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Office of the Minister for Social Development
Chair, Cabinet Social Wellbeing Committee

Social sector commissioning: progress, principles and next steps

Proposal

- 1 This paper provides an update on the work to improve commissioning and support for social services, including the development of six guiding principles, and seeks agreement to publish a document providing this update for social services.

Executive Summary

- 2 This Government is committed to improving the wellbeing of New Zealanders. An effective and sustainable social sector is central to furthering wellbeing across New Zealand communities.
- 3 Feedback from social services, service users and government agencies has shown that the way social services are currently commissioned has not been adequately meeting the needs of people, whānau and communities.
- 4 In response to this, in 2018, I commissioned the Social Wellbeing Board to look into how we can improve the way we work with social service providers to ensure they are supported to be effective and responsive to need in our communities.
- 5 Since 2018 there have been substantive improvements to parts of social sector commissioning both as part of this work, and through agencies own drives to improve how they commission social services, including:
 - 5.1 Moving towards sustainable funding models
 - 5.2 Client and whānau-centred co-design and innovation
 - 5.3 Devolved decision-making and supporting community-led initiatives
 - 5.4 Longer-term contracts to provide greater certainty and stability
 - 5.5 Simplification of the contracting and procurement
 - 5.6 Partnering with iwi and Māori communities
 - 5.7 Building our knowledge infrastructure
- 6 The role of social services in the COVID-19 response reflect their importance for building resilient and safe communities. The COVID-19 response has also

reflected an improved and more join-up way of working between government agencies and social services.

- 7 Together with representatives from the social sector, six principles to guide the future of the social sector commission work have been developed:
 - 7.1 Individuals, families, whānau and communities exercise choice
 - 7.2 Māori-Crown partnerships are at the heart of effective commissioning
 - 7.3 The sector works together locally, regionally, and nationally
 - 7.4 The sector is sustainable
 - 7.5 Decisions and actions are taken transparently
 - 7.6 The sector is always learning and improving
- 8 In order to build on the current momentum and partnerships with social services I propose publicly releasing the progress document in Appendix 1.
- 9 Work on giving effect to the commissioning principles outlined in *Social Sector Commissioning: progress, principles and next steps* will be a long-term iterative process, but there are some things that government can commit to start work on within the next year. These include work to continue improving the sustainability and transparency of funding and work to support partnerships and learning.

Background

- 10 This Government is committed to improving the wellbeing of New Zealanders. An effective and sustainable social sector is central to furthering wellbeing across New Zealand communities.
- 11 The common goal of improving wellbeing and equity of outcomes for individuals, families, whānau and communities is shared by agencies, communities themselves, non-government organisations (NGOs) and philanthropic organisations which make up the social sector.
- 12 The social sector can be defined as the collection of government agencies (national, regional and local) and NGOs working with individuals and whānau in particular areas of welfare, housing, health, education, child wellbeing, justice and disability support services. This includes government agencies who fund social services; philanthropic and other charitable organisations that also fund social services; and NGOs and other community organisations who deliver those social services within communities.
- 13 A number of government agencies will commission an estimated \$7.8 billion¹ in 2020-2021 in social services through non-government and community

¹ This is an working estimate, using a broad definition of social services and third party providers as outlined at paragraph 12. It does not include investments into social services through District Health Boards and only takes a high-level estimated figure for the following Votes: Housing and Urban Development, Tertiary Education, Internal Affairs, and Corrections. The

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organisations, including: the Ministry of Social Development (MSD), Te Puni Kōkiri (TPK), Ministry of Education (MoE), Ministry of Health (MoH), Ministry of Housing and Urban Development (HUD), Housing New Zealand (HNZ), New Zealand Police, Ministry of Justice (MoJ), Accident Compensation Corporation (ACC), Oranga Tamariki — Ministry for Children (Oranga Tamariki), Department of Corrections, Ministry of Business, Innovation and Employment (MBIE) and Department of Internal Affairs (DIA).

Social services and communities have identified issues with the current government commissioning

- 14 The way social services are currently commissioned have not been adequately meeting the needs of people, whānau and communities.
- 15 There has already been a number of forums and publications which have provided opportunities for social services and service users to provide feedback and insights. This includes the 2015 Productivity Commission report More Effective Social Services, the 2015 Council of Christian Social Services report Outcomes Plus: the added value from community social services, the 2018 Your Voice, Your Data engagement led by the Social Wellbeing Agency and the 2019 MartinJenkins report released by Social Services Providers Aotearoa (SSPA) and other social service organisations 'Social Service System: The Funding Gap and How to Bridge It'.
- 16 The key issues raised by service users include:
 - 16.1 a need to put people at the centre. Service users want to be treated differently, with dignity and respect, and to feel that providers listen to them and understand their needs
 - 16.2 better information and more tailored responses. Decisions need to be made with people not for people
 - 16.3 greater accessibility of services is needed (i.e. psychically accessible) and disabled people need to be involved in the planning and design of services
 - 16.4 clear understanding of why their information is being collected and how it is being used. Further assurances that their data is being kept safe and they want to know how long their data is kept
 - 16.5 for Māori, trust in government is a key issue. True partnership based on Treaty of Waitangi obligations and principles and a collective approach to wellbeing is needed

Social Sector Commissioning project team will continue working with the Treasury and relevant government agencies to refine this estimated figure over the next month.

- 16.6 for Pacific peoples, strengths-based and holistic approaches to wellbeing are important and there needs to be better empowerment for communities to develop their own solutions.
- 17 The key issues raised by social services providers include:
- 17.1 a need to enhance the Crown-Māori partnerships in social sector commissioning. Traditional approaches to commissioning have failed to achieve equity of outcomes for Māori and address to support choice
 - 17.2 a lack of coordination between social services and across government agencies, which often results in fragmented services and sometimes results in duplication of effort and resources intended to target the same population groups
 - 17.3 a lack of transparency about how funding is determined and applied and a lack of flexible funding models that are not conducive to tailored support or innovative solutions
 - 17.4 the financial viability of the sector, with many providers lacking the scale, capacity and / or capability required to deliver effective and sustainable services
 - 17.5 the issue of pay equity for NGO staff, including social workers, leaving many providers unable to hire, train and retain skilled staff
 - 17.6 onerous monitoring and reporting requirements imposed on providers; and data collected are often neither meaningful nor meaningfully used
 - 17.7 openness by government agencies to share data and information with organisations and communities who could benefit from that knowledge.

Since 2018 this Government has taken steps to address issues raised by the sector

- 18 In 2018, I commissioned the Social Wellbeing Board, a group of social sector government agency Chief Executive's, to look into how we can improve the way we work with social service providers to ensure they are supported to be effective and responsive to need in our communities.
- 19 In December 2018, a cross-government work programme on Social Sector Commissioning was established. This work programme reports to the Social Wellbeing Board and is jointly led by MSD and Oranga Tamariki, but works collaboratively across the social sector agencies. Since one of the key issues with social sector commissioning is the lack of coordination across government, this work is being undertake through the Social Wellbeing Board in order to provide a cross-agency approach.
- 20 This work programme has been overseen by a project board comprising members from the MSD, Oranga Tamariki, MBIE, SWA, the Treasury, the

Joint Venture Business Unit and external members from the National Collective of Independent Women's Refuges and SSPA. Following the release of the 2019 SSPA report, efforts were refocused towards producing a document that would guide future commissioning and the relationship between government and the rest of the social sector.

- 21 While this wider strategic work has been underway, there have also been key changes made to start to address the longstanding issues facing social services.

Moving towards sustainable funding models

- 22 Over the last three budgets this Government has invested significantly in services contracted by MSD, Oranga Tamariki, the MoH and the MoJ. These have gone a significant way towards addressing historic NGO price and volume pressures.
- 23 Oranga Tamariki and MSD have also developed new funding frameworks to determine a consistent approach to the cost of social services that they contract. These include detailed consideration of the overheads needed to sustain capable and robust service provision. Recent new initiatives including Oranga Tamariki transitions and intensive intervention services, and MSD's Whānau Resilience initiative have been fully funded under the new funding frameworks.

Client and whānau-centred co-design and innovation

- 24 MSD's Whānau Resilience initiative is using a procurement and co-design process intended to address the challenges of traditional procurement processes by being whānau-centred, flexible and focused on building protective factors within whanau, while recognising that regions hold extensive knowledge about their communities by designing these services with communities regionally.
- 25 The MoH's roll-out of new primary and community mental health services includes working in partnership with iwi, hapū and Māori communities to develop kaupapa Māori mental health services.

Devolved decision-making and supporting community-led initiatives

- 26 The Government has invested additional funding into established community-led initiatives and devolved decision-making agencies. Examples include the Whānau Ora commissioning agencies, E Tū Whānau, DIA's Community-led Development Programme and the Place Based Initiatives.
- 27 A COVID-19 Community Awareness and Preparedness Grant Fund was established to enable community groups to support community wellbeing through social connection and provision of essential support. These community groups are different to traditional providers, rather they are made

up of a cross-section of the local community, and public or population-based interest groups.

Longer-term contracts to provide greater certainty and stability

- 28 MSD is increasing the use of multi-year contracts with providers, with 97 per cent of 2020-21 contracts in disability services now for three years or longer (up from 73 per cent in 2018-19) and 66 per cent of contracts for Out of School Care and Recreation services are for three years or longer (up from 42 per cent).
- 29 Around 90 per cent of Oranga Tamariki funding for social services is now in multi-year contracts, up from 30 per cent in 2017 and ACC has extended many of their contracts from three years to five years and in some cases up to 10 years.

Simplification of the contracting and procurement

- 30 Ministry of Justice and Department of Corrections have undertaken joint procurement and contract management for non-violence programmes. They have worked to align contracts to simplify requirements for providers and ensure clients received the same service irrespective of their referral pathway.
- 31 The Oranga Marae Programme – a Te Puni Kōkiri and DIA, combined Crown and Lottery funding to provide marae with streamlined access to funding for cultural and capital development.
- 32 Work has commenced on an integrated approach to social services for Pacific across the Ministries of Health, Education and Social Development.

Partnering with iwi and Māori communities

- 33 New legislative obligations on Oranga Tamariki set out responsibilities to improve outcomes for tamariki Māori working alongside whānau, hapū, Iwi and Māori. Partnerships are key to supporting this and to date include strategic partnerships with Ngāi Tahu, Ngāpuhi, Waikato-Tainui and Tuhoe and MOUs with Ngāti Porou, Ngāti Kahungunu, Ngāti Tūwharetoa, the Taupo Collective Impact governance group and the New Zealand Maori Council. Signed relationship redress agreements are also held with several other iwi, as part of their Treaty Settlement. These relationships are expected to drive changes to core services.
- 34 MSD's Te Pae Tata – Māori Strategy and Action Plan, sets out the strategy and key organisational shifts required to achieve better outcomes for Māori. One of these key shifts is Kotahitanga – Partnering for greater impact, where MSD will form partnerships with Māori and support Māori to lead the way in terms of any service design and delivery models that they commission for Māori. MSD's development of a joint work programme with Te Hiku and the refinement of the Service Management Plan with Tuhoe that is underway, are examples of Kotahitanga.

Building our knowledge infrastructure

- 35 The SWA worked with over 1,000 people, social service providers and government agencies to develop the Data Protection and Use Policy, a shared set of rules for the safe, ethical and transparent use of social sector data.
- 36 The establishment of the Data Exchange by the SWA is able to support the safe and secure transfer of information between agencies and/ or social services.
- 37 Oranga Tamariki contracts and cost models increasingly include overheads intended to support organisational capacity for continuous improvement and service evaluation.

Work to improve social services commissioning aligns with a range of other government work

- 38 This work is underpinned by the Governments commitment to improving the wellbeing of all New Zealanders. Improving social wellbeing is about using a wide range of data and evidence, including people's lived experiences, to understand how to best support the long-term wellbeing of all New Zealanders. This leads to effective decision making and service intervention.
- 39 The social sector commissioning work programme contributes to the overhaul of the welfare system medium-term priority 'building partnerships and enhancing the community sector' and helps respond to Recommendation 42 of the final Welfare Expert Advisory Group report, which directs MSD to 'develop the capacity and capability to engage with, promote and fund community organisations'.
- 40 The direction of this social service work is also broadly consistent with the recommendations of the Health and Disability System Review regarding commissioning of health and disability services.
- 41 DIA is working on a first principles review of approaches to funding for community organisations, intended to address shifts in the operating environment and long-standing issues around the efficiency, effectiveness and appropriateness of existing grant funding. This work will complement efforts to improve social sector commissioning, and officials will work closely to ensure that there is good alignment in the proposed approaches and that opportunities to join up are identified.
- 42 MSD has been leading work, in collaboration with the social worker sector, on options to pursue workforce planning for social workers. Establishing a workforce planning function would operate across the sector to collect, analyse and report on data and issues affecting the supply and demand of social workers. Increased availability of information for the sector would enable better decision making and investment in capability development, and contribute to stabilising the social sector workforce. A Cabinet paper seeking to agreement to designate the Social Workers Registration Board with the function of lead agency to provide and support workforce planning for all social workers for consideration by this committee on 29 July.

- 43 This work is broadly aligned with the ongoing work by the Gender Pay Gap and Pay Equity Taskforce, and the Pay Equity framework paper for consideration by this committee on 29 July.

The response to COVID-19 has also shown that it is possible to work differently in our communities

- 44 In addition to the efforts to address longstanding issues of the sector, the early stages of the COVID-19 response have demonstrated that the sector can work differently and more effectively.
- 45 Social services were a vital part of keeping communities safe and resilient during the period of health restrictions and will continue be integral to the COVID-19 response and recovery. Government has worked closely with the sector to ensure they have what they need to respond to the increased demand.
- 46 The Government provided immediate funding of \$27 million to immediately assist social services and enable community-led solutions to be undertaken swiftly.
- 47 Those on the frontline in social services adapted their practice to support whānau in different ways during the lockdown and, in doing so, discovered insights and new ways of working. For example, some providers utilised joined up referrals to ensure people were able to quickly access the services they needed.
- 48 Strong coordination between government agencies resulted in clearer and more consistent messaging for family and sexual violence providers through the Joint Venture. Further, they supported a new forum that brought together representatives from the family violence and sexual violence sectors and government agencies to identify and proactively address emerging issues from a cross-government perspective [CBC-20-MIN-0032 refers].
- 49 Throughout the COVID-19 response, Civil Defence and Emergency Management (CDEM) Groups have managed the coordination and delivery of emergency welfare assistance to people in need in their communities. To meet this high demand for emergency welfare support, CDEM Groups work closely with many agencies including regional and local government, NGOs, iwi/Māori and Pacific organisations.
- 50 Government agencies employed a high trust / low compliance contract and reporting approach in order to empower providers and local decision makers to respond more directly to their communities. The removal of system constraints enabled faster decision making and action, based on insights from those on the frontline. For example, to redeploy school social workers into essential services and to rapidly stand up digital and telehealth provision, and the Community Awareness and Preparedness Grant Fund used a simplified application model to ensure that eligible community groups were able to provide community-led solutions, swiftly.

Government agencies have worked with the sector to develop a set of commissioning principles

- 51 To guide the next phase of the social sector commission work, a set of six working commissioning principles were developed in collaboration with a range of representatives from the social sector, including through two workshops held in March 2020.
- 52 These principles are:
- 52.1 *Individuals, families, whānau and communities exercise choice:* communities work collaboratively and flexibly to meet local needs; one-size does not fit all; different local circumstances require local solutions, change led by communities is supported and valued.
 - 52.2 *Māori-Crown partnerships are at the heart of effective commissioning:* recognising and giving practical effect to the Te Tiriti o Waitangi is essential to achieve wellbeing for Māori.
 - 52.3 *The sector works together locally, regionally, and nationally:* all levels of government, philanthropic funders, NGOs, and communities all have roles, and work together to improve commissioning.
 - 52.4 *The sector is sustainable:* building up a set of funding principles and funding methodologies centred on deliberate, informed, and consistent decision making that recognises the true cost of service provision.
 - 52.5 *Decisions and actions are taken transparently:* government is transparent and clear about how funding decisions, funding levels, and funding models are arrived at. There is clarity and acknowledgement of trade-offs that are made.
 - 52.6 *The sector is always learning and improving:* implementing continuous learning, development and innovation. Agreeing what data and insights are necessary and meaningful and sharing knowledge.
- 53 These principles will help to drive better outcomes for the social sector and its workforce; improved service quality, innovation and cost effectiveness; and better outcomes for those New Zealanders utilising these services.
- 54 Government will continue to work with social services on further refining these working principles and embedding them into the way we work across the sector.

Due to the longstanding and enduring nature of many of the issues faced by the social sector, there are risks and challenges still to manage

- 55 The potential costs and resources to fully realise all the principles will be extensive. While significant investment has already been made, there remains ongoing funding challenges for many services, and in order to implement true co-design, costs are likely to be higher at least in the short-term.
- 56 However the long-term positive impacts for people and communities of a more effective social services sector are likely to be immense. Working towards

communities that are resilient and responsive to the needs of people is an important part of improving long term wellbeing.

- 57 Government agencies will also be working openly with the sector about some of the trade-offs and investment choices that may need to make in the coming years. There will also be more proactive engagement with other funders, such as the philanthropic sector, to make more deliberate investments in capability and innovation that can drive improved cost effectiveness in services.
- 58 The shift towards devolving commissioning and giving greater effect to partnerships and choice may mean ceding some of the control about how social services are implemented in some areas of the country and requiring a change in practice for how the Public Finance Act is applied more flexibly. This will require significant trust between groups in the sector and strong and reliable partnerships.
- 59 There is also significant variability in capability and capacity across the social sector that will take time to address. This may mean some larger and better resourced providers are able to adapt and innovate faster, while smaller providers that may be critical to support community needs may take much longer to achieve change and require comparatively greater investment over time.

Publishing the progress document now is important to provide key stakeholders with an update of this work

- 60 There is substantial interest in this work from social services in particular, and as has been outlined, there is regular and ongoing engagement with the sector.
- 61 During the COVID-19 response, there has also been positive feedback from providers on the government working in partnership with them and their communities.
- 62 I want to continue to build on this momentum and partnership by providing an update to the social sector through the publication of the document in Appendix one in late July 2020.
- 63 I will also be considering more formal engagement with the sector in late 2020 to understand how we can continue to collectively bring about more change. I will report back to Cabinet on a proposed approach for engagement.

The next steps of this work will focus on building better partnerships and improving funding models

- 64 While there is likely to be further engagement with the social sector later this year, there is still a range of work that can continue based on the feedback that has already been provided by social services. The next steps for this work programme are outlined below.

Work to continue improving the sustainability and transparency of funding

- 65 Government agencies and other funders will be working on a cohesive response to social sector organisations facing financial difficulties as a result of COVID-19.
- 66 Work will begin to understand current and future demand for social services. While Budget commitments have made progress in funding for currently contracted levels of demand, further work is needed to clarify demand levels and government objectives, and to prepare to respond to anticipated increases in demand as a result of COVID-19.
- 67 Joint funding principles and consistent methodologies for costing services across agencies and consistent will be developed and shared.
- 68 Prices for services where funding or quality gaps exist will be reviewed, followed by a proposed plan on how to address this.
- 69 Consistent annual contract data for all Social Sector Agencies (MSD, Oranga Tamariki, Justice Correction, Health, Education) will be published to increase transparency and show how funding decisions are made. This will include information about how funding levels were determined and whether contracts were tendered.

Working to continue supporting choice, partnerships and learning

- 70 Local, regional and Māori-Crown partner involvement will be strengthened by ensuring social services are better joined up and responsive to community priorities.
- 71 The service design for the implementation of Budget 2020 and for COVID-19 Response and Recovery investments will include a prioritisation of clients and communities with a voice in design, planning and delivery of services. Learning from and potentially extending existing approaches, for example the holistic whānau-led support of Whānau Ora.
- 72 Work will begin to maximise contractual flexibility for partners to meet local needs where this is appropriate, and to develop the right level of continuous learning, communities of learning, two-way data sharing and the quality assurance needed to support this.
- 73 To support this, the SWA is currently collaborating with community organisations on “Data for Communities”. This work is using prototype data tools to capture a rich understanding of the needs of community organisations for easy-to-access information and insights about their own communities to inform service delivery. This includes NGOs, iwi, and other community organisations. The aim is to ensure a two-way street for data, which was a key theme heard in the ‘your voice, your data... your say’ engagement that informed the Data Protection and Use Policy. This will ensure communities have better information to understand their local context and improve the wellbeing of their people, and government can provide the right information to enable and support locally led solutions.

- 74 There will be an effort to identify opportunities to join up and rationalise monitoring, assurance, evaluation and data collection efforts across MSD, Oranga Tamariki, MoJ and Corrections contracts.
- 75 The Social Service Accreditation operating model will be enhanced to support capability building in the sector, especially to increase the number of Māori organisations, Pacific and other community-specific providers.

Financial Implications

- 76 There are no direct financial implications arising from this paper, or the release of the discussion document. The discussion document does discuss future funding principles, cost methodologies, and suggests a potential shift to fund some services at full-cost (noting that some services have already moved to these arrangements, including the Family Violence and children protection services). This work is likely to identify a case for further funding, including new types of cost pressures.

Legislative Implications

- 77 This paper has no legislative implications.

Impact Analysis

- 78 The proposals in this paper do not have any immediate regulatory impacts, this but will continue to be assessed as actions are developed.

Population Implications

- 79 Improvements to social sector commissioning are intended to positively impact on and reduce inequities for population groups that have been historically underserved by current commissioning arrangements. This includes those with multiple and interdependent needs, and those who belong to multiple population groups (recognising the compounding effects of intersectionality).

Disability perspective

- 80 Investment through Budget 2020 (\$43 million over four years) addresses cost and demand pressures of services focused on supporting disabled people.
- 81 There is an opportunity through this work to improve social sector commissioning to shift our understanding of disability within service provision, to focus on the strengths and capabilities of disabled people.
- 82 People with an impairment are often disabled by social factors external to them, including poor accessibility in terms of public spaces, transport, building and information (among others). Through this work to improve social sector commissioning there is an opportunity to ensure services to support disabled people are designed and delivered with input from those with lived experienced of disability.

- 83 Many disabled people need integrated social, employment and health support to improve their wellbeing. This work to improve social sector commissioning aims to address the siloed and fragmented nature of government commissioning at a local, regional and national level.

Gender implications

- 84 Investment through Budget 2020 (\$183 million over four years) addresses cost and demand pressures of services focused on supporting individuals, families and whānau experiencing family violence.
- 85 Family violence is an issue that affects a broad spectrum of New Zealand families and whānau but evidence in the form of reported statistics shows that women, in particular Māori women, disabled people, those experiencing economic hardship and those with limited access to material resources are at increased risk of experiencing family violence.

Ethnicity perspective

- 86 The proposed commissioning principles align with the Pacific Aotearoa *Lalanga Fou* report (2018) which highlighted that Pacific communities are more than capable of being the drivers of their own solutions and that this requires a different approach to thinking, decision-making and the ways in which government supports Pacific initiatives.
- 87 The principle of choice and community led change (the first of six commissioning principles) applies to the commissioning of all services and initiatives targeting specific ethnic communities.

Rural communities

- 88 Investment through Budget 2020 (\$20 million over four years) aims to Increase accessibility to support services in rural communities. Recognising that often there has historically been a sparsity of service provision and choice of provision in rural areas, government needs to ensure that rural communities have a say in the design and delivery of delivery of service responses.

Treaty analysis

- 89 Social sector commissioning should enable Māori to self-determine how they wish to respond to social needs. It is important to establish, maintain and advance Tiriti o Waitangi Māori-Crown partnerships to ensure sustainable and tailored investment in social services and Māori-led community responses.
- 90 Many iwi, hapū and Māori collectives have been instrumental in supporting and protecting their communities during the immediate COVID-19 response period, and are well placed to continue. There is now an opportunity to ensure that the longer-term response to COVID-19, and the system that supports it, involves more collaborative and equitable partnerships with Māori.

- 91 The Crown must provide opportunities for Māori groups to propose how they would like to be involved in commissioning, and how they would like to be engaged in the next stages of this work.

Human Rights

- 92 The policy proposals in this paper appear consistent with the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993.

Consultation

- 93 The following agencies were consulted on the development of this Cabinet paper: The Treasury; Te Puni Kōkiri; Te Arawhiti; Oranga Tamariki; New Zealand Police; Social Wellbeing Agency; Office for Disability Issues; Office of Ethnic Communities; Office for Seniors; Department of Corrections; Department of Internal Affairs; Department of the Prime Minister and Cabinet; the Ministries of Education; Health; Housing and Urban Development; Justice; Youth Development; Business, Innovation and Employment; the Joint Venture Business Unit and the Ministries for the Environment; Pacific Peoples and Women, and the Accident Compensation Corporation.

Communications

- 94 I intend to release the document *Social Sector Commissioning: progress, principles and next steps* for publication (online only) in late July 2020.

Proactive Release

- 95 I intend to proactively release this Cabinet paper following Cabinet consideration.

Recommendations

The Minister for Social Development recommends that the Committee:

- 1 **Note** that in late 2018 I asked the Social Wellbeing Board to start work improving how government works with social services in order to support the wellbeing of people and communities.
- 2 **Note** that since 2018 there has been substantive improvements to parts of social sector commissioning by government, including:
 - 2.1 a shift to multi-year contracts for most programmes and initiatives
 - 2.2 significant investment to address historical underfunding, especially in many family and children services
 - 2.3 more client centred co-design and innovation in programmes and initiatives
 - 2.4 simplification of the contracting and procurement
 - 2.5 greater partnering with iwi, hapū and Māori communities

I N C O N F I D E N C E

- 2.6 Development of an integrated health, social and education services commissioning approach for Pacific communities
- 2.7 investment in the knowledge infrastructure of the sector.
- 3 **Note** that social services were an important part of the COVID-19 response.
- 4 **Agree** in principle to the six commissioning principles outlined in the *Social Sector Commissioning: progress, principles and next steps*, pending further engagement with the sector:
 - 4.1 Individuals, families, whānau and communities exercise choices
 - 4.2 Māori-Crown partnerships are at the heart of effective commissioning
 - 4.3 The sector works together locally, regionally, and nationally
 - 4.4 The sector is sustainable
 - 4.5 Decisions and actions are taken transparently
 - 4.6 The sector is always learning and improving.
- 5 **Note** that due to the important role of social services in the COVID-19 response and recovery and the significant interest from the social sector to progress improvements across social sector commissioning, this is an opportunity to provide an update and continue the progress of this work
- 6 **Agree** to publish *Social Sector Commissioning: progress, principles and next steps*.
- 7 **Agree** in principle that work continue across government to give effect to the commissioning principles.
- 8 **Note** that I will report back to Cabinet in 2020 with a proposed plan for further engagement.

Authorised for lodgement

Hon Carmel Sepuloni

Minister for Social Development