From: Danielle Vaoga [mailto:Danielle.Vaoga@waiwhanau.com]
Sent: Friday, 28 June 2019 12:44 PM
To: 'Jacinda.Ardern@dpmc.govt.nz' <Jacinda.Ardern@dpmc.govt.nz>; J Ardern (MIN) <j.ardern@ministers.govt.nz>; N Mahuta (MIN) <n.mahuta@ministers.govt.nz>; G Robertson (MIN) <G.Robertson@ministers.govt.nz>; P Henare (MIN) <p.henare@ministers.govt.nz>
Subject: Whanau Ora

Kia ora koutou,

Background

The Labour Party Maori spokespersons in Election Year 2017, announced at Whanau Waipareira premises that a Labour elected Government would invest at least $20 million into Whanau Ora if elected that calendar year. We all know that Maori funding in Budget 2018 actually descended into negative territory relevant to Te Puni Kokiri's funding envelope. In addition that election promise was not upheld.

A Whanau Ora review occurred and supported in glowing terms, the Whanau Ora Commissioning approach. It made one negative observation and that was that a number of communities had yet to receive the benefit of Whanau Ora services but that this was due to a lack of resourcing.

I attach a separate independent report conducted on our Commissioning Agency by Social Value Australia. This was concluded on 28 June 2019 and once again confirms the world leading approach being conducted by the North Island Whanau Ora Commissioning Agency.

Budget 2019

Amongst a great fanfare the Government announced billions of dollars of investment into non Maori agencies, both Crown and private sector. The Whanau Ora Budget, as expressed in the budget legislation advised that $81 million was to be funded into the Commissioning Agencies over four years. The appropriations then become quite specific in terms of $19.2 million to the Commissioning Agencies in Budget year 2019/2020. I have met personally with the Minister of Whanau Ora and he spoke as recently as the 5th June 2019 at our North Island Whanau Ora Conference of providers at the Holiday Inn, Mangere. I met separately with him and Minister Jackson at the Conference dinner on the evening of the 6th June 2019. I have met with him on two other occasions and have text him to provide briefings in regard to a 'no surprises' policy. Unlike other Ministers he has not seen fit to respond to texts or phone calls and on that basis all things will have to be communicated to his office in writing. This is a departure from standard practice.

At no time has this Minister even honestly indicated that he was no longer going to use the Commissioning Agency approach. In fact, all of the Budget press releases and communications are apposite to this.

The Con Job

I attach a Letter of Offer from Te Puni Kokiri received in my office on Thursday 27 June 2019.

You will note that the Minister, in his wisdom, has provided the North Island Commissioning Agency with an offer equalling 5% of the $81 million voted in the Budget. He is aware, as you are aware, that the expectations built up over the Whanau Ora

announcement are significant in our communities up and down the country. We serve over 89% of the Maori community notwithstanding hundreds of others. You and the Minister of Whanau Ora will be aware that our workforce is presently on $80,000 per FTE and that to gain parity with like contracts being let, for example by MSD, they are being funded at $110,000 per FTE. To merely give equality, let alone issues of equity, this paltry offer will only go to uplift 80% of our FTE workforce presently being deployed in Whanau Ora.

The Minister of Finance is fully aware that our Model of distribution will be able to deploy these funds in quick time into highly deprived communities requiring this assistance immediately.

This Offer makes the Budget releases and the commentary by the Minister of Whanau Ora to be a predetermined con job in misleading not just Maori but the public at large. It makes up .08% of your Budget and to withhold these dollars without any Policy or honesty given the difficulties that beset our communities, is unacceptable conduct. The National Party and/or the Maori Party would not have conducted themselves in such a dishonest way.

We no longer have confidence in the Minister of Whanau Ora because he now wants to run Peeni Ora and will be obliged to contest this Minister and therefore your Government, given the misleading way in which we have been treated.

A number of Official Information Act Requests will follow to your offices and they require Urgency as we prepare to assert a number of remedies.

Noho ora mai

For and on behalf of
J H Tamihere
CHIEF EXECUTIVE OFFICER

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Hon Peeni Henare

MP for Tāmaki Makaurau
Minister of Civil Defence
Minister for Whānau Ora
Minister for Youth
Associate Minister of Health (Māori Health)
Associate Minister of Tourism

16 AUG 2019

John Tamihere
Chief Executive
Te Pou Matakana
6/8 Pioneer Street
Henderson
AUCKLAND

Tēnā koe John

Te urunga tū, te urunga tapu
Te mauri tū, te mauri tapu
Te mauri i whiwhia, te mauri i rawea
Te mauri nō hea? Nō runga, nō Rangi Nuku Tū
Tēnei te mauri ka whakapiki, tēnei te mauri ka whakakake
Te mauri o ngā Tupua, te mauri o ngā Atua
Kia puta ake i te whei ao ki te ao mārama
Tihewa mauri ora!

Rārangi maunga ka tū! Rārangi tāngata ka ngaro! Rātou kua riro atu ki te kāpunipunitanga o ngā wairua e moe okioki.

Ko te whānau ora o Te Ika ā Māui tēnā tātou katoa.

I am writing on behalf of myself and my Ministerial colleagues, Rt Hon Jacinda Ardern, Hon Grant Robertson, and Hon Nanaia Mahuta, in response to your email of 28 June 2019. In this email, you highlighted perceived issues around the allocation of Whānau Ora Budget 2019 funding to Te Pou Matakana (trading under the name Whānau Ora Commissioning Agency).

For clarity, I would like to address each of the points you raised in your email.

The Labour Party's Manifesto promise

I am aware that in the lead up to the 2017 election, Hon Kelvin Davis announced that, if elected, a Labour Government would "strengthen the oversight of Whānau Ora and provide an extra $20 million over four years to improve outcomes for whānau". Hon Kelvin Davis explained that strengthening oversight would involve commissioning an independent review of how Whānau Ora was being delivered with

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a view to identifying how best to enable better outcomes for whānau and ensure improved access to Whānau Ora services.

As stated by Hon Kelvin Davis pre-election, the Labour-led Government commissioned a review into Whānau Ora as a first step in seeking improved outcomes for whānau. Since completion of the Whānau Ora Review, the Labour-led Government has committed an additional $116 million over four years to Whānau Ora through Budget 2019 comprising:

- $80 million to expand the coverage and impact of Whānau Ora
- $35 million for Te Puni Kōkiri, the Department of Corrections and the Ministry of Social Development to work together to contract Whānau Ora support to Māori under 30 in prison and their whānau
- $1 million to improve health outcomes for Māori and Pacific whānau.

The $80 million to expand the coverage and impact of Whānau Ora includes $41 million over four years for general commissioning activities which is more than double the Labour Party's manifesto promise. Of the $41 million, $10.25 million has been allocated to the existing Commissioning Agencies in the 2019/20 financial year for their general commissioning activities – and this is additional to the existing funding level, which will continue to be provided to the three Commissioning Agencies for 2019/20.

The findings of the Whānau Ora Review

As you have noted, the Whānau Ora Review supported the Whānau Ora commissioning approach. The Whānau Ora Review highlighted the following with regard to localised support:

- Each Commissioning Agency serves a large geographic area. How close they are to their constituent communities, and therefore whānau, has been questioned.
- Some partners, providers, iwi and entities not currently involved in the delivery of Whānau Ora in the North Island have asked that more localised commissioning for Whānau Ora be explored.
- More localised commissioning should create more locally focused solutions and interventions that are highly customised to the needs and aspirations of particular whānau, and there is merit in exploring this further in the North Island. No views were provided on what regional or local boundaries would be appropriate for localised commissioning.
- Options for more localised commissioning in the North Island could include:
    - new commissioning agencies that are focused on particular areas, who can draw on the strength of their connection and relevance to whānau in that area, who may currently not be as well provided for and therefore not receive access to Whānau Ora services that will help them support achievement of better outcomes;
    - regional hubs based on existing provider collectives with the lead partner acting as the commissioner;
    - newly formed regional hub arrangements outside of the current Whānau Ora practising community; and
    - a function-based commissioning arrangement (eg, a shopfront to integrate social service delivery).

The findings of the Whānau Ora Review clearly advocates the exploration and development of localised commissioning options and I have instructed officials to commence this work.

$81 million for Whānau Ora commissioning

In your email you have stated that the budget legislation provided $81 million of Whānau Ora Budget to the Commissioning Agencies over four years. The Vote Maori Development Estimates 2019/20, available on the Treasury website, includes an $81 million increase in Whānau Ora funding which is spread over the next four years. As set out in the Estimate, this increased amount is to go towards:

- Expanding coverage of Whānau Ora to support more whānau to thrive and achieve wellbeing outcomes
- Identifying and developing whānau-centred approaches to healthcare to improve the wellbeing of Māori and Pacific whānau.

Funding available to support Māori under 30 in prison and their whānau is not included as part of the $81 million to which you refer.

As a further point of clarification the scope of the relevant appropriations do not require that Whānau Ora funding go exclusively to the existing Commissioning Agencies nor that the commissioning model remain limited to three Commissioning Agencies.

No surprises approach

I understand that the Outcome Agreement between Te Pou Matakana and Te Puni Kōkiri requires that the parties adopt a 'no surprises' approach in respect of their respective communications materials and public statements. I do not consider that there has been any failure to advise you of matters that should have been communicated to you in order to satisfy this obligation. The existing significant level of funding for Te Pou Matakana has not only been maintained, it has been increased. As you know, other policy initiatives are kept confidential until their announcement in the Budget.

Equally, I do not consider it a departure from standard practice to ask for formal communications relating to official functions to go through my office in writing, rather than through text messaging or phone calls. Contacting me with regard to my Ministerial portfolios in writing through my office can make it easier for me to respond to you efficiently and effectively.

Continuing to use the commissioning approach

At no stage have I indicated that the commissioning approach would no longer be used and Budget 2019 communications support this position. As it stands, and as I have previously communicated to you, I intend for $41 million to go directly into general commissioning for Whānau Ora outcomes over the next four years, with $10.25 million allocated to the existing Whānau Ora Commissioning Agencies in the

2019/20 financial year with a further $4 million to develop the capabilities of the Whānau Ora navigators contracted through existing Commissioning Agencies.

Budget 2019 confirmation letter

I assume that the "Letter of Offer" to which you refer in your email is the Budget confirmation letter for the 2019/20 financial year, which Te Puni Kōkiri provides to Commissioning Agencies prior to each new financial year as per the Outcome Agreement between Te Pou Matakana and Te Puni Kōkiri.

The Budget 2019 confirmation letter advised Te Pou Matakana that it will receive an additional [redacted] in funding for the 2019/20 financial year above the amount previously communicated in the Letter of Expectations sent earlier this year. This additional amount was allocated to Te Pou Matakana on the basis of the existing funding allocation model that has been in operation since 1 July 2016 and comprises [redacted] allocated to the existing Whānau Ora Commissioning Agencies this financial year.

Whānau Ora workforce pay parity

I am conscious that pay parity is an issue facing not just Whānau Ora but the social sector as a whole, and I am actively seeking solutions on this matter.

The "Con Job"

I have consistently been an outspoken advocate for the Whānau Ora approach and its ability to support whānau to meet their aspirations and improve their wellbeing. I have been clear that it has always been my intention to continually expand and improve the Whānau Ora approach to reach across sectors and communities and be successful in supporting whānau to improve their wellbeing. I believe that the allocation of additional funding for Whānau Ora achieved through Budget 2019 reflects my views. It will achieve expansion and improvement of Whānau Ora across sectors and communities by increasing funding for existing Commissioning Agencies, enhancing Navigator capabilities and commissioning for outcomes to be achieved at a localised level. More localised commissioning can readily be viewed as a natural next step in the ongoing development of the Whānau Ora approach as we learn and look to improve outcomes for ever more whānau over time.

Contrary to your assertion, there is no withholding of Budget 19 funding to Whānau Ora that is intended to support whānau and communities. In fact, taking localised commissioning as an example, funding is being used to ensure that Whānau Ora funding is even closer to the whānau and communities it is intended to serve. And it

takes nothing away from the efforts and achievements of the three existing Commissioning Agencies, whose work we are also continuing to support.

I hope that the content of this letter addresses your concerns around Whānau Ora and the new Budget 2019 funding.

Nāku noa, nā

Hon Peeni Henare
Minita mō Whānau Ora