

MARKET SOUNDING BRIEF

25 Hōngongoi / July 2013



The Minister for Whānau Ora, Hon Tariana Turia, announced the model for the future delivery of Whānau Ora on 16 July 2013. A key component of this model is the establishment of three non-government organisation (NGO) commissioning agencies with a North Island, South Island and Pacific focus.

Te Puni Kōkiri is leading the development and implementation of the Whānau Ora commissioning model. This includes leading the change project, managing the procurement process for NGO commissioning agencies and continuing to fulfil and develop its role as the administering department for Whānau Ora; for example, managing existing provider contracts.

Under the new model, suitable NGOs will be contracted to commission local-level whānau-centred initiatives through a range of entities with services or opportunities made available to all New Zealand families.

Market sounding

The purpose of this market sounding brief – including the attached ‘Market Sounding Questionnaire’ and ‘Future Focus for Whānau Ora’ – is to gather input and feedback from the market before formally engaging in a procurement process. This document has been developed to assess the reaction of potential participants in the procurement process for commissioning agencies and to inform the development of a procurement or tender process that actively responds to the information received.

Participation in the market sounding is voluntary and is not part of any procurement or tender process. Organisations do not have to participate in the marketing sounding in order to participate in any procurement or tender process.

Te Puni Kōkiri would like to receive responses from those organisations, collectives or consortia who are interested in participating in a procurement process to select three NGO commissioning agencies with:

- expertise and networks to build capability for whānau and families with a North island focus
- expertise and networks to build capability for whānau and families with a South Island focus
- expertise and networks to build capability for Pacific families.

It is expected that respondents to the market sounding would represent organisations with knowledge, experience and/or expertise relevant to the commissioning model. They would also be organisations that are willing to participate in an outcomes-focused, results-based contractual arrangement.

Schedules

There are three schedules attached to this brief:

- **Schedule 1: Market Sounding Process** which outlines the market sounding process and sets out key rules in relation to the market sounding.
- **Schedule 2: Market Sounding Questionnaire** which sets out the issues that Te Puni Kōkiri is seeking feedback on through the market sounding process and the required structure for written responses.

- **Schedule 3: Future Focus for Whānau Ora** which provides an overview of the changes to the future scope and direction of Whānau Ora. This document outlines the broad components of the NGO 'commissioning for results' model.

SCHEDULE 1

Market Sounding Process



The indicative timetable is for the market sounding to be finalised in late July 2013 with Te Puni Kōkiri consideration of the outcomes expected by early August 2013.

Should Te Puni Kōkiri decide to proceed with the project, a formal procurement process will be initiated by mid-August 2013.

Written responses

The respondent's written submission should be emailed to Te Puni Kōkiri at the email address specified below by: **6:00 pm on Wednesday 31 July 2013**.

Without limiting the range or scope of areas for feedback that may assist Te Puni Kōkiri to make decisions on its approach for this project, respondents are requested to structure their responses in accordance with the questions set out in the attached Schedule 2: Market Sounding Questionnaire.

Email: whanauoracommissioning@tpk.govt.nz

Website: www.tpk.govt.nz

Market sounding workshop

Depending on the level of interest, Te Puni Kōkiri will organise a market sounding workshop following the close of the written response period.

The purpose of this workshop is to provide a forum for respondents to discuss the market sounding issues in more detail with Te Puni Kōkiri.

Any information provided at this workshop – including general questions and answers – will be made available to all respondents via the website of Te Puni Kōkiri.

The structure and format of this workshop will be determined once Te Puni Kōkiri has a clear view on the level of demand. If there is sufficient demand, more than one workshop will be organised.

The Market Sounding Questionnaire asks that respondents indicate their interest in attending such a workshop.

The workshop will only be open to respondents who provide a complete response to the Market Sounding Questionnaire.

In addition, Te Puni Kōkiri may seek interviews with specific parties and respondents where it considers this will assist the development of the project.

Participation in the market sounding

Participation by respondents in the market sounding is voluntary. The market sounding is not part of any procurement or tender process.

However, information provided and the outcome of the market sounding process may influence the thinking of Te Puni Kōkiri about the commissioning model.

Any respondent that participates in this market sounding is deemed to have agreed with the rules outlined in this document.

Use of feedback

Te Puni Kōkiri may use or incorporate any feedback, comments or other information provided by a respondent in connection with the market sounding in the preparation of any report or other documentation in connection with the project.

The use of information provided by respondents does not apply to commercial-in confidence material and/or proprietary information.

Respondents are to specify what portions, if any, of their response are commercial in-confidence and/or contain proprietary information.

Te Puni Kōkiri will not use or disclose any of this information without the written permission of the respondent unless required by law.

Changes to the market sounding

Te Puni Kōkiri may amend this document or the conduct of the market sounding at any time.

Any such amendment will be issued to those respondents that have completed and submitted the Market Sounding Questionnaire.

Costs

Each respondent is responsible for its own costs in participating in the market sounding including attendance at any meeting at the invitation of Te Puni Kōkiri.

No liability

In no circumstances will Te Puni Kōkiri or any of its employees, agents or advisors be liable to a respondent for any costs, losses, expenses or damages incurred or suffered by the respondent.

By participating in this market sounding, each respondent acknowledges that neither Te Puni Kōkiri nor the respondent intends to create any contract or other legal relationship.

SCHEDULE 2

Market Sounding Questionnaire



This form should be completed by organisations that are interested in participating in the procurement process for the Whānau Ora commissioning agencies.

Introduction

The purpose of this market sounding process is to test the level of market interest in commissioning.

The market sounding will inform the design of the procurement process to ensure it is as efficient and robust as possible.

Clarifications and inquiries

- Any requests for clarification or inquiries should be submitted to the dedicated email address: whanauoracommissioning@tpk.govt.nz
- Inquiries in any other format will not be accepted.
- Parties must make it clear on behalf of which organisation they are submitting an inquiry.
- Responses to general inquiries will be made available to all respondents via the website of Te Puni Kōkiri: www.tpk.govt.nz

Responses

While Te Puni Kōkiri is keen to receive thoughtful responses from the market, the following should be noted:

- Responses should be brief and to the point.
- The inclusion of graphs and data is not required.
- General company literature or marketing material should not be included.

Respondents should note that their request to participate in market sounding will only be considered if they can demonstrate that they have serious intention to participate in procurement.

Respondent Information

Respondents are requested to provide the following:

Legal name:	
Trading name (if any):	
Contact person (name and title):	
Contact phone numbers:	
Postal address:	
E mail address:	

Where the respondent is submitting the Market Sounding Questionnaire on behalf of a collective or consortium, please identify actual or proposed members – provide company name and a description of their business.

General Information

Please indicate whether you would like to be kept informed of updates in the project:

Yes No

Please advise if you are interested in participating in the procurement process, and if so, for which commissioning agencies:

Yes North No
 South
 Pacific

Please indicate whether you are interested in attending a market sounding workshop:

Yes No

Market Sounding Questions

If you intend to participate in the procurement process, please answer the following questions:

1. What is your view on the commissioning model described and which areas do you consider are the most appealing?
2. How would your organisation approach commissioning, in particular, innovative approaches to achieving outcomes for whānau that could be delivered through a commissioning approach?
3. Are there any areas of the project in particular that raise concerns for you?
4. What is your view on an outcomes-focused, results-based contract?
5. Please provide any additional comments on the issues raised in this Market Sounding Questionnaire.

SCHEDULE 3

Future Focus for Whānau Ora



- There will be significant changes to the future scope and direction of Whānau Ora.
- The initial focus on building capability to provide whānau-centred services is progressing well.
- The focus will now shift to building whānau and family capability to self-manage.
- A non-government organisation (NGO) 'commissioning-for-results' model will support capability building for whānau and families.
- The Government has agreed to the establishment of three NGO commissioning agencies with:
 - expertise and networks to build capability for whānau and families with a North island focus
 - expertise and networks to build capability for whānau and families with a South Island focus
 - expertise and networks to build capability for Pacific families.
- Suitable NGOs will be contracted to commission local-level whānau-centred initiatives through a range of entities.
- Services or opportunities funded through the NGOs will be available to all New Zealand families.
- Key policy, structural and financial reforms will take place to support the commissioning approach.
- These reforms will include changes to governance with the establishment of a Whānau Ora Partnership Group comprising Crown, iwi and expert advisors.
- Te Puni Kōkiri will continue to be the administering department for Whānau Ora.
- Effective service provision remains an important core element and will be supported by Te Puni Kōkiri and partner agencies.
- Existing Whānau Ora commitments will be administered until completion along with aligned measurement activity to capture the whānau-level impact of these investments.
- There will be a phased transition to the next phase of implementation.
- Changes will be resourced within existing budgets.
- NGOs will be selected through a fair, efficient and competitive procurement process.
- It is anticipated that the commissioning agencies will be operational – completing a limited funding round – by the end of June 2014.
- The establishment, funding and transition period is estimated to take up to 24 months.

Overview

- Since its inception in 2010, the Government's investment in Whānau Ora has focused on achieving outcomes for whānau and families through service and organisational transformation – of provider collectives – as well as whānau integration, innovation and engagement.
- Assisting whānau and families to achieve their goals and aspirations requires a dual pathway: effective service provision and an up-lift in whānau and family capability.
- With whānau-centred service delivery progressing well, the Government will now broaden the scope of Whānau Ora to focus on more direct support for whānau and family capability building.
- This direct investment in building whānau and family capability requires a flexible delivery mechanism which is located closer to whānau, families and communities.
- As part of a wide-ranging review, a number of options for the future delivery of Whānau Ora have been considered.
- Contracting the delivery of commissioning agency functions from non-government organisations (NGOs) has been selected as the new model.
- The Government has agreed to the establishment of three NGO commissioning agencies with:
 - a North Island focus
 - a South Island focus
 - expertise and networks to build capability for Pacific families.
- This delivery model and supporting institutional reforms are a significant departure from the existing model.
- Given the scope of the changes, a phased approach for the procurement, establishment and transition of the commissioning NGO agencies will be undertaken.
- It is anticipated that the commissioning agencies will be operational – completing a limited funding round – by the end of June 2014. The establishment, funding and transition period is estimated to take up to 24 months.
- Effective service delivery will continue to remain a core element of Whānau Ora over the next two years.
- Service capability contracts with 34 provider collectives – and aligned measurement activity including action research – will remain with Te Puni Kōkiri for administration through to completion.
- Transition activities as well as the ongoing delivery of Whānau Ora will be undertaken within existing budgets.
- Stakeholders will be kept well informed about the transitioning arrangements to the commissioning approach including the management of existing funding and other commitments.

Commissioning Model

- NGOs with the knowledge, expertise and networks to build capability for whānau and families will be selected through a fair, efficient and competitive procurement process.
- The commissioning agencies will be contracted to fund and support initiatives which complement or achieve the Government's Whānau Ora outcomes.
- Selected NGOs will commission innovative local-level programmes that best meet the needs of whānau and families from a range of community entities such as Whānau Ora provider collectives, iwi, marae, church groups, land trusts or community organisations.
- Acting as brokers, the NGOs will match the needs and aspirations of whānau and families with initiatives that will assist them to increase their capability.
- The NGOs will identify these needs using its networks and reach into communities but will not be a 'shop front' through which whānau and families seek services directly.
- Examples of capability domains include income generation and financial literacy; employability; technological literacy; healthy lifestyles and health literacy; engagement in lifelong learning; communication; manaakitanga or care-giving; and cultural such as language and customs, literacy and engagement.
- Services or opportunities funded through the NGOs will be available to all New Zealand families.
- The core functions of the commissioning agencies are likely to include:
 - development of an investment strategy and annual commissioning plan for building whānau and family capability
 - commissioning initiatives and programmes or delivery models, and contracting for these at a regional and/or target population level
 - monitoring and evaluating the performance and delivery of results from funding recipients against the outcomes of the Taskforce for Whānau-Centred Initiatives.
- Following selection, the commissioning agencies will prepare a detailed establishment plan that will allow for the earliest possible commencement of commissioning activity.
- To support the preparation and execution of the establishment plan, a transition team will be formed with membership from the NGOs, Te Puni Kōkiri and relevant stakeholders including the Ministry of Pacific Island Affairs.
- The transition team will oversee the necessary steps for the commissioning model to operate, development of the funding and contract management platform and enhanced reporting and monitoring capability.
- **FIGURE 1: Changes from Current to Future Focus of Whānau Ora** provides an overview of the changes from the current to the future focus of Whānau Ora.

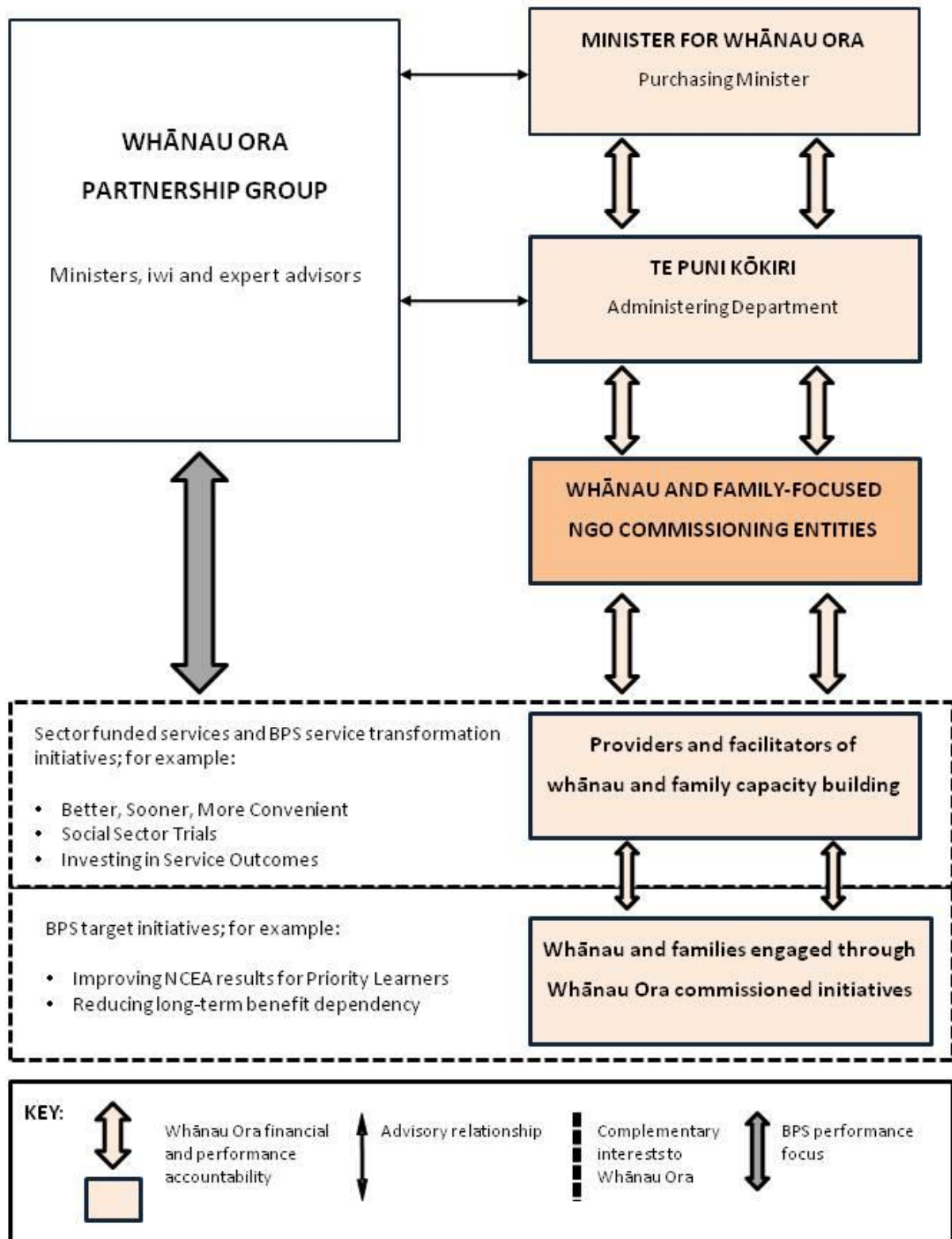
FIGURE 1: Changes from Current to Future Focus of Whānau Ora

	Current		Future
Investment focus	Main focus on building service approaches which engage family and whānau.	➔	Main focus on building family and whānau capability to be self-managing. Available to all New Zealanders, and with expertise and networks to focus on whānau and focus on Pacific families.
Investment manager	Te Puni Kōkiri directly on behalf of the Minister.	➔	NGO commissioning agencies contracted to Te Puni Kōkiri.
Funded groups	Main focus on investing in 160 plus primary health and social service providers across 34 provider collectives.	➔	Broadened focus to bring other local-level organisations (e.g. church groups, marae, land trusts, sporting groups) into the investment frame.

Roles and Responsibilities

- To support the NGO commissioning model, new accountability and advisory structures will be implemented as part of the institutional arrangements for Whānau Ora.
- A Whānau Ora Partnership Group comprising stakeholder ministers, iwi leaders and expert advisors on whānau-centred initiatives will be established.
- The Partnership Group will act as a high-level forum to inform complementary effort across ministerial portfolios and to identify opportunities between the Crown and iwi to support the shared development aims and aspirations of iwi as well as their whānau and hapū membership.
- To maintain momentum and continuity, the Whānau Ora Governance and Regional Leadership Groups as well as the Whānau Champions have had their terms of appointment extended from 30 June to 31 December 2013.
- The Whānau Ora Governance Group will support and advise on the procurement process which is expected to take six months to complete.
- As the administering department, Te Puni Kōkiri will be responsible for managing the contract between the Crown and NGOs as well as Whānau Ora policy development, monitoring, evaluation and reporting.
- **FIGURE 2: Whānau Ora NGO Commissioning Model and Structure** provides an overview of the new institutional arrangements that will support the Whānau Ora commissioning agencies.

FIGURE 2: Whānau Ora NGO Commissioning Model and Structure



Te Puni Kōkiri

- Te Puni Kōkiri is leading the development of a change project plan for the next stage of implementation in consultation with the Ministries of Health, Social Development, Education, Pacific Island Affairs and Business, Innovation and Employment as well as Treasury.
- Te Puni Kōkiri will lead the NGO procurement process with support from Treasury and the Ministries of Business Innovation and Employment and Pacific Island Affairs.
- Te Puni Kōkiri will refocus its Whānau Ora capacity to align with the commissioning approach. This will include a mix of existing and new functions:
 - Supporting the Minister for Whānau Ora through the provision of policy advice and support activities.
 - Contracting and monitoring of the performance of the commissioning agencies.
 - Secretariat support to the Whānau Ora Partnership Group.
 - Contract management and monitoring for provider collectives completing already-contracted implementation activities of their Whānau Ora approach.
 - Contracting and monitoring of existing commitments under the Whānau Integration, Innovation and Engagement (WIIE) Fund.
 - Reporting on system progress against outcomes, and the outcomes of the action research.
- **FIGURE 3: Whānau Ora Future Outcomes Framework** provides an overview of how the goals for whānau and families link to whānau and family capabilities. It also provides an indication of the types of outcomes expected of the administering department and the new whānau-focused commissioning agencies under the commissioning model.

Whānau Integration, Innovation and Engagement (WIIE) Fund

- Current WIIE Fund arrangements provide national coverage and access for whānau and families.
- Consideration will be given to the availability of the WIIE Fund to whānau and families to support transition of the investment to the commissioning NGOs.
- In order to achieve a similar level of coverage and access, the commissioning agencies will explore innovative use of the existing provider collective network alongside development of a range of other flexible commissioning options.

FIGURE 3: Whānau Ora Future Outcomes Framework

WHĀNAU ORA		
Whānau and family outcomes	Whānau and families are self-managing	Whānau and families are living healthy lifestyles
	Whānau and families are participating fully in society	Whānau and families are culturally active and confident
	Whānau and families are economically secure and successfully involved in wealth creation	Whānau and families are cohesive, resilient and nurturing
Whānau and family capability	Income generation and financial literacy	Engagement in life-long learning
	Employability	Communication
	Technological literacy	Manaakitanga/care-giving
	Healthy lifestyles and health literacy	Cultural (language and custom) literacy and engagement
Commissioning agencies	Commissioning for gains in whānau and family capability	
	Active collaboration with funded groups to support reporting	
	National reach and regional networks	
	Effective financial controls and reporting systems	Effective contract management systems
Administering department	Effective contract management and evaluation systems	Quality interagency and wider stakeholder engagement
	Effective servicing of the Whānau Ora Partnership Group	Effective and appropriate policy setting

Partner and Support Agencies

- Lead sector departments will continue to foster and build service capability, delivery and partnering opportunities with Whānau Ora provider collectives in order to achieve improved outcomes for vulnerable families and their members.
- The Ministry of Health – on behalf of Te Puni Kōkiri – is responsible for leading the information systems component of the Whānau Ora programme. The Ministry is currently developing a Request for Proposal (RFP) for a Whānau Ora Information System (WOIS) to be released on the Government Electronic Tendering Services (GETS). The Ministry intends to release the RFP on GETS before August 31 2013.

Pacific

- Consultation with Whānau Ora stakeholders has highlighted the importance of developing clearer pathways for engaging Pacific families and communities through Whānau Ora.
- As part of the next phase of implementation, the Government is committed to creating the space and opportunity for Pacific peoples to define for themselves what Whānau Ora means to their families and what it will look like.
- A NGO with the knowledge, expertise and networks to build capability for Pacific families will be selected as one of three commissioning entities under the new model.
- It is expected that the establishment of this commissioning agency will increase opportunities for participation by Pacific providers in the Whānau Ora approach.
- The Ministry of Pacific Island Affairs will play a pivotal role in establishing the frameworks to guide the Pacific NGO procurement and contracting stages as well as supporting community engagements.
- Further input will be required from Pacific stakeholders to develop a Pacific-focused Whānau Ora outcomes framework.

Results: September 2012 – March 2013

This snapshot of Whānau Ora results comes from reporting data submitted by 15 collectives over a six-month period ending 31 March 2013. In addition to collectives' required reporting against their contracts, Te Puni Kōkiri is rolling out reporting on whānau results.

Measures of whānau results were trialled with seven collectives from April to August 2012. These measures are now collected from 15 collectives with investment packages, and will be progressively collected by the remaining collectives who have investment packages.

Investment in provider capability covers a range of different areas. Two notable aspects of capability building have helped services to become more whānau-centred:

- **Navigational support and whānau planning**

Whānau Ora 'navigators' are kaimahi (workers) that take a lead role in establishing trust with families, facilitating whānau to meet their needs and achieve aspirations, coordinating support to whānau, and

helping whānau build their capacity. Whānau planning has been a key part of the navigational role. The role has required collaboration with a range of organisations and services for whānau benefit.

- **Workforce development**

Building workforce capability across collectives has been a major part of Whānau Ora investment. Much of the workforce development has focused on cultural competency – both in general and around specific areas such as family violence. It has also included up-skilling in areas of health, education or whānau planning so kaimahi are more able to support whānau aspirations.

Collectives are demonstrating ways that their services are becoming whānau-centred:

- **Shifting practice to focus on the needs of whānau and families as a whole**

A move away from a conventional perspective of individual needs to a more varied approach determined by whānau and families is emerging. Collectives report that a 'navigational approach' has shifted practice for kaimahi. Even for staff that are working to prescriptive and output-focused contracts, they have begun to think beyond the parameters of contracts. Kaimahi are starting to see that healing is sustainable when supporting the whole whānau.

- **Initiating innovative programmes or collaborating more to meet whānau and family aspirations**

Collaboration with a range of agencies to improve services and reduce duplication for whānau and families is apparent. The varying services and programmes within collectives are becoming more coordinated. Collectives are also strengthening work with organisations such as Work and Income, Family Start, banks, schools and prisons in order to support a Whānau Ora approach for whānau and families across many settings. Where gaps in services or programmes are apparent, collectives are responding to this – for example, introducing driver licensing and prisoner rehabilitation programmes, or extending boundaries of existing services.

- **Tailoring programmes/approaches to improve access to services**

Greater alignment between services and whānau needs to improve access is occurring through:

- locating services in remote areas and where families are likely to meet such as homes and marae
- providing transport to those whānau who need it
- bringing other agencies or providers into remote areas
- adapting working hours to suit whānau needs
- offering many ways for families to communicate and engage such as website, kanohi ki te kanohi (face to face), email and phone.

- **Prioritising tikanga Māori to engage with whānau**

Greater expression and application of tikanga Māori is reflected in:

- a growing confidence and understanding amongst kaimahi in applying cultural competencies across services
- a focus on youth to reconnect with cultural values
- recognition that whakawhanaungatanga is necessary in engaging whānau and contributes to whānau empowerment

- marae-based tikanga Māori programmes for whānau; for example, conflict resolution, communication and leadership.

Collectives are evidencing how whānau engagement and capacity is improving through Whānau Ora:

- **Vulnerable whānau and families are engaged where they were not before**

Initiating programmes in response to whānau-identified needs has brought vulnerable whānau to collectives; for example, hard-to-reach males attending a driver licensing course. Collectives are also extending their approach to settings where vulnerable whānau are; for example, working with whānau of youth offenders, and supporting whānau planning for women and children at Women's Refuge.

- **Whānau relationships are improving through Whānau Ora engagement**

As whanaungatanga (relationships) underpins most collectives' engagement with whānau, a critical first step to whānau progress is building trust between whānau members as well as between whānau and kaimahi. Strengthened whānau relationships pave the way for other achievements.

- **Whānau are learning to set goals and prioritise needs**

The whānau planning process supports whānau and families to prioritise goals and needs, and to assess risks so they are more able to self-manage in the future. Support provided by navigators includes facilitation and skills building in goal setting and risk assessment.

- **Whānau are completing courses/training through their engagement**

Education and training is a major component of whānau capacity building in Whānau Ora. In many instances, collectives are initiating or linking with courses in response to whānau-identified needs. These include courses in rangatahi leadership, conflict resolution, parenting, PATH planning, financial literacy, tikanga (culture), driver licensing and NCEA achievement.

- **Whānau are resolving crises and reducing their needs**

Collectives who conduct repeat needs assessments through whānau planning identify that 70 to 90 per cent of whānau are showing a lower level of need from initial visits and are more confident in managing ongoing issues.

- **Most whānau are achieving a range of aspirations and some are now 'self-managing'**

The majority of whānau plans progressed in the March 2013 quarter are showing goal achievement across all areas – from te ao Māori (the Māori world) and leadership to safety, skill development, education/training, relationships, finances and health. Some collectives estimate that up to 20 per cent of whānau are now self-managing their plans.