

## HEI WHAKATAU | BRIEFING

### Contractual arrangements with Whānau Ora commissioning agencies

<b>Date:</b>	18 December 2023	<b>Priority</b>	Medium
<b>Classification</b>	In Confidence	<b>Tracking Number</b>	47969

Action sought	Date action required by
<p>It is recommended that you:</p> <ol style="list-style-type: none"> <li><b>Note</b> that Whānau Ora is a devolved commissioning model that is the government's flagship example of whānau-centred delivery, offering social support services are accessible to all New Zealanders in need.</li> <li><b>Note</b> the evidence base indicates that Whānau Ora provides breadth of service reach, nimbleness in service offerings, and speed in responsiveness as well as financial efficiencies for the Crown in meeting challenging social needs within New Zealand communities.</li> <li><b>Note</b> that Whānau Ora is administered by Te Puni Kōkiri presently, but locally led via three commissioning agencies who in turn oversee their own networks of regional and community-centred providers.</li> <li><b>Note</b> that the outcome agreements with the three commissioning agencies expire on 30 June 2024, and that the Secretary for Māori Development must offer an extension to maintain Whānau Ora services beyond that date. An extension must be mutually agreed in writing ninety days prior to the contract expiry date.</li> <li><b>Note that</b> since 2010, the commissioning agencies have been offered multi-year contractual extensions, in a non-contested environment, to provide stability during turbulent times which has benefited both the Crown and the Whānau Ora network.</li> <li><b>Note</b> that the Secretary of Māori Development now considers it is timely that Te Puni Kōkiri reconsider arrangements, to assure that Whānau Ora objectives and settings remain fit for purpose, fiscally efficient, and aligned with the Government's core objectives.</li> <li><b>Note</b> that the Secretary for Māori Development will now progress to discuss one-year contract extensions with the three Commissioning Agencies.</li> <li><b>Note</b> that your main mechanism for you to communicate with commissioning agencies is via an annual letter of expectations, and that once Te Puni Kōkiri has agreed extensions with the agencies, it will be timely for you to then send that correspondence to the commissioning agencies.</li> </ol>	

Out of scope



# Out of scope

Contact for telephone discussion (if required)				
Name	Position	Telephone	Mobile	1 <sup>st</sup> contact
Grace Smit	Deputy Secretary, Regional Partnerships & Operations		9(2)(a)	✓
Liz Direen	Chief Advisor, Regional Partnerships and Operations		9(2)(a)	

Other Agencies Consulted					
<input type="checkbox"/> MBIE	<input type="checkbox"/> MoJ	<input type="checkbox"/> NZTE	<input 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 type="checkbox"/> Treasury	<input type="checkbox"/> MoH
<input type="checkbox"/> MHUD	<input type="checkbox"/> Other				

Attachments	SUMMARY OF THREE OPTIONS – EXTENSION OF EXISTING WHĀNAU ORA COMMISSIONING AGENCY AGREEMENTS
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Minister's office to complete:

- |   |  |
|---|--|
| <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           |

Comments:



18 December 2023

Minita mō Whānau Ora

## **Contracting with Whānau Ora Commissioning Agencies**

### **Purpose**

1. This briefing provides you with information on the current commissioning of Whānau Ora services and Te Puni Kōkiri intended approach to extending outcome agreements with the three existing Whānau Ora Commissioning Agencies.

### **Background**

2. Whānau Ora is a devolved commissioning model that is the government's flagship example of whānau-centred delivery. It is locally led and enabled by government. Whānau Ora services are accessible to all New Zealanders.
3. In 2014, government established outcome agreements for commissioning Whānau Ora outcomes with three agencies: Te Pou Matakana, Te Pūtahitanga o Te Waipounamu, and Pasifika Futures.
4. Agreements with the three Whānau Ora Commissioning Agencies were extended in 2017, and again in 2020. The agreements will expire on 30 June 2024. An extension must be mutually agreed in writing ninety days before the contract expiry date.
5. The Secretary for Māori Development holds delegations from you as the Minister for Whānau Ora which include the authority to negotiate and agree contractual arrangements for Whānau Ora commissioning. There is currently \$156.858 million per annum invested in Whānau Ora commissioning with the three agencies<sup>1</sup>.
6. Annually, and before the commencement of a new financial year, the responsible Minister is required to send Letters of Expectations to the Commissioning Agencies. In this contractual context, providing Letters of Expectations is your formal mechanism to provide guidance to each Commissioning Agency and to communicate your priorities and areas of focus for consideration when setting direction and undertaking annual investment planning.
7. Content of these letters has previously included feedback on Commissioning Agency performance in the previous financial year, and expectations and anticipated annual budget for the upcoming financial year.

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## Next Steps

20. The Secretary for Māori Development will now progress to discussions with the Commissioning Agencies on the proposed extension of one year to their current Outcome Agreements.
21. Following agreement on the extension term past 1 July 2024, you would then be in a position to send Letters of Expectation to each agency outlining your priorities for them for the 2024/25 financial year.
22. Te Puni Kōkiri will commence service design and procurement planning activity in early January 2024

## Consultation

23. Te Puni Kōkiri has sought independent legal and procurement advice when considering its options for extending the current Outcome Agreements.

## Recommended Action

24. It is recommended that you:

1. **Note** that Whānau Ora is a devolved commissioning model that is the government's flagship example of whānau-centred delivery, offering social support services are accessible to all New Zealanders in need.
2. **Note** the evidence base indicates that Whānau Ora provides breadth of service reach, nimbleness in service offerings, and speed in responsiveness as well as financial efficiencies for the Crown in meeting challenging social needs within New Zealand communities.
3. **Note** that Whānau Ora is administered by Te Puni Kōkiri presently, but locally led via three commissioning agencies who in turn oversee their own networks of regional and community-centred providers.
4. **Note** that the outcome agreements with the three commissioning agencies expire on 30 June 2024, and that the Secretary for Māori Development must offer an extension to maintain Whānau Ora services beyond that date. An extension must be mutually agreed in writing ninety days prior to the contract expiry date.
5. **Note** that since 2010, the commissioning agencies have been offered multi-year contractual extensions, in a non-contested environment, to provide stability during turbulent times which has benefited both the Crown and the Whānau Ora network.
6. **Note** that the Secretary of Māori Development now considers it is timely that Te Puni Kōkiri reconsider arrangements, to assure that Whānau Ora objectives and settings remain fit for purpose, fiscally efficient, and aligned with the Government's core objectives.
7. **Note** that the Secretary for Māori Development will now progress to discuss one-year contract extensions with the three Commissioning Agencies.

8. **Note** that your main mechanism for you to communicate with commissioning agencies is via an annual letter of expectations, and that once Te Puni Kōkiri has agreed extensions with the agencies, it will be timely for you to then send that correspondence to the commissioning agencies.

# Out of scope



Grace Smit

Hautū, Te Puni Rangapū ā-Rohe me Whakahaere | Deputy Secretary, Regional Partnerships & Operations

Hon Tama Potaka  
Minita mō Whānau Ora

Date: \_\_\_\_ / \_\_\_\_ / 2023



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