



# Cabinet Social Wellbeing Committee

## Minute of Decision

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### Social Sector Commissioning: Direction for Change

**Portfolio**                      **Social Development and Employment**

On 10 November 2021, the Cabinet Social Wellbeing Committee (SWC):

- 1        **noted** that:
  - 1.1      in July 2020, SWC agreed in principle to six commissioning principles, subject to further engagement with the sector [SWC-20-MIN-0115];
  - 1.2      in June 2021, SWC noted that targeted engagement with the social sector had been undertaken and that the Minister for Social Development intended to submit a paper in September 2021 on progressing and sequencing changes to social sector commissioning [SWC-21-MIN-0077];
  
- 2        **noted** that, in the context of the proposals below, the “social sector” includes both government and non-government organisations (NGOs) as defined in the Sector update attached to the paper under SWC-21-SUB-0173, and includes the following government departments and Crown entities:
  - 2.1      Ara Poutama Aotearoa - Department of Corrections; Department of Internal Affairs; Ministry of Business, Innovation and Employment; Ministry of Education; Ministry for Ethnic Communities; Ministry of Health; Te Tūāpapa Kura Kāinga - Ministry of Housing and Urban Development; Ministry of Justice; Ministry for Pacific People; Ministry of Social Development; Ministry of Youth Development; Oranga Tamariki - Ministry for Children; Te Puni Kōkiri; New Zealand Police; District Health Boards (which will be replaced by Health New Zealand and the Māori Health Authority); Kāinga Ora; Accident Compensation Corporation; and the Tertiary Education Commission;
  
- 3        **noted** that targeted engagement with the social sector identified that a fundamental shift in behaviour, practice, and systems is needed so that commissioning better contributes to intergenerational wellbeing, through a “relational approach to commissioning” that:
  - 3.1      enables trusting, meaningful relationships between government agencies, funders, NGO providers, community representatives;
  - 3.2      ensures the preferences and lived experience of individuals, families, whānau and communities influence the design, delivery, and monitoring of support for their wellbeing;

- 3.3 lifts the burden of navigating the complexity of government silos and inconsistent funding practices from individuals, families, whānau and communities;
- 4 **agreed** to adopt a relational approach to commissioning across government-funded social sector services that:
- 4.1 places trusted, meaningful relationships at the centre of traditional commissioning activities like setting outcomes, planning, designing, procuring, delivering, monitoring and evaluating social services;
- 4.2 better contributes to wellbeing outcomes for individuals, families, whānau and communities;
- 5 **agreed** to the following principles that set the foundation for a relational approach to commissioning, which are interdependent, equally valued, and indivisible:
- 5.1 individuals, families, whānau and communities exercise choice;
- 5.2 Māori-Crown partnerships are at the heart of effective commissioning;
- 5.3 commissioning is responsive to the equity of unique and diverse populations;
- 5.4 the sector works together locally, regionally, and nationally;
- 5.5 the sector is sustainable;
- 5.6 decisions and actions are taken transparently;
- 5.7 the sector is always learning and improving;
- 6 **directed** the social sector government departments listed in paragraph 2.1 above to align commissioning policies, processes, and practice with the principles in paragraph 5 above and to begin to explore opportunities to adopt a relational approach to commissioning as outlined in paragraph 4 above;
- 7 **invited** Ministers responsible for the social sector Crown entities listed in paragraph 2.1 above (responsible Ministers) to encourage those Crown entities to align commissioning policies, processes, and practice with the principles in paragraph 5 above and to begin to explore opportunities to adopt a relational approach to commissioning as outlined in paragraph 4 above;
- 8 **noted** that the intended pathway to change will be phased over the next six years:
- 8.1 phase one: growing and extending from 2022 to mid-2024;
- 8.2 phase two: sector-wide scale up 2024 to 2028;
- 8.3 phase three: normalising practice 2028 onwards;

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15 **agreed** to the following governance arrangements to embed a relational approach to commissioning:

15.1 the Minister for Social Development and Employment, as the Lead Minister, in consultation with other relevant Ministers;

15.2 the Social Wellbeing Board Chief Executives:

15.2.1 providing system stewardship, coordination across social sector government departments and Crown entities, and monitoring;

15.2.2 ensuring engagement with the non-government social sector, particularly with Iwi and Māori;

15.2.3 providing advice, guidance and tools to support implementation;

15.2.4 coordinating six monthly reporting by social sector government agencies and Crown entities on progress with implementation;

15.2.5 through the Lead Minister, reporting on implementation and providing advice to SWC at least annually;

16 **agreed** that the Social Wellbeing Board Chief Executives consider the following issues as priorities for action in early 2022:

16.1 a consistent approach to matching the level of reporting and compliance with the level of funding provided and risk involved;

16.2 a consistent basis to regularly collect information on the size of investment and key metrics;

16.3 application of the commissioning principles in new initiatives funded through Budget 2022;

16.4 immediate opportunities through major reforms and actions under cross government strategies, including the health and disability sector reforms, disability system transformation, the national strategy for the elimination of family violence and sexual violence and Child and Youth Wellbeing Strategy;

- 17 **invited** the Minister for Social Development and Employment to report back to SWC by 31 May 2022 with a detailed implementation plan, including consideration of:
- 17.1 governance arrangements, including involvement of representatives of NGO providers and communities, and those receiving support;
  - 17.2 engagement with the non-government social sector, including communications;
  - 17.3 engagement with Māori and practical responsiveness to Te Tiriti o Waitangi/Treaty of Waitangi;
  - 17.4 ensuring individuals, families, and whānau are engaged with, heard, and have influence in the commissioning process, including through ensuring accessibility of the process and information;
  - 17.5 leveraging existing levers in government systems, such as the Procurement Rules, and budget and funding processes;
  - 17.6 monitoring, reporting, and evaluation, including working together with the social sector to develop consistent measures of progress and impact;
  - 17.7 resourcing, including to support the change process over time, funding for services and support, and capability building within government departments and Crown entities, NGO providers, and communities;
  - 17.8 establishment of a focal point within government to host a technical unit to provide:
    - 17.8.1 advice on and support for implementing changes to achieve consistency in commissioning;
    - 17.8.2 a project management function to support the Social Wellbeing Board's role, and monitoring and reporting on implementation;with options for which agency will host the technical unit to be considered over the coming months, including the Social Wellbeing Agency;
  - 17.9 tools and training, including 'champions of peers in leading practice' and resources to promote understanding and consistency implementing commitments;
  - 17.10 reviewing implementation after three years, in 2024/25;
- 18 **agreed** to publish the Sector update attached under SWC-21-SUB-0173, subject to minor editorial and formatting changes;
- 19 **noted** that the Minister for Social Development and Employment will lead sector communications on the release of the update to the sector and Cabinet's decisions above.

Rachel Clarke  
Committee Secretary

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**Attendees: (see over)**

**Present:**

Hon Grant Robertson  
Hon Kelvin Davis  
Hon Dr Megan Woods  
Hon Chris Hipkins (Chair)  
Hon Andrew Little  
Hon Poto Williams  
Hon Kris Faafoi  
Hon Willie Jackson  
Hon Jan Tinetti  
Hon Dr Ayesha Verrall  
Hon Aupito William Sio  
Hon Meka Whaitiri  
Hon Priyanca Radhakrishnan

**Officials present from:**

Office of the Prime Minister  
Officials Committee for SWC