

# Social Sector Commissioning

Sector update





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# Foreword by the Minister

Fa'atalofa atu. Mālō e lelei. Kia ora koutou,

The work to improve the way government agencies commission social services began in 2018, and while there have been positive changes, I acknowledge there is still more important work ahead of us.

I applaud the sector on its efforts to work within the current restraints to continue to innovate, make improvements, and retain the right workforces to provide the support needed by people and communities. Even as COVID-19 continues to throw up new challenges, the way in which the social sector continues to deliver and support people accessing support, really embodies the grit and can-do attitude of the sector.

I want to take this chance to personally thank all those who have contributed to this ongoing and important mahi. It is because of your hard work that New Zealand has bucked international COVID-19 trends, achieved such high national vaccination rates, and kept people connected to their jobs. Malo 'Aupito – thank you.

Since the last update there have been positive changes across government to improve commissioning. For instance, contract periods in the main are longer and procurement is no longer dominated by overly competitive tendering. I'm also encouraged to see the growing diversity of providers, which I see as truly reflective of the diverse Aotearoa – New Zealand we continue to serve.

Much of this work is complex, takes time to get right, but is necessary in achieving the change needed by the current system. The Government is committed to continuing to support this important work.

One of the exciting developments you'll read about in this update is the Government agreed adoption of a relational approach to commissioning. This asks us all to work differently, together, to provide the support needed. This new way of working together is the cornerstone to the transformative change sought by the social sector. It places trusted, meaningful relationships at the centre of commissioning, to ensure wellbeing outcomes for individuals, families, whānau and communities are achieved. I am very excited by the work in this space and encourage you to keep engaged with this way of working and I know that many of you already seek to take this approach in your work already. I look forward to learning more as our collective understanding grows.

Thank you again to all those that have contributed to this work, and for the continued support you give to Aotearoa, New Zealand.

Fa'afetai lava, Malo 'Aupito, Thank you.

**Hon Carmel Sepuloni, Minister for Social Development and Employment**

# Foreword by the Project Board

Tēnā koutou katoa ki ngā tangata o ngā hau e whā,

The pandemic is highlighting the essential role that our community-based social services play in every corner of our country. Pandemic-related challenges show no sign of letting up, adding significant pressures to our community-based social services – which are already stretched. As community-based members of the Project Board, we take seriously our role to tautoko and shape this mahi relating to social sector commissioning. This is because it presents an opportunity to get to a better place in Aotearoa New Zealand when it comes to how our social sector is funded and works. This directly impacts our communities, families and whānau, tamariki and rangatahi.

We have been pleased over the past year to involve many others from Iwi, kaupapa Māori, Pacific and NGO social services to help shape the work through hui, fono and symposia. Together, community-based social service representatives have made clear that a consistent approach to commissioning in the social sector is urgently needed, grounded in Te Tiriti o Waitangi and characterised by high-trust, equitable relationships.

For us, this new approach to social sector commissioning is, at its heart, focused on ways of working that will ultimately lead to strengthened families and whānau, greater wellbeing for children and rangatahi, and community-led development and solutions. Crucially, the central feature of this mahi is a relational approach to working together between communities and government, towards shared, intergenerational outcomes.

We do not underestimate the scale of the change that this project contemplates, and the time and shift in approach required. But we believe that this fundamental shift is needed, so that the aspirations of families and whānau can be realised. The change is already underway, and this necessitates a new approach to funding, changes in both community-based social services and government social sector behaviour, and new ways of working with one another. We are pleased that at pages 8-12 of this Update, you'll find data that sets a foundation for greater transparency about social sector funding, with openness being a necessary underpinning to the relational approach.

We encourage community-based social services to get involved as this mahi continues – there will be opportunities in 2022. We all have the opportunity to ground how we work in the relational approach. Together, we can show what is possible for our communities, families and whānau.

On behalf of the Project Board:

**Katie Murray**, QSM, MNZM, Chief Executive, Waitomo Papakainga Development Society

**Dr Claire Achmad**, Chief Executive, Social Service Providers Aotearoa

**Brenda Pilott**, ONZM

**Dr Ang Jury**, ONZM, Chief Executive, Women's Refuge

## Definitions

**Commissioning:** for the purposes of this document, commissioning refers to the interrelated activities, including but not limited to planning, engagement, funding, procurement, monitoring and evaluation that need to be undertaken through third-party providers to ensure individuals, families, whānau and communities who need support get what they need for their wellbeing.

**Te Tiriti o Waitangi/The Treaty of Waitangi partners:** This work recognises the obligations of government departments and Crown entities to uphold the commitments of Te Tiriti o Waitangi/The Treaty of Waitangi. In the social sector, these obligations involve working in partnership with iwi, hapū and Māori organisations who are essential in achieving outcomes for whānau, hapū, iwi, Māori and communities.

**Social sector:** for the purposes of this work, the ‘social sector’ includes both government and non government organisations, and is defined as: government departments and Crown entities and organisations working with individuals and whānau (whether national, regional, or local), in particular areas of welfare, housing, health, education, child wellbeing, justice and disability support services. This includes government departments and Crown entities that fund social sector services in this regard, philanthropic and other funders, iwi, hapū and Māori organisations, and NGOs and other providers (both for-profit and not-for-profit) that deliver those services within communities.<sup>1</sup>

**Non-Government Organisations (NGOs):** the diversity of NGOs defies any simple definition. NGOs typically range from traditional not-for-profit organisations through to social enterprises and can include corporations practising social responsibility and for-profit organisations. NGOs are entirely or largely independent of government and can operate at a local, regional, national, or international level. NGOs can also be affiliated to iwi, hapū and Māori groups or adopt Kaupapa Māori approaches. The goals of NGOs are often focused on creating social and/or economic value for wider communities.

Communities can be groups representing distinct populations and characteristics, such as Māori, Pacific, LGBTQIA+ people, disabled people, refugees, and migrants, as well as communities representing geographical regions.

**Government departments and Crown entities within the scope of the social sector include:** Ministry of Social Development (MSD); Ministry of Health (MoH); Ministry of Education (MoE); Oranga Tamariki — Ministry for Children (OT); Ministry of Justice (MoJ); Ara Poutama Aotearoa — Department of Corrections (Ara Poutama); Ministry of Housing and Urban Development (HUD); Ministry of Business, Innovation and Employment (MBIE); Department of Internal Affairs (DIA); Te Puni Kōkiri (TPK); Ministry for Pacific Peoples (MPP); Ministry for Ethnic Communities; Ministry for Youth Development; district health boards (DHBs) which will be replaced by Health New Zealand and the Māori Health Authority); Kāinga Ora; New Zealand Police (Police); Accident Compensation Corporation (ACC); and the Tertiary Education Commission.

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<sup>1</sup> This definition expands on the one used by the Social Wellbeing Agency’s Data Protection and Use Policy.

# Executive summary

Social services in Aotearoa New Zealand play a vital role in supporting and furthering the wellbeing of our people and communities. Members of the sector, government departments and Crown entities and communities share a vision of support that improves intergenerational wellbeing. Iwi, hapū, whānau, communities, funders and providers cannot solve these issues alone and trying to address social issues in isolation is expensive and resource intensive.

Currently, government processes, rules and procedures for funding social services have been created to manage contracts and fund outputs of government departments and Crown entities rather than wellbeing outcomes for people. This is perpetuated by commissioning processes that are inflexible, transactional and opaque. Changing this requires a foundational shift in the way government departments and Crown entities, NGO providers and communities work together by placing trusted, meaningful relationships at the core of commissioning (Relational Approaches). This also requires changes to behaviours, practices, and systems to remove barriers in support of Relational Approaches.

This year the Social Sector Commissioning team have been working with the social sector to develop the direction of change for the work following on from the last update to the sector in August 2020.

This document reflects back what sector representatives told us at some targeted hui, fono and symposia in early 2021, along with a first attempt at mapping what the social sector looks like using the data that government departments and Crown entities collect.

In late 2021 Government agreed to adopt the relational approach to commissioning, the foundational shift for government departments and Crown entities. We have also updated the principles for commissioning to include another principle addressing equity and diversity. Finally, we explain what's next for the work, along with the proposed direction for implementation.

# What have we been doing since the last update?

As part of the actions we agreed to in our August 2020 update, we conducted targeted engagements with social sector representatives in the first half of 2021. We conducted a hui with Māori providers and some iwi and hapū representatives, a fono with Pacific providers and two symposia with representatives from across the social sector. The focus was on ‘how’ government departments and Crown entities work with NGOs and communities as opposed to ‘what’ services should look like. In this respect, the sector led the way. We acknowledge and thank you for the wisdom, guidance and leadership shown by the sector during this work.

## Representatives from the social sector told us:



A Te Tiriti-led approach would centre the voices of individuals, whānau, families, hapū, communities and iwi, and support their self-determined aspirations. This approach would focus on achieving equitable outcomes, even though the ways in which they are achieved may be different. It would focus on how government and providers partner with each other, building respectful, trusting, long-lasting relationships. This includes continuing to listen, learn and improve how the Crown supports this.



We should seize the opportunities from the COVID-19 – building on the lessons from how we worked together in the response in 2020 and 2021 – and challenged us not to go back to the status quo.



Government agencies and providers support the aspirations of individuals, families, whānau, hapū and iwi. We heard that this requires a shift from ‘to, for and on your behalf’ towards more being done ‘with and by.’



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Fundamental shifts are required to reach the aspirations of commissioning for wellbeing. The system is not flexible or adaptable enough and is getting in the way of delivering meaningful change for whānau and communities.

“

Specifically, Pacific social sector leaders told us we needed to bring in Pacific people in a more intentional, joined up way. We were directed towards Lalanga Fou<sup>1</sup> as an example of good practice.

“

What we do as a sector is about the intergenerational wellbeing of New Zealanders.

These conversations shaped the work going into the second half of 2021, with the team working to identify and address changes to behaviours, practices and systems. As a result, we have developed relational approaches to commissioning and updated the principles for commissioning to include a principle focused on equity. We have started mapping out what the sector looks like now using the data that government departments and Crown entities collect.

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<sup>1</sup> Ministry for Pacific Peoples. 2018. *Pacific Aotearoa Lalanga Fou*. <https://www.mpp.govt.nz/assets/Reports/Pacific-Aotearoa-Lalanga-Fou-Report.pdf> (Accessed 18 August 2021)

# What the sector looks like now

There are challenges in getting a map of the arrangements between social sector government departments and Crown entities and NGOs, and this is the start of trying to work in a joined up way. While this information isn't perfect, we thought it was important to share with you what we do have.

## The size and shape of the sector

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There are approximately 15 to 20 public service departments and Crown entities that commission social services from NGOs.

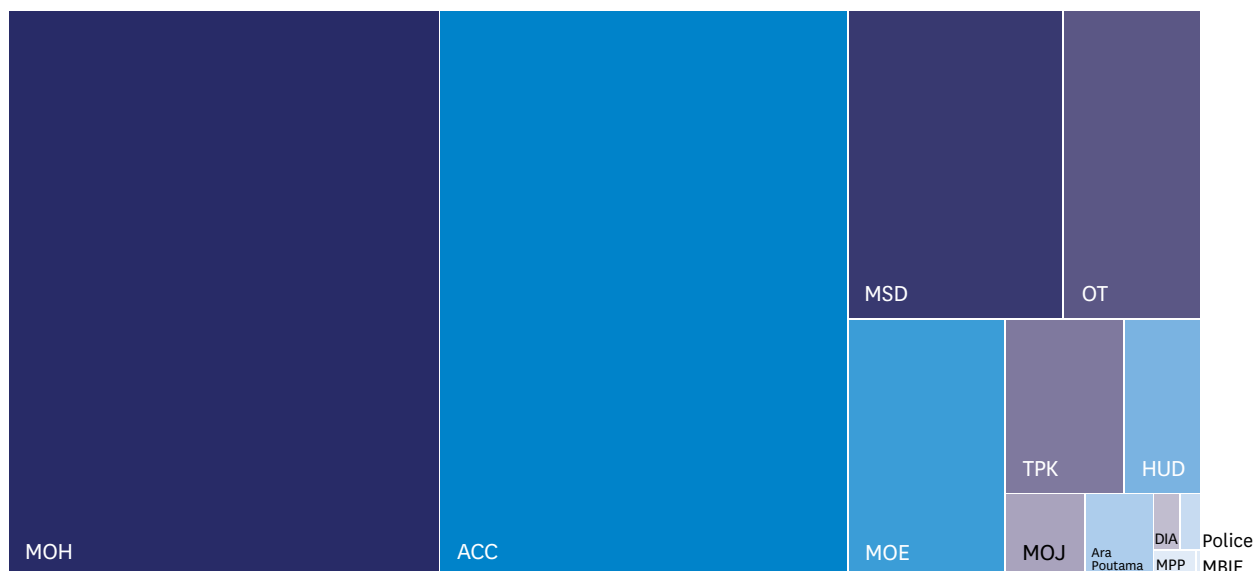
In 2020/21 it is estimated that between \$6 and \$7 billion went to NGOs for social services.<sup>2</sup> Based on this information the Ministry of Health (excluding DHBs) and ACC accounts for around 70 percent of the total funding (36 percent and 34 percent respectively); the Ministry of Social Development accounts for 10 percent; Oranga Tamariki, 7 percent; Ministry of Education, 6 percent; and all remaining government departments (Ara Poutama Aotearoa — Department of Corrections, Ministry of Housing and Urban Development, Ministry of Justice, Ministry for Pacific Peoples, NZ Police, and Te Puni Kōkiri) make up the remaining 7 percent of the funding identified for 2020/21.

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<sup>2</sup> This is based on 13 government departments and Crown entities: The Ministries of Business Innovation and Employment, Education, Health, Housing & Urban Development, Justice, Social Development, and Pacific Peoples, ACC, Ara Poutama, Department of Internal Affairs, Oranga Tamariki, New Zealand Police and Te Puni Kōkiri.

In 2020/21 social sector government departments and Crown entities had at least 18,800 arrangements with NGOs – this includes contracts, grants, and other agreements. Government departments and Crown entities with around 2,000 or more arrangements included the Ministry of Health, Ministry of Social Development, Department of Internal Affairs, Ministry of Education, ACC and Oranga Tamariki.

### Contract value 2020/21 annualised



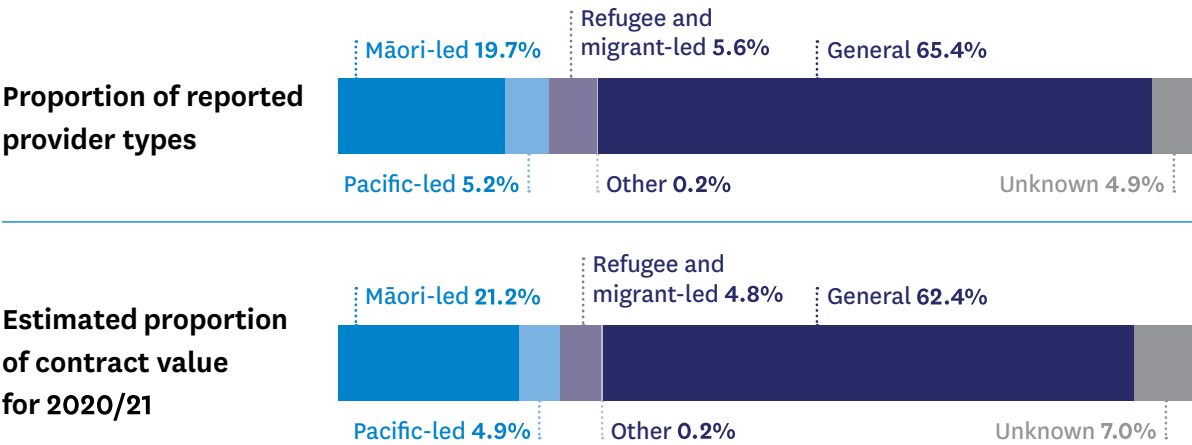
There are thousands of NGOs that make up the social sector. We know that some government departments and Crown entities have arrangements with as few as 7 NGOs and as many as 5,613. The total number of providers (over 5,800) is difficult to determine from the information we collected, as we know that NGOs often have contracts with multiple government departments and Crown entities. Some work is being done on joined up agreements for Pacific services, but there could be other areas of service or population groups where this might make sense.

### Number of providers per government funding agency in 2020/21

<b>5,613</b> MOH	<b>1,845</b> MSD	<b>1,835</b> DIA	<b>957</b> MOE	<b>778</b> ACC
<b>584</b> OT	<b>165</b> HUD	<b>139</b> MOJ	<b>87</b> TPK	<b>78</b> MPP
<b>55</b> Ara Poutama	<b>41</b> Police	<b>7</b> MBIE		

Te Puni Kōkiri and MBIE's progressive procurement policy<sup>3</sup> aims to reduce the barriers to Māori organisations engaging with government procurement processes, combining elements of social procurement, supplier diversity, indigenous procurement and wellbeing measures. For the social sector, 20 percent of contracts that were current in 2020/21 were awarded to Māori, and 5 percent to Pacific. Government departments and Crown entities self-reported the type of provider, which may mean that those providers reported as Māori may not fit the definition of Māori business under the progressive procurement policy. Further, the proportion of contracts or funding may not equate with the level of service provision for these groups.

**Type of provider for contracts awarded, as of 2020/2021**



## Building a picture of commissioning activity

While we don't have a complete picture, we have some information about arrangements between social sector government departments and NGOs. Information across 9 government departments and Crown entities<sup>4</sup> for the 2020/21 financial year starts to give us a picture of the commissioning activity underway.

The total funding from these 9 government departments and Crown entities that went to NGOs for 2020/21 is estimated to \$1.78 billion:

- Grants account for 13 percent of the total reported value (\$240m), although the quantum of grants could be larger than what is reported.
- The mean value of contracts across for 2020/21 is \$247,293.
- 60 percent of the contracts for services are less than \$100,000 for the year (2020/21) which accounts for 9 percent of total spend.
- 18 percent of the spend is due to 9 contracts (\$274.2m total).

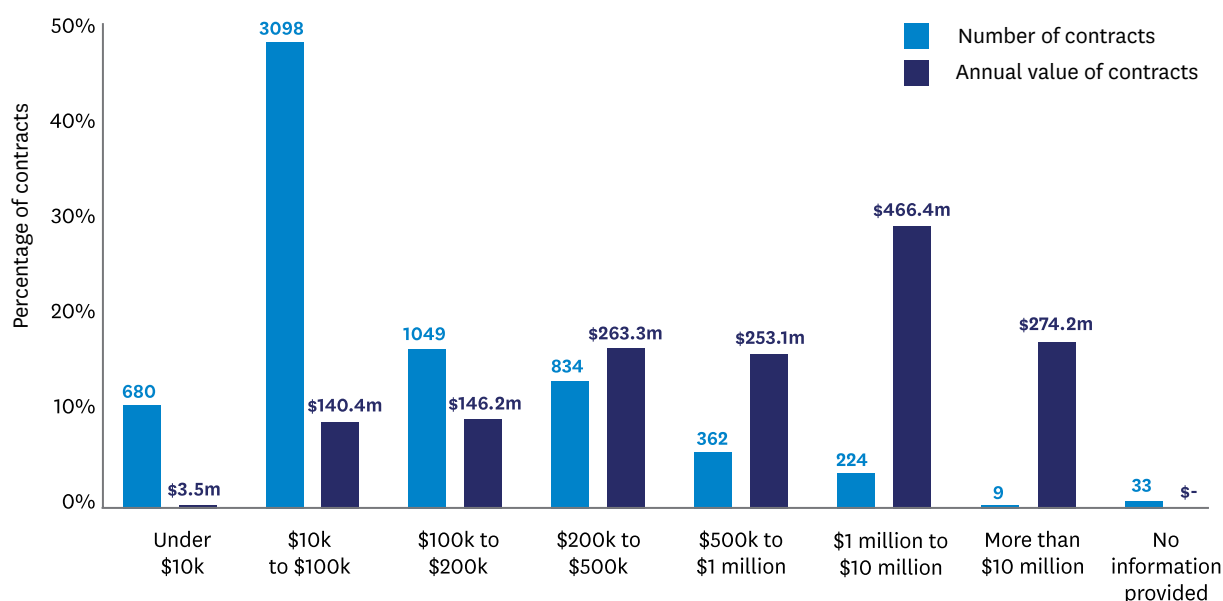
<sup>3</sup> See [Progressive Procurement \(tpk.govt.nz\)](http://tpk.govt.nz)

<sup>4</sup> The Ministries of Business Innovation and Employment, Education, Housing & Urban Development, Justice, Social Development, and Pacific Peoples, Ara Poutama, Department of Internal Affairs, Oranga Tamariki, and Te Puni Kōkiri.

There are a number of contracts under \$100,000 per year, and a very small number of contracts over \$1 million per year. Based on 6,256 contracts, the average value is almost \$250,000 for 2020/21. However, as seen in the graph below, 60 percent of contracts are under \$100,000 per year, and 77 percent of contracts are under \$200,000, while just 3.7 percent of contracts are over \$1 million per year. There may be opportunities to better understand how the value of contracts relates to the nature of the reporting, monitoring and auditing that is required.

## Distribution of contract values for 2020/21

### Distribution of contract values for 2020/21 by number and value<sup>5</sup>



There has been a desire to move to longer contracts to provide stability for NGOs and nearly half of these contracts (47%) in 2020/21 are over 3 years in length.<sup>6</sup> The average length of contract is 2.5 years, while the weighted average based on contract value is 3.6 years. 23 percent of contracts are less than 1 year in length, although this accounts for just 6 percent of the total value of the contracts.

While 36 percent of contracts in 2020/21 are between 3 and 5 years in length; 24 percent of contracts are 5 years or longer. Contracts of 3 years or more make up 61 percent of the contract value for 2020/21 (equal to \$936.2 million).

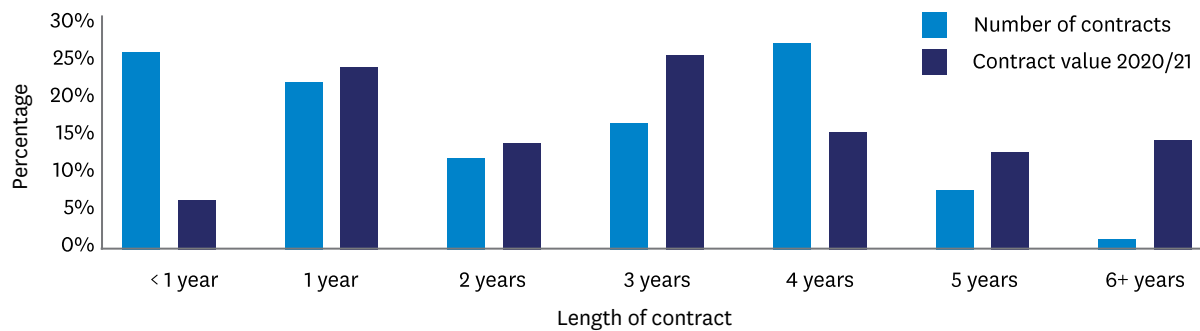
- For Oranga Tamariki, 68 percent of contracts are 4 years in length
- For Ministry of Justice 55 percent of contracts are 5 years in length
- For Te Puni Kōkiri, 27 percent of their contracts are 10 years or longer.

<sup>5</sup> ACC, Ministry of Health and NZ Police excluded due to the way that information was provided. This means the analysis is limited to 30 percent of the total spend identified for 2020/21 through this exercise. DIA was excluded as they only provide community grants.

<sup>6</sup> This data includes the 9 government departments and Crown entities above, as well as NZ Police. ACC and the Ministry of Health were excluded due to the way that information was provided. We note that ACC provided a range of 4 to 6 years for the average and the Ministry of Health provided an average length of contract 4.8 years. DIA excluded as they only provide community grants.

## Distribution of contract length

Number of contracts and annual contract value



Competitive procurement or sourcing approaches and the use of GETS (Government Electronic Tender Service) are often talked about by both NGOs and government departments and Crown entities. Around 30 percent of contracts used an open tender process, while 44 percent used a closed tender to selected providers/NGOs or direct sourcing approach (i.e., going direct to a particular NGO).

## Reporting and monitoring progress

Government departments and Crown entities provided information on these areas in different ways. As such the totals add to more than 100 percent, as they often provided more than one answer:

- For the majority of contracts, government departments and Crown entities ask for reporting from NGOs between 2 and 12 times a year, with 27 percent reporting monthly. We do not know the nature of this reporting, acknowledging that reporting varies from reporting on volumes or outcomes, through to narrative reporting on progress.
- The majority of monitoring happens between 2 and 4 times a year, and takes place via a visit to the NGO. Given that monitoring is predominantly face to face (visit to the NGO or face to face meeting), there are remaining questions about how intentional these engagements are, and the opportunity for government departments and Crown entities to join up their monitoring engagement to minimise the time that NGOs are spending on this activity.
- No information on auditing has been included as a significant amount of this information was not available.

Analysis undertaken by the work programme to date shows, given the mixed picture about reporting and monitoring, there is more work to do to understand this information, and to understand what “good would look like” in this space in a way that balances the accountability for public funds, with the administrative burden on NGOs.

# A relational approach to commissioning

## Working better together over the longer term

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In late 2021 Government agreed to adopt a more purposeful, informed and coordinated approach to the different stages of commissioning so we can deliver better value and more impactful services that support the aspirations of individuals, whānau, families, hapū, communities and iwi. This is about shifting the nature and approach to commissioning conversations towards building relationships based on respect and trust. Working like this is a big feature of how the sector has been working together to respond to COVID-19.

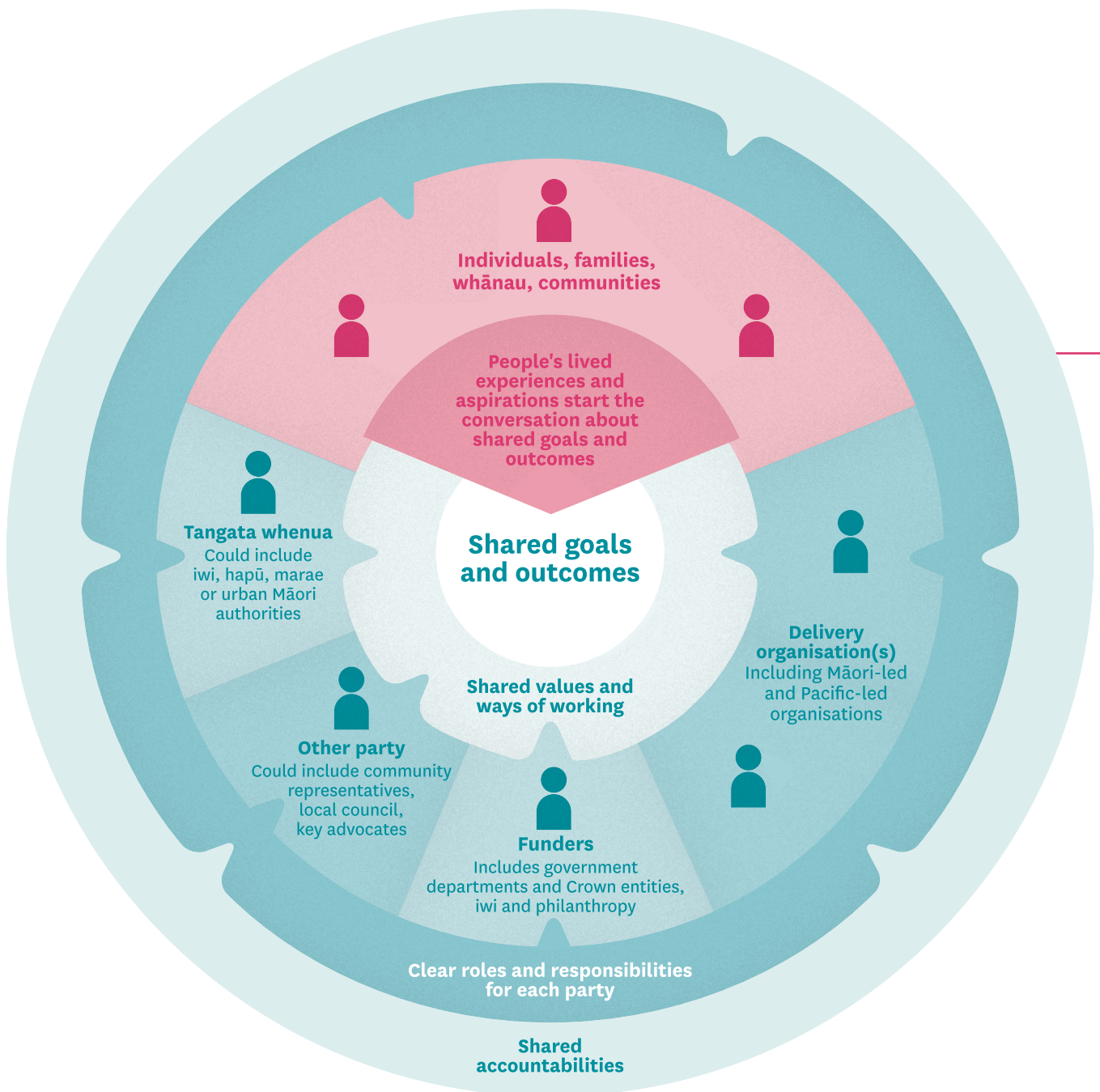
A relational approach to commissioning places trusted, meaningful relationships at the centre to ensure activity delivers wellbeing outcomes for individuals, families, whānau, and communities. Adopting a relational approach signals a transformational shift in the way government departments and Crown entities, NGO providers, and communities work together. Building strong relationships takes time, energy and resources, creating lasting benefits. Building and maintaining relationships should be a priority at all levels of an organisation, be modelled by senior leaders and feature at all stages of the commissioning process.

A relational approach to commissioning encourages new ways to fund and co-fund services, empowering individuals, families, whānau, hapū, communities and iwi to self-determine how they wish to engage with services that support their aspirations and proactively making space for them to do so. From a provider perspective it could encourage conversations around new ways of working, like developing solutions to how a provider that deals with multiple government agencies could see the process being streamlined. A relational approach to commissioning also supports the ongoing development of the Māori-Crown relationship, providing for different and multiple ways to include Māori interests at the table and during various stages of the process.



# The six features of a relational approach

A relational approach is intended to act as an enabling platform, where parties ground their work in the needs and aspirations of the people they support. There are six key features that appear in relational approaches which are overlapping, intertwined and iterative. They don't have to form a linear process.





## Six features and what they might look like:

### ● **Grounding our work in the needs and aspirations of the people we serve**

The realities of individuals, families, whānau, hapū and communities are front and centre. This includes seeking and valuing information about their lived experience to understand and support their aspirations, and ensuring a locally led approach that responds to their lived experience and aspirations. It also means involving individuals, whānau, families, hapū and communities earlier, requiring culturally appropriate, inclusive and accessible support to participate be made available.

### ● **Entering relationships around a common set of outcomes**

The commissioning process starts with agreeing to shared goals and outcomes before moving onto resourcing. It is about having the right people at the table and ensuring that everyone is clear about the 'why'. This might include jointly determining a set of outcomes or aligning with existing outcome frameworks, such as the Child and Youth Wellbeing Strategy outcomes, and actively supporting a multi agency approach.

### ● **Recognising and giving practical effect to Te Tiriti o Waitangi**

Māori-Crown partnerships are at the heart of effective commissioning, which is why they are also a principle for commissioning. Parties will apply Te Tiriti o Waitangi to the context, including by actively building and maintaining relationships with iwi, hapū and whānau in respective regions; supporting them to create their own solutions, driving for equitable access, experiences, and outcomes for Māori; and developing cultural competency and safety to engage and apply tikanga in a way that benefits service provision.

### ● **Agreeing how we will work to deliver these common outcomes**

Building relationships and trust so that we can work together to identify shared goals and outcomes and act on agreed priorities. It is about using a high-trust model, where everyone knows how they relate to and treat each other. This might include agreed ways of working and sharing resources, capabilities, knowledge and expertise so that we can act in good faith.

### ● **Committing to shared accountability**

Working together to determine which actions or activities those involved are jointly responsible for, those that only some are responsible for and what each us contributes. This includes where it may be appropriate to have shared accountability for success, failure, opportunities and challenges.

### ● **Agreeing clear roles across the commissioning process**

Understanding who will be involved at what stage in the commissioning process, and how people will be updated on progress. Everyone should know their role, for example leading, enabling, contributing to, or supporting a key activity or piece of work within the commissioning process.

# Updated principles for commissioning

These government supported principles ensure consistency across commissioning decisions and support the relational approach by laying the foundation for a shift in commissioning practice. Engagement with the social sector confirmed that the initial principles developed in 2020 are the right ones to ensure a strong foundation for consistent practice in commissioning, with the addition of another principle.



## **Individuals, families, whānau and communities exercise choice**

One size does not fit all; different needs and wants require different solutions. Change led by communities is recognised and valued. Communities should continue to design and deliver tailored responses and government needs to learn how to best support that.



## **Māori-Crown partnerships are at the heart of effective commissioning**

Recognising and giving practical effect to Te Tiriti o Waitangi is essential to achieving wellbeing for Māori. Iwi, hapū and Māori communities have been clear that they want to partner and lead in planning and local decision-making on social services. This element of rangatiratanga needs to be given expression as partnerships about real power sharing to effect positive change in communities.



## **The sector works together locally, regionally and nationally**

Working together should be anchored to a common purpose and centred around the people we are working to help. Working together means understanding, respecting and valuing each other's different roles, strengths and contributions. It also means seeking agreement to shared outcomes regardless of who is commissioning and delivering.



## **The sector is sustainable**

For government, helping to build a sustainable sector means developing a set of funding approaches and costing approaches centred on the needs and aspirations of individuals, families, whānau and communities, and that recognise the true cost of service provision and the value of the work that social sector staff are undertaking.



## **Decisions and actions are taken transparently**

Government departments and Crown entities commissioning social services need to engage early, comprehensively, and in good faith with all relevant parties during the commissioning process. This should include transparency and clarity about how funding decisions, funding levels and funding models are arrived at.



## **The sector is always learning and improving**

Insights should be used to determine need before new services are designed. Learning what works and recognising that there are different systems of knowledge are critical to any attempts to improve social sector commissioning in New Zealand.

The principles are interdependent, equally valuable, and indivisible. They should also complement and enable Te Tiriti-led commissioning through the emphasis on building trusted, meaningful relationships centred on the lived experiences of individuals, families, whānau, and communities.

## Adding another principle



### **Commissioning is responsive to the equity of unique and diverse populations**

We received strong feedback during the targeted sector engagement that these principles needed to recognise and be responsive to the uniqueness and diversity of the New Zealand population. We were told that a rich understanding based on lived experience was crucial to providing appropriate services to support individuals, families, whānau, hapū, and communities. As all the principles are interdependent, equally valuable and indivisible, this principle further emphasises the need for responsiveness to Māori, and in addition promotes the importance of responsiveness to diverse communities.

We recognise that some populations may need the commissioning process to be responsive to what is specifically important and unique to them. Being responsive to the support needed by different populations means support can be better targeted to achieve sustainable improvements to wellbeing over time.

Pacific providers have strongly expressed that they and the Pacific people they serve are often invisible in mainstream approaches. Recognising the uniqueness of Pacific people and the diversity in cultural practices from different Pacific Islands builds trust in the provider.

By responding to equity gaps, a range of populations can be more appropriately supported. For example, ethnic communities, LGBTQIA+ people, disabled people, or people living in rural areas.



#### **What this will look like for providers and communities**

- Relevant communities will be engaged early on in the process of commissioning services.
- Providers will have the flexibility to respond to specific support needs of individuals, families, whānau, hapū and communities.



#### **What this will look like for government**

- Government departments and Crown entities will be more joined up in their approach to the sector.
- Government departments and Crown entities will respect the expertise and knowledge of communities about achieving their aspirations.

# What next?

Government have adopted the Relational Approach as the default way for government departments and Crown entities, non-government organisations, iwi, hapū, communities, families and whānau to work together. We recognise moving to this approach as a default practice will not happen overnight, which is why change will be phased over the next six years.

It will require changes to the mindset, culture and behaviour of those involved, for example, through improved standards. It may also require additional resources and organisational or system structures to support change and help the sector lift its capability.

## ▶ Now – mid 2022

### Changing the way we commission

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#### Aim

Ongoing support across the sector where a relational approach is already being used, to support implementation of the work programme from mid 2022. Planning to ramp up implementation in mid 2022.

#### This may look like

- Continuing to identify barriers to change and the solutions to help, particularly as they relate to funding, decision making, and capability.
- Signing up a range of initiatives/programmes to develop relational approaches.

## ▶ Mid 2022 – mid 2024

### Growing and extending

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#### Aim

The sector collaboratively develops relational approaches, where progress and impact is monitored in priority areas. Lessons are shared and embedded.

#### This may look like

- For new initiatives, time is spent up front establishing trust by agreeing shared goals, accountabilities and responsibilities.
- Resources are increasingly available to support community partners, iwi, hapū and whānau to participate.
- Reporting and monitoring requirements start to simplify and become more focused on impacts and outcomes.
- More tools/processes including for evaluation and continuous learning and improvement are developed and made available across the sector.

Relational approaches will be embedded by the sector, as government departments and Crown entities and NGOs learn together about what needs to be in place to make relational approaches the default. The goal is to support government departments and Crown entities and NGOs to work in this way, recognising their differing levels of experience and capability, making a relational approach to commissioning the default practice.

Below is an initial overview of the phased approach we think will support embedding relational approaches. The project team will continue working with the sector, including project board, iwi, hapū, Māori and Pacific providers in the next months to develop this further.

▶ 2024 - 2028

## Sector-wide scale-up

2

### Aim

The sector achieves a significant shift in practice across all commissioning with relational approaches become more common.

### This may look like

- The right parties are brought together locally, regionally and nationally from the start.
- Shared goals, accountabilities and responsibilities are established up front for more programmes.
- Only information that helps understand the impact of services is collected, and as much as possible is standardised and collected once to avoid duplication.
- Tools/processes for evaluation and continuous improvement are readily available and continuously developed.

▶ 2028 onwards

## Normalising practice

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### Aim

Relational approaches are used as default across the sector, and this is the standardised, expected way of working.

### This may look like

- Learning from insights and peoples' lived experience of the services they need shapes the design and delivery.
- Commissioning relationships are focused on service quality.
- Longer-term and flexible funding arrangements promote certainty, stability and innovation for NGO providers, government agencies and communities.
- There is capability and capacity to meaningfully work together to progress shared goals.

