longer-term goals; to empower whānau to take charge of their lives; and to connect them with the support needed to achieve this.
9. Whānau Ora supports whānau and families to achieve the following core outcomes (included within the Whānau Ora Outcomes Framework):
 - a. Whānau are self-managing and empowered leaders;
 - b. Whānau are leading healthy lifestyles;
 - c. Whānau are participating fully in society;
 - d. Whānau and families are participating confidently in Te Ao Māori;
 - e. Whānau and families are economically secure and successfully involved in wealth creation;
 - f. Whānau and families are cohesive, resilient and nurturing; and
 - g. Whānau and families are responsible stewards of their living and natural environment.
10. In 2013, Cabinet agreed to a series of changes to the delivery of Whānau Ora [CAB Min (14) 25/18]. This included shifting the focus within Whānau Ora from improving the capability of social sector and health providers in working to better meet the needs of whānau and families to providing more direct support for whānau capability building.
11. At this time Cabinet also agreed to put in place a devolved commissioning model for Whānau Ora with three Commissioning Agencies:
 - a. A North Island whānau-focussed Commissioning Agency (Te Pou Matakana);
 - b. A South Island whānau-focussed Commissioning Agency (Te Pūtahianga o Te Waipounamu); and
 - c. A national Pacific families Commissioning Agency (Pasifika Futures).
12. Commissioning Agencies are now supporting whānau achievement through investment in targeted community-led initiatives, with promising results. For example, across the various initiatives funded by the Commissioning Agencies during the 2014/15 financial year, the following progress was made against the following whānau-selected priority areas:

- a. 74% of whānau reported improvements in managing health and disability issues;
- b. 61% of whānau reported improvements in financial literacy skills;
- c. 27% of families went "smoke free"; and
- d. 29% of families reduced their household debt.

Comment

Supporting complementary investments in Whānau Ora outcomes

- 13. The Whānau Ora Partnership Group is a high-level Crown-Iwi forum informing complementary effort across Ministerial portfolios and identifying opportunities between the Crown and Iwi to support the shared development aims and aspirations of Iwi, as well as their whānau and hapū membership.
- 14. The Whānau Ora Partnership Group consists of the Ministers for Whānau Ora; Finance; Education; Health; Social Development; and Business, Innovation and Employment, as well as six Iwi Chair positions.
- 15. Through Whānau Ora Partnership Group consideration of complementary efforts to support Whānau Ora, we have identified a range of programmes currently administered within Vote Social Development whose objectives align with the outcomes sought through Whānau Ora commissioning.
- 16. The transfer of programme contracts and funding from Vote Social Development to Vote Māori Development to support Whānau Ora commissioning is consistent with the objectives and aims of the Community Investment Strategy.
- 17. One of the main drivers within the Community Investment Strategy is a focus on key priority areas and populations, coupled with new and effective ways of supporting our most vulnerable whānau and families.
- 18. Transferring programme contracts and funding to support Whānau Ora outcomes will help support a focus on the priority areas and populations identified by Whānau Ora Commissioning Agencies, and will support the innovative approaches to the delivery of Whānau Ora support and services developed by Commissioning Agencies.
- 19. We consider that channelling contracts and funding through the Whānau Ora commissioning approach will result in greater outcomes for whānau and families.
- 20. The programmes identified for potential transfer are:
 - a. BreakThru (youth gangs);
 - b. Early Years Service Hubs;
 - c. Family Service Centres;
 - d. Family Support Services;
 - e. Whānau Toko I Te Ora; and

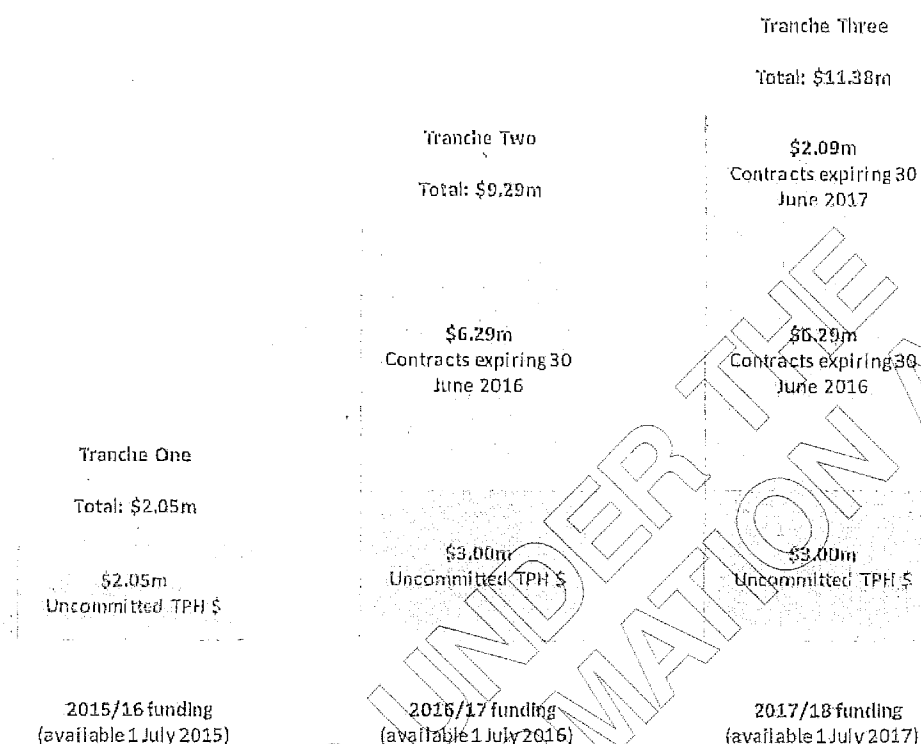
f. Youth at Risk of Offending – Wraparound Services.

21. In addition, Te Punanga Haumaru grant funding is focused on supporting whānau and community-driven projects to achieve positive outcomes related to positive social behaviour and a reduction in bullying.
22. These programmes have been selected on the basis of their alignment with the outcomes included within the Whānau Ora Outcomes Framework, as well as their focus on working with families and whānau. The transfer of these programmes to support Whānau Ora outcomes will further strengthen the whānau-centred integration of social services at the community level.
23. These programmes are currently delivered by 58 community-based service providers contracted by the Ministry of Social Development. The majority of the contracts with these providers (50 contracts) expire on 30 June 2016. The remaining eight provider contracts expire on 30 June 2017.
24. Note: five providers contracted within these programmes that provide specialist family and/or sexual violence services have been removed from consideration due to the inclusion of these services in the cross-agency Family Violence and Sexual Violence Ministerial Group work programme.
25. Brief descriptions of these programmes and funding are attached as Appendix One.

Responsibility for the transfer of programme contracts and funding

26. We seek joint delegated responsibility for the Ministers for Whānau Ora, Social Development and the Minister of Finance to consider the transfer of programme contracts and funding in stages following the expiry of current contracts for this funding.
27. Although the transfer of funding and contracts from Vote Social Development to support Whānau Ora was discussed during Budget 2015 preparations, Ministers do not currently have sufficient delegated authority to progress the transfer. We seek Cabinet approval to change the scope of this funding to support Whānau Ora outcomes.
28. We propose for contracts and funding to be transferred from Vote Social Development to Vote Māori Development in three tranches. These three tranches are illustrated in Figure One below.

Figure One: Tranches of contracts / funding identified for transfer:



29. Uncommitted Te Pūnanga Haumaru funding of \$2.05 million for the 2015/16 financial year was approved for transfer to support Whānau Ora commissioning activity by the Minister of Finance on Tuesday 16 February 2016. This funding has been provided to Whānau Ora Commissioning Agencies to support commissioning activity for the remainder of the 2015/16 financial year.

Assessing provider contracts / funding for transfer

30. Te Pūnī Kōkiri and the Ministry of Social Development have assessed the relevant programmes as broadly aligning with Whānau Ora, however officials have also assessed each of the 50 provider contracts within the second tranche of funding in terms of alignment with Whānau Ora.
31. These assessments have been undertaken to determine whether Commissioning Agencies should be invited to pick up the contracts with the current providers, or whether these contracts should be exited and uncommitted funding transferred to Commissioning Agencies to support an increase in Whānau Ora commissioning activity.
32. These joint assessments have been underpinned by the following two core principles:
- If a provider's service approach aligns with the Whānau Ora commissioning approach, that provider's contract should be picked up by Whānau Ora Commissioning Agencies wherever possible; and

- b. If a provider's service approach does not align with the Whānau Ora commissioning approach, that provider's contract should be exited and the associated uncommitted funding should transfer to Whānau Ora Commissioning Agencies to support Whānau Ora commissioning activity.
33. These assessments have considered the following factors:
- a. The degree of alignment between contracted providers and the Whānau Ora commissioning approach;
 - b. Provider performance in achieving Whānau Ora outcomes and empowering whānau to achieve their aspirations;
 - c. The likely impact of the potential transfer of funding and contracts to Whānau Ora Commissioning Agencies on current service provision (including the risk of service disruption to end users); and
 - d. The likely impact of the potential transfer of funding and contracts to Whānau Ora Commissioning Agencies on ongoing provider viability.
34. This advice has also outlined the risk of negative community impact resulting from the decision to transfer provider contracts and/or uncommitted funding, and the recommended steps to mitigate these risks.
35. Analysis of the 50 contracts within the second tranche has shown:
- a. 31 provider contracts (with a total value of approximately \$5.63 million) which demonstrate alignment with the Whānau Ora commissioning approach, and which Whānau Ora Commissioning Agencies should therefore be invited to pick up; and
 - b. 19 provider contracts (with a total value of approximately \$0.66 million) which do not demonstrate alignment with the Whānau Ora Commissioning Approach, and which should be exited and uncommitted funding transferred to Commissioning Agencies.
36. The allocation of provider contracts and/or uncommitted funding to Whānau Ora Commissioning Agencies has considered:
- a. Whether a provider's service approach is targeted to whānau Māori or Pacific families;
 - b. The degree of alignment between the provider's service approach and the investment approach of each Whānau Ora Commissioning Agency; and
 - c. The likelihood of a productive ongoing contracting relationship between a provider and the relevant Whānau Ora Commissioning Agency.
37. Where we have decided to exit provider contracts and transfer uncommitted funding to support Whānau Ora commissioning activity, the allocation of this uncommitted funding will depend on the outcomes previously sought through this funding:

- a. For funding previously supporting general outcomes at the national level (for example, Te Punanga Haumaru grant funding), uncommitted funding will be allocated according to the base commissioning allocation model driven by factors of geography, deprivation, population and income; and
 - b. For funding previously supporting specific outcomes at the local level (for example, Family Support Services outcomes in Te Tai Tokerau), this funding will be allocated to the Commissioning Agency with the most complementary target group or region of activity.
38. Where we have decided to exit provider contracts and transfer the associated uncommitted funding to support Whānau Ora commissioning activity, the Ministry of Social Development will consider:
- a. The local impact of this contract expiry; and
 - b. The alignment with the Community Investment Strategy.
39. As we are seeking joint delegated responsibility for the transfer of contracts or funding to support Whānau Ora, all decisions on the treatment of contracts and funding will be made only when there is consensus between the Ministers for Whānau Ora and Social Development and the Minister of Finance.
40. In line with contractual requirements, decisions regarding the treatment of these programme contracts will be communicated to affected providers at least 60 days before the expiry of provider contracts.
41. All communications to affected parties and stakeholders regarding the transfer of funding and provider contracts will be guided and supported by a detailed Communications Plan. This will ensure target audiences receive:
- a. Clear and consistent messages from responsible departments; and
 - b. Clear information about the transfer of programme contracts and funding:
 - i. Providers are given certainty about the future of their contracts in a timely manner;
 - ii. Providers understand Whānau Ora and can see how their services fit within the Whānau Ora approach; and
 - iii. Commissioning Agencies are well-informed and ready to take over contracts and funding.
42. Once Commissioning Agencies have been notified of the forthcoming transfer of provider contracts and funding, Te Puni Kōkiri officials will work with Commissioning Agencies to ensure these contracts and funding are reflected within Commissioning Agencies' Annual Investment Plans.
43. In the event that Commissioning Agencies do not support the transfer of particular provider contracts and/or funding to contribute to their Whānau Ora commissioning activity, we will seek further advice from officials on

alternative options. These alternative options include the ongoing administration of provider contracts and/or funding by the Ministry of Social Development.

Operational funding

44. The transfer of contracts does not include an operating funding component, and Whānau Ora Commissioning Agencies have little ability to absorb any additional monitoring, reporting and contracting requirements without additional funding supporting these activities. In addition, Commissioning Agencies will also face increased costs as a result of the new relationships with providers that need to be developed as a result of the transfer.
45. In line with funding guidelines contained within the outcomes agreements between Te Puni Kōkiri and Commissioning Agencies, we anticipate Commissioning Agencies will expect to withhold a portion of new funding for operating costs.
46. Te Puni Kōkiri and the Ministry of Social Development have agreed to an approach to provide the necessary operating funding support for Commissioning Agencies associated with the transfer of contracts. This funding will be made available within existing baselines. Arrangements for this funding will be finalised with Commissioning Agencies at the earliest possible opportunity.

Risks

47. The transfer of programme contracts and/or uncommitted funding from Vote Social Development to Vote Māori Development to support Whānau Ora outcomes involves consideration of the following risks:
 - a. Risks to service provision: the transfer of contracts and/or funding may result in disruption for some service providers and end users;
 - b. Risks to provider viability: the transfer of contracts and/or funding may negatively impact upon ongoing provider viability; and
 - c. Media risks for both Whānau Ora and the Community Investment Strategy as a result of the transfer.
48. These risks will be mitigated through considering all available service provision and provider viability information when assessing provider contracts selected for transfer, and incorporating this information into transfer decisions as appropriate.
49. Where programme contracts are selected for expiry and the associated uncommitted funding to be transferred, Ministry of Social Development officials will consider the associated risks, including risks to service provision and impacts on end users of services.
50. Ten of the second tranche providers are also involved in wider work concerning the re-alignment of core programmes to support the Children's Teams. The potential impact on this work will be carefully managed.

51. The risks associated with the transfer will also be mitigated through the use of a detailed Communications Plan guiding engagements and communications to stakeholders and affected parties.

Consultation

52. This paper has been prepared jointly by Te Puni Kōkiri and the Ministry of Social Development, Treasury, the State Services Commission, the Ministry of Business, Innovation and Employment, the Ministry of Health, and the Ministry of Education have been consulted on the contents of this paper.
53. The Department of Prime Minister and Cabinet has been informed.

Financial Implications

54. This paper seeks joint delegated Ministerial authority for the Ministers for Whānau Ora, Social Development and the Minister of Finance to transfer up to \$11.38 million in programme contracts and funding from Vote Social Development to Vote Māori Development to support Whānau Ora outcomes.
55. Programme contracts and funding will be transferred in tranches following the expiry of current contracts:
- a. \$9.29 million in provider contracts and uncommitted funding on 1 July 2016; and
 - b. \$2.09 million in provider contracts on 1 July 2017.
56. The transfer of provider contracts and funding from Vote Social Development to Vote Māori Development will be fiscally neutral.

Human Rights

57. The proposals contained within this paper have not been assessed as inconsistent with the New Zealand Bill of Rights Act 1990 or the Human Rights Act 1993.

Legislative Implications

58. There are no legislative implications associated with the proposals contained within this paper.

Regulatory Impact Analysis

59. The proposals contained within this paper do not involve the consideration of regulatory options, and therefore Regulatory Impact Analysis requirements do not apply.

Gender Implications

60. There are no gender implications associated with the proposals contained within this paper.

Disability Perspective

61. While the programme contracts identified for transfer to support Whānau Ora do not have a defined focus on supporting people with disabilities, there may be people with disabilities who are end users of the services provided through these contracts.
62. An increase in Whānau Ora commissioning activity will involve an increase in Whānau Ora initiatives supporting whānau and family members living with disabilities, as well as their wider support network.

Publicity

63. The Minister for Whānau Ora will announce the transfer of programme contracts and funding to support Whānau Ora in late April 2016 (date to be confirmed). Affected providers will be notified before they are publically identified.
64. Communications with affected parties and stakeholders, including providers and Whānau Ora Commissioning Agencies, will be guided and informed by a detailed Communications Plan.

Recommendations

65. We recommend that the Cabinet Business Committee:
 - a. Note that through Whānau Ora Partnership Group consideration of complementary efforts to support Whānau Ora, the Ministers for Whānau Ora and Social Development have identified \$11.38 million in Vote Social Development programme contracts and funding which are aligned with Whānau Ora outcomes and include a focus on working with families and whānau;
 - b. Note that these programmes consist of:
 - i. BreakThru (youth gangs);
 - ii. Early Years Service Hubs;
 - iii. Family Service Centres;
 - iv. Family Support Services;
 - v. Whānau Toko I Te Ora;
 - vi. Youth at Risk of Reoffending – Wraparound Services; and
 - vii. Te Punanga Haumarua grant funding;
 - c. Note that the transfer of programme contracts and funding to support Whānau Ora outcomes is consistent with the objectives of the Community Investment Strategy, as it supports a focus on priority areas and populations coupled with new and effective ways of supporting vulnerable whānau and families;
 - d. Note that the transfer of programme contracts and funding to Whānau Ora Commissioning Agencies will help support innovative approaches to service delivery;

- e. Note Ministers' intention to transfer programme contracts and funding to Whānau Ora Commissioning Agencies in three tranches following the expiry of current provider contracts;
- f. Note provider contracts and funding have been assessed for potential transfer based on:
 - i. The degree of alignment between contracted providers and the Whānau Ora commissioning approach;
 - ii. Provider performance in achieving Whānau Ora outcomes and empowering whānau to achieve their aspirations;
 - iii. The likely impact of the potential transfer of funding and contracts to Whānau Ora Commissioning Agencies on current service provision (including the risk of service disruption to end users); and
 - iv. The likely impact of the potential transfer of funding and contracts to Whānau Ora Commissioning Agencies on ongoing provider viability;
- g. Note that based on this advice the Ministers for Whānau Ora and Social Development have jointly considered whether:
 - i. Existing provider contracts will be exited and the associated uncommitted funding would transfer to Commissioning Agencies; or
 - ii. Provider contracts would be transferred to Commissioning Agencies to invest in the providers;
- h. Note that where Ministers decide to exit provider contracts and transfer the associated uncommitted funding to support Whānau Ora commissioning activity, the Ministry of Social Development will consider:
 - i. The local impact of this contract expiry; and
 - ii. The alignment with the Community Investment Strategy;
- i. Note that decisions on the treatment of contracts and funding will be made only when there is consensus between the Ministers for Whānau Ora and Social Development and the Minister of Finance;
- j. Note that Te Puni Kōkiri and the Ministry of Social Development have agreed to an approach to provide the necessary operating funding support for Commissioning Agencies associated with the transfer of contracts, and this funding will be made available within existing baselines;
- k. Note that arrangements for operating funding will be finalised with Commissioning Agencies at the earliest possible opportunity
- l. Note that affected parties and stakeholders (including providers and Whānau Ora Commissioning Agencies) will receive clear and consistent messages regarding the transfer of funding and provider contracts; and

- m. Approve delegated joint Ministerial authority to be assigned to the Ministers for Whānau Ora, Social Development and the Minister of Finance for the fiscally neutral transfer of \$11.38 million in programme contracts and funding from Vote Social Development to Vote Māori Development to support Whānau Ora outcomes.

Minister for Whānau Ora

Minister for Social Development

____/____/____

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Appendix 1: Programmes Identified for Transfer to Support Whānau Ora

1. This Appendix provides information about the programmes and grant funding identified for transfer from Vote Social Development to Vote Māori Development to support Whānau Ora outcomes.
2. Programmes and funding have been identified for transfer due to their alignment with overarching Whānau Ora outcomes and outcomes sought by Whānau Ora Commissioning Agencies. The selection of these programmes also took into account the degree of emphasis within these programmes on service co-ordination and the use of a 'Navigation' approach.

BreakThru (youth gangs)

3. BreakThru involves the provision of integrated case management, support from community youth workers, and parenting programmes, for children and young people from six to 24 years who are at risk of becoming affiliated with youth gang culture and gang involvement, and their families and whānau. It aims to connect these young people to positive pathways, and to their communities, families and whānau.
4. Through the programme, 'at risk' young people and their families have knowledge of, and access to, the support and help available in their community. The young people have opportunities to participate in education, training, recreational activities, employment and other activities that contribute to their long-term wellbeing.
5. The programme appropriation is \$2.410 million per annum.

Early Years Service Hubs

6. Early Years Service Hubs are located within or alongside existing community facilities, providing a central point where families and whānau can access core early intervention services. For example, ante-natal care, WellChild/Tamariki Ora health checks, and parenting information, education and support.
7. The aim is to improve outcomes for children from pre-birth to six years, by improving the co-ordination of these core early years services.
8. The Hubs are supported by a co-ordinator, who implements the initial set up, develops a strong network of Early Years Service providers, and works to keep families and whānau connected to the core services.
9. The programme appropriation is \$1.485 million per annum.

Family Service Centres

10. The Family Service Centres provide integrated services to Māori and Pacific families and whānau with children under six years, who are in need of support. The services aim to increase positive educational experiences of disadvantaged children, foster parental engagement, and empower parents to view themselves as the primary educators of their children.
11. Services include early childhood education, advice and support for parenting, family social services, and health services such as family planning and WellChild / Tamariki Ora health checks.
12. The programme appropriation is \$1.714 million per annum.

Family Support Services

13. The programme includes a variety of different services that focus on restoring the wellbeing of children, young people and their families and whānau, where they are experiencing family breakdown and increased risk of poor welfare, education and health outcomes.
14. Services include social work support and advice, early childhood education, advice and support for parenting, and health services such as family planning and WellChild/Tamariki Ora health checks.
15. The focus is on keeping families together and assisting them to meet their care and support responsibilities, including the provision of a safe home environment for children and young people.
16. The programme appropriation is \$1.538 million per annum.

Whānau Toko I Te Ora

17. Whānau Toko I Te Ora is a high intensity, home-based family support service for Māori whānau. The programme supports parenting, based on a holistic approach that emphasises the growth and development of children during the first five years of life.
18. The programme aims to improve and promote the wellbeing of children, support positive parenting skills, develop family functioning and supportive relationships within whānau, and enhance childhood learning opportunities.
19. The programme appropriation is \$0.962 million per annum.

Youth at Risk of Offending – Wraparound Services

20. The programme involves the development and provision of community based wraparound services for Māori youth aged 10-16, who are at risk of offending. It aims to connect youth to their local communities, increasing their engagement in education and ensuring a more stable living environment. It includes social work support, group work and one-to-one mentoring.
21. The programme appropriation is \$0.937 million per annum.

Te Punanga Haumaru

22. The Te Punanga Haumaru fund (generally applied by way of a single 12 month grant) supports whānau and community-driven projects to encourage positive social behaviour in children and young people (up to 19 years) and reduce bullying.
23. It aims to build a community-wide commitment to addressing bullying of children and young people, and is intended to build on the experience and expertise that already exists in communities.
24. Projects must be collaborative, have support from across the community and a clear plan to drive positive change. Children and young people must be involved in the planning and delivery. The projects should also complement work being carried out by schools. Priority is given to projects for the benefit of children aged 12 and under.
25. The fund appropriation is \$3.000 million per annum.