Te Pou Matakana
COMMISSIONING AGENCY
KIA TŪ - KIA OHO - KIA MATAARA
STAND TALL STAND STRONG STAND WISE

25th November 2014

Hon Te Ururoa Flavell
Minister for Whanau Ora
Freepost Parliament
Private Bag 18 888
Parliament Buildings
WELLINGTON 6140

Email : teururoa.flavell@parliament.govt.nz

Tena koe Minister,

Te Pou Matakana Social Housing Funds

Sunday 9th November I received a telephone call from the Minister of Maori Development/Whanau Ora advising that Ministers are considering that the funds to be transferred to Te Pou Matakana as a Commissioning Agency were in jeopardy and that a paper would go to Ministers shifting this Funding back to the State.

The Minister advised these decisions were being made in regard to two (2) issues

Firstly a capacity issue in Te Pou Matakana or lack of it and secondly the cost to provide this Service by way of Back Office fee.

I advised the Minister that he was wrongly informed on both counts.

Officials have always acted in a reticent way bordering on obstructive.

At no time apart from accepting the offer of funds being transferred to Te Pou Matakana have we discussed anything to do with Back Office funding. As a consequence the argument over capacity must fall into disarray as well.

I am advised that Te Puni Kokiri have put a Business Case to its Chief Executi Officer advising that it wants a Director of Housing and 6 FTE's to run this Fund.

In addition the amount of $1.5 million dollars is taken off the top to cover the States Back Office fee.

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Never would Te Pou Matakana ever contemplate such a savage cut for Back Office services.

On behalf of my Board I have been instructed to advise that we consider we have a legitimate expectation to continue to have this fund devolved to us for the following reasons:

- Legitimate expectation – which is still presently being promoted on Official government websites and on the basis of continual contacts with us making enquiries over this fund.
- As indicated in my emails to the Ministry of Business Innovation and Employment (MBIE) staff we have an offer, we have the consideration, we have accepted subject to conditions subsequent. We agree that we needed to negotiate belts and braces and we agree that a Back Office fee would be required to fund capacity and capability. In all material respects we consider we have a Contract
- Our Board believes it would have been better for us not to have received this Contract on the basis of it being taken away. Both Ministers addressed in this correspondence are aware that a part of the Commissioning Agency success story is predicated on our ability to Co-lever. Co-Invest. Co-Design. Co-Purchase and Co-Commission. In the event this fund is removed from us it sends a clear message to your Senior Bureaucrats that Te Pou Matakana has no support in this present Administration and that the likelihood of our success has been caveated before we start.
- Te Puni Kokiri unlike us does not have access to the Communities that can make a difference off the leverage this fund provides. It does not have access or the ability to ensure Maori youth are connected to Apprenticeship opportunies as we do it does not have the connectivity with our Providers that we do in advancing particularly the huge oportunites that are availble in Auckland particularly

The above propositions can be evidenced in on our paper trail in terms of the inter-change of documents between ourselves and MBIE Officials. Further the previous Minister of Whanau Ora, the Hon Tariana Turia will depose to the fact and supported by her Press releases that the fund rightly should sit with Te Pou Matakana.

In the terminology of this Administration an elegant solution will be for Te Puni Kokiri now to Contract out this fund to Te Pou Matakana. Our Contract for Commissioning took into account the very real possibility of agregating more Contract capacity to Te Pou Matakana and Te Puni Kokiri can quickly divest itself of this obligation.

It is important that we flag our deep concerns in the fact we are obliged to contest this treatment vigorously.

Te Pou Matakana
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STAND TALL STAND STRONG STAND VIGILANT

We are prepared to meet as a Board with Ministers at your earliest convenience.

Nohoora mai,

John Tamihere
Chief Executive Officer

TE POU MATAKANA

Cc. Hon Bill English – bill.english@parliament.govt.nz

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Office of Hon Te Ururoa Flavell

MP for Waiariki

Minister for Māori Development

Minister for Whānau Ora

Associate Minister for Economic Development

- 3 DEC 2014

John Tamihere
Chief Executive Officer
Te Pou Matakana
PO Box 21 081
Henderson
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Tēnā koe John

Te Pou Matakana Social Housing Funds

Kia mihia te mano tini ki Hawaiki nui, ki Hawaiki roa, ki Hawaiki pāmamao. Ki a rātou te tūtūtanga o te puehu, te whiunga o te kupu i ngā wā takatū ai rātou, haere atu rā. Ki a tātou te urupā o rātou mā, mā ngā waihotanga mai e hāpai nei i ō rātou wawata, tūmanko hoki, tēnā tātou.

Thank you for your letter of 25 November 2014 which seeks further information about the approach Cabinet has taken to the administration of the Kainga Whenua Infrastructure Grant and the Māori Housing Fund.

I have forwarded your letter to the Hon Nick Smith who is the lead Minister responsible for Housing. I will also discuss this with Minister Smith and provide you with a full response in due course.

Nāku noa, nā

Hon Te Ururoa Flavell
Minister for Māori Development

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