

Community Service Providers – supporting social service delivery

The Government has increased the funding for MSD-funded community service providers to address cost pressures in recent years.

Budget 2019

MSD and Oranga Tamariki are looking at ways to improve outcomes for clients, including through how we fund and contract with providers.

- MSD-funded community service providers will receive an ongoing increase in funding to acknowledge the decline in their purchasing power in recent years.
- This funding contributes to the following Budget 2019 priorities:
 - reducing child poverty and improving child wellbeing, including addressing family violence
 - supporting mental wellbeing for all New Zealanders.
- It recognises recent cost pressures within the delivery of selected programmes and services while MSD and Oranga Tamariki work on identifying opportunities to improve outcomes for clients, including through how we fund and contract with providers. Changes include, for example, promoting innovation and a more collaborative, transparent and community-strengthening service procurement and design process.

This work programme will also include working with the sector around more transparent funding arrangements.

Costs (operating) \$m				
2019/20	2020/21	2021/22	2022/23 & Outyears	TOTAL
6.225	6.225	6.225	6.225	24.900

The benefits of this funding include:

- The new funding will assist community-based service providers to:
 - recruit, train and retain adequately qualified and experienced staff
 - build organisational capability concerning, for example, service delivery, research, evaluation, governance and strategic planning
 - meet general business overheads.