Te Puni Kōkiri
REALISING MĀORI POTENTIAL

BRIEFING

PHASE TWO WHĀNAU ORA DRAFT MEASUREMENT FRAMEWORK

Date:	28 August 2015	**Priority**	Medium
Classification		**Tracking Number**	

Action sought	**Date action required by**
a. **note** the development of a draft measurement framework for phase two of Whānau Ora; b. **note** that the draft measurement framework proposes four workstreams which, taken together, will provide a complete picture of the performance and implementation of phase two Whānau Ora; c. **note** that over the next two months, Te Puni Kōkiri will consult more widely on the draft measurement framework with other government agencies (including Treasury, SUPERU, and the Ministry of Pacific Island Affairs) and the Commissioning Agencies; and d. **note** that by November 2015, you will receive a final phase two Whānau Ora measurement framework and a confirmed work programme of research, monitoring and evaluation outputs across the four workstreams identified.	

Contact for telephone discussion (if required)				
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Other Agencies Consulted					
☐ MBIE	☐ MoJ	☐ NZTE	☐ MSD	☐ TEC	☐ MoE
☐ MFAT	☐ MPI	☐ MfE	☐ DIA	☐ Treasury	☐ MoH
☐ Other					

Minister's office to complete:

☐ Approved ☐ Declined
☐ Noted ☐ Needs change
☐ Seen ☐ Overtaken by Events
☐ See Minister's Notes ☐ Withdrawn

Comments:

Te Puni Kōkiri
REALISING MĀORI POTENTIAL

28 August 2015

Te Minita Whānau Ora

PHASE TWO WHĀNAU ORA DRAFT MEASUREMENT FRAMEWORK

Kaupapa/Purpose

1. The content of this briefing relates to the Whānau Ora priority kaupapa.
2. This briefing presents the draft measurement framework for phase two Whānau Ora. It sets out four proposed workstreams which, taken together, will provide a complete picture of the performance and implementation of phase two Whānau Ora.

Key Points

3. A draft measurement framework for phase two of Whānau Ora has been developed, drawing on the findings of a number of previous reports:
   - The phase one Whānau Ora monitoring and research report *Understanding Whānau-Centred Approaches: Analysis of Phase One Whānau Ora Research and Monitoring Results: Draft Report*;
   - The Office of the Auditor General's report[1]; and
   - The Productivity Commission's draft report[2].

   And on Whānau Ora outcomes frameworks as articulated by the Taskforce on Whānau-Centred Initiatives, the Whānau Ora Partnership Group, and each Commissioning Agencies' Outcomes Framework.
4. The draft measurement framework proposes four workstreams, which will allow Te Puni Kōkiri to assess how effectively Whānau Ora is being delivered (in terms of what difference it is making), how efficiently Whānau Ora is being delivered (in terms of funding and human resource), and where improvements can be made. This draft measurement framework will complement and enhance measurement activity already underway within Whānau Ora, including analysis of Whānau Ora Commissioning Agency reporting information
5. The information gathered through the measurement framework will be used to:
   - improve understanding of the range of impacts of Whānau Ora;
   - improve the design and delivery of Whānau Ora; and
   - answer questions about the use of public expenditure for Whānau Ora.
6. When using the term 'measurement framework', we are referring to the range of research, monitoring and evaluation activities that will allow us to measure the performance and implementation of phase two of Whānau Ora.
7. Over the next two months, Te Puni Kōkiri will consult more widely on the draft measurement framework with other government agencies (including Treasury,

[1] Controller and Auditor-General. (May 2015). *Whānau Ora: The First Four Years.*
[2] Productivity Commission. (April 2015). *More Effective Social Services: Draft Report.*

the Social Policy Evaluation and Research Unit (SUPERU), and the Ministry of Pacific Island Affairs) and the Commissioning Agencies.

8. This consultation process will lead to the production of a final measurement framework by November 2015, and a confirmed work programme of research, monitoring and evaluation outputs across the four workstreams identified. Post-consultation, Te Puni Kōkiri will send you a briefing presenting the final measurement framework and confirmed work programme.

Recommended Action

9. Te Puni Kōkiri recommends that you:

   a. **note** the development of a draft measurement framework for phase two of Whānau Ora;

   b. **note** that the draft measurement framework proposes four workstreams which, taken together, will provide a complete picture of the performance and implementation of phase two Whānau Ora;

   c. **note** that this draft measurement framework will complement and enhance measurement activity already underway within Whānau Ora, including analysis of Whānau Ora Commissioning Agency reporting information;

   d. **note** that over the next two months, Te Puni Kōkiri will consult more widely on the draft measurement framework with other government agencies (including Treasury, SUPERU, and the Ministry of Pacific Island Affairs) and the Commissioning Agencies; and

   e. **note** that by November 2015, you will receive a final phase two Whānau Ora measurement framework and a confirmed work programme of research, monitoring and evaluation outputs across the four workstreams identified.

Di Grennell

Manahautū Tuarua Hononga ā Rohe

NOTED / APPROVED / NOT APPROVED
Hon Te Ururoa Flavell Te Minita Whānau Ora
Date:_____ / _____ / 2015

Current Situation

1. Phase two of Whānau Ora is being operationalised through three Commissioning Agencies contracted to fund and support the delivery of Whānau Ora outcomes. These Whānau Ora outcomes and the processes that contribute to them, require a co-ordinated measurement approach to ensure that we know and can report on how effectively Whānau Ora is being delivered (in terms of what difference it is making), how efficiently Whānau Ora is being delivered (in terms of funding and human resource), and where improvements can be made.
2. The information gathered will be used to:
   - improve understanding of the range of impacts of Whānau Ora;
   - improve the design and delivery of Whānau Ora; and
   - answer questions about the use of public expenditure for Whānau Ora.
3. When using the term 'measurement framework', we are referring to the range of research, monitoring and evaluation activities that will allow us to assess the performance and implementation of phase two Whānau Ora.

Background

4. This paper follows your request for a phase two Whānau Ora measurement framework to be developed by early 2015/16. In June 2015, you received a preliminary briefing outlining the broad focus of the principles and approach of the measurement framework for phase two Whānau Ora. This current paper provides more detail about the contents of the framework, including proposed workstreams and outputs.
5. A range of stakeholders are involved in Whānau Ora measurement, who have varying expectations and interests in outcomes achieved through Whānau Ora. These are detailed in Appendix 1. There are also a number of reports that have informed the development of the approach to measuring phase two of Whānau Ora.
6. In August 2015, you received the report, *Understanding Whānau-centred Approaches: Analysis from Phase One Whānau Ora Research and Monitoring Results*. The purpose of this report is to generate a better understanding of whānau-centred approaches which occurred in phase one of Whānau Ora. This report identifies a range of research and monitoring implications that will be considered in the design of the outputs for the phase two Whānau Ora measurement framework.
7. The May 2015 report on Whānau Ora from the Office of the Auditor General recommended that the aims and outcomes for Whānau Ora need to be clearly articulated and disseminated. Te Puni Kōkiri will incorporate these recommendations through:
   - clearly presenting and communicating the phase two Whānau Ora Measurement Framework;
   - proactively and publicly releasing evidence of the outcomes of Whānau Ora; and
   - continuing to clearly define outcome measures through negotiating the Annual Investment Plans with the Commissioning Agencies.

8. Although not an attempt to respond in full to the Productivity Commission draft report *More Effective Social Services*, this paper attempts to increase clarity about stewardship of Whānau Ora as it relates to measurement, through more clearly defining the roles of the different parties involved (see Appendix 1).

9. Outcomes that guide the work of the Commissioning Agencies are those identified by the Taskforce on Whānau-Centred Initiatives, being:

   - Whānau are self-managing, determining their own pathways and managing their own affairs;
   - Whānau are living healthy life-styles;
   - Whānau are participating fully in society;
   - Whānau are confidently participating in te ao Māori;
   - Whānau are economically secure and successfully involved in wealth creation; and
   - Whānau are cohesive, resilient and nurturing.

10. These outcomes have become the Priority Outcome Areas which the Commissioning Agencies have based their measurement frameworks on. The North and South Island Commissioning Agencies have identified the short, medium, and long term outcomes they will commission for in order to deliver on the Priority Outcome Areas.

11. The Pasifika Commissioning Agency was funded to develop a separate Pasifika Outcomes Framework, which it has done. Te Puni Kōkiri will need to ascertain if the draft phase two Whānau Ora measurement framework adequately meets the needs of Pasifika stakeholders. This will happen through the consultation process for the measurement framework.

12. In August 2015, the Whānau Ora Partnership Group agreed to a shared Whānau Ora Outcomes Framework to support planning for Budget 2016 and to inform future Letters of Expectation to the Commissioning Agencies. How measurement of that framework will be operationalised is still under discussion.

Phase Two Whānau Ora Measurement Framework

13. Figure 1 presents the proposed framework for measuring phase two of Whānau Ora. The framework proposes four measurement questions that, when answered, will provide a comprehensive picture of the effectiveness and efficiency of the implementation and outcomes of Whānau Ora.

14. The phase two draft measurement framework will complement and enhance measurement activity already underway within Whānau Ora. Current measurement activity includes analysis of Whānau Ora Commissioning Agency reporting information regarding the number of whānau and families engaged and the outcomes achieved for these whānau and families, as well as outcomes for whānau reported by Whānau Ora providers contracted directly by Te Puni Kōkiri. This information is presently summarised within quarterly updating briefings to you as Minister for Whānau Ora.

Figure 1: Phase Two Whānau Ora Measurement Framework

MEASUREMENT QUESTIONS	MEASUREMENT EXPECTATIONS
To what extent are whānau achieving Whānau Ora outcomes?	• Whānau are on a pathway to reaching Whānau Ora outcomes • Improvements made in the lives of Whānau as a result of Whānau Ora are sustainable
What is the return on investment from Whānau Ora?	• We understand the value that Whānau Ora provides in relation to returns for Whānau and government • Whānau Ora delivers value for Whānau and government
How efficiently are Whānau Ora funds administered?	• We can compare phase two Whānau Ora measurement administration costs with phase one • Whānau Ora administration costs are broadly comparable with systems or initiatives that have features in common
To what extent does the commissioning model generate the benefits that were expected of it?	• Commissioning Agencies: • Build whānau capability instead of provider capability; • Generate innovative and flexible delivery; and •Work with a wide range of types of organisations to support whānau.

15. Each of the measurement questions and expectations in the framework will drive a workstream of research, monitoring, and evaluation outputs. The four workstreams are discussed in more detail below, with proposed outputs

identified. The measurement outputs for 2015/16 and 2016/17 are also presented together in an A3 diagram in Appendix 2.

16. The measurement framework, the four workstreams, and the proposed outputs will all be confirmed once consultation has taken place with yourself, other government agencies and the Commissioning Agencies. Post-consultation, Te Puni Kōkiri will send you a briefing presenting the final measurement framework and confirmed work programme.

Workstream One - To what extent are whānau achieving Whānau Ora outcomes?

17. Workstream one will examine whether whānau are achieving Whānau Ora outcomes. Whānau progress is still the best way to measure the value received by whānau from Whānau Ora, as it privileges their aspirations and views of what success looks like over other measures.

18. This workstream will be measured primarily through the Commissioning Agencies' monitoring and evaluation work. This is consistent with the devolved commissioning model. The indicators and measures used will largely be those in the Commissioning Agencies' Outcome Agreements. This includes specific measurement of the effects of Whānau Ora Navigators.

19. The Ministry of Health continues to lead the development and implementation of the Whānau Ora Information System. As the system is trialled and rolled out Te Puni Kōkiri will give further consideration to how the information system can better support measurement in Whānau Ora.

Te Puni Kōkiri support for measurement in this workstream

20. Te Puni Kōkiri will complete an initial assessment of the reporting and evaluation work of the Commissioning Agencies, and determine whether there is a role for Te Puni Kōkiri in supporting or enhancing the measurement efforts of the Commissioning Agencies.

Risks in this workstream

21. Te Puni Kōkiri is responsible for the value for money of the Whānau Ora funds spent in Vote Māori Affairs. However, in keeping with the devolved commissioning approach, Te Puni Kōkiri will seek to rely on the measurement efforts of the Commissioning Agencies in the first instance. Should concerns arise about the sufficiency and quality of the information reported by the Commissioning Agencies, Te Puni Kōkiri has developed a stepped approach to supporting improvement (see Appendix 1).

Proposed outputs of this workstream

22. The proposed outputs for Workstream One are detailed in the table below.

Table 1 – Proposed outputs for Workstream One

Output	Timeframe	Distribution
Internal assessment of Commissioning Agencies' reporting quality and advice on steps to be taken.	Dec 2015	Internal to Te Puni Kōkiri

More in-depth analysis and reporting of Commissioning Agencies' annual reports and evaluation work.	Mar 30 annually	Chief Executive, Minister, publicly released

Workstream Two - What is the return on investment from Whānau Ora?

23. A return on investment measures the gains or benefits received from an investment (in this case, Whānau Ora) relative to the investment's cost. Returns may be financial, but in this case, will be mainly social and cultural. A number of decisions need to be taken about how return on investment is defined in Whānau Ora, and which particular returns Te Puni Kōkiri will prioritise for measurement. Te Puni Kōkiri will prepare further advice on this.

24. As part of preparing that advice, Te Puni Kōkiri is working with officials from the Ministry of Social Development, to ensure that Whānau Ora and the Community Investment Strategy measures of return on investment are comparable. Comparability is important where the measures may be used to inform future investment decisions.

25. Because Whānau Ora takes a holistic approach to whānau needs, it delivers a 'return' to a wide range of Government, iwi and whānau priorities. The range of wider outcomes Whānau Ora contributes to, compared to the relative size of the financial investment in Whānau Ora, makes it unfeasible in terms of cost to measure the full return that Whānau Ora yields.

26. One of the Commissioning Agencies – Te Pou Matakana also has an interest in understanding the value of its investments in Whānau Ora and have proposed undertaking their own return on investment investigations.

27. This workstream, together with workstream one, should provide a picture of how Whānau Ora delivers value for whānau and government priorities. The remaining workstreams focus on learning from the implementation of phase two Whānau Ora.

Risks

28. The main risk is that information gaps on the effects of Whānau Ora may reduce our ability to measure the return from it comprehensively. Te Puni Kōkiri intends to address the main information gaps through targeted research into the effects of Whānau Ora outcomes related to cultural connectedness and building whānau capability.

29. There is a risk that measures of return on investment for Whānau Ora might not align with measures used by other government agencies, limiting the possibility for co-investment. As noted above, Te Puni Kōkiri is working with the Ministry of Social Development as it develops its return on investment measures for the Community Investment Strategy.

Proposed outputs

30. The proposed outputs for Workstream Two are detailed in the table below.

Table 2 – Proposed outputs for Workstream Two

Output	Timeframe	Distribution
Present internal advice on potential measures of return on investment.	Dec 2015	Internal to Te Puni Kōkiri
Receive external advice on potential measures of return on investment.	Mar 2016	Internal to Te Puni Kōkiri
Research into the effects of Whānau Ora.	Jun 2016	Chief Executive, Minister, publicly released
Report on return on investment from 2015/16 priorities.	Mar 2017	Chief Executive, Minister, publicly released

Workstream Three – How efficiently are Whānau Ora funds administered?

31. Administration costs in Whānau Ora received public criticism for being perceived as being too high in phase one. Greater rigour being placed around how we measure administration costs may leave Te Puni Kōkiri better placed to address those criticisms in the future.

32. Progressing this workstream will require a scoping project to:

- Identify relevant comparators for Te Puni Kōkiri to benchmark against;
- Determine total administration costs in those comparators; and
- Identify how the scale of the different comparators may influence the ratio of administration costs to delivery funding.

33. From this scoping study, benchmarks of overall and departmental administration costs will be developed. These benchmarks would be used for ongoing monitoring.

34. Candidates for benchmarking include parts of the tertiary education system, parts of the health system, and for some components of Whānau Ora, potentially Social Sector Trials and Children's Teams. It is likely that any benchmark for administration costs will be a composite measure that draws on several different examples, in order for it to be comparable to Whānau Ora.

Risks

35. The main risk to this workstream is that the necessary benchmarking data is unavailable, or that extracting and collating it is prohibitively expensive. This risk will be managed through the scoping process, by taking an exploratory approach before building any datasets to work from.

Proposed outputs of this workstream

36. The proposed outputs for Workstream Three are detailed in the table below.

Table 3 – Proposed outputs for Workstream Three

Output	Timeframe	Distribution
Internal benchmarking scoping study.	Dec 2015	Internal to Te Puni Kōkiri
Administration cost benchmark established.	Jun 2016	Internal to Te Puni Kōkiri
Reporting of Whānau Ora administration costs in comparison to benchmark.	Jul 2016 ongoing	Measure to be included in Statement of Intent and Annual Reports

Workstream Four - To what extent does the commissioning model generate the benefits that were expected of it?

37. The Commissioning model was expected to:
    - Build whānau capability instead of provider capability;
    - Generate innovative and flexible delivery; and
    - Work with a wide range of organisations that could support whānau.
38. Further, the logic of devolving to Non-Governmental Organisations included that they would be closer to their communities and have strong networks and expertise regarding whānau/family capability building.
39. The particular features of the commissioning model that will be examined include:
    - The number of Commissioning Agencies;
    - The Commissioning Agencies' responsibilities;
    - The nature of the structural relationship between the Commissioning Agencies and government; and
    - Specific elements of the contractual framework.
40. Evaluation work would form the basis for this workstream by providing information on the model's benefits, and of advice on any potential changes to the commissioning model that could:
    - Address any weaknesses in existing commissioning arrangements identified through evaluation;
    - Support greater innovation; and
    - Increase the proportion of resources going to the achievement of whānau aspirations, as appropriate.

Risks

41. It will be important to manage contact with Commissioning Agencies and providers, to ensure that 'evaluation fatigue' is minimised.

Proposed outputs for this workstream

42. The proposed outputs for Workstream Four are detailed in the table below.

Table 4 – Proposed outputs for Workstream Four

Output	Timeframe	Distribution
Formative evaluation of the commissioning model.	Jun 2016	Chief Executive, Minister, participants, and then publicly released
Summative evaluation of the commissioning model.	Jun 2018	Chief Executive, Minister, participants and then publicly released

43. The formative evaluation will focus on improvements to the commissioning model as it is rolled out. The summative evaluation will be used to assess whether the commissioning model generated the benefits expected of it, whether there were any unintended consequences, and associated learnings.

Next Steps

44. Over the next two months, we will consult more widely on the draft measurement framework with other government agencies (including Treasury and SUPERU) and Commissioning Agencies. This consultation process will lead the production of a final phase two Whānau Ora measurement framework by November 2015, and a confirmed work programme of research, monitoring and evaluation outputs across the four workstreams identified.

Appendix 1: Roles of Existing Stakeholders in Whānau Ora Measurement

1. There are a range of stakeholders involved in Whānau Ora measurement including:
   - whānau;
   - the Commissioning Agencies;
   - Te Puni Kōkiri;
   - partner agencies;
   - the Minister for Whānau Ora; and
   - the Whānau Ora Partnership Group.
2. Different stakeholders in Whānau Ora measurement are interested in whānau wellbeing over different timeframes. Although all parties are interested in the immediate effects of Whānau Ora, this will be most acutely felt by Commissioning Agencies and their providers working with whānau. In contrast, Te Puni Kōkiri is also concerned with measuring the effectiveness of the commissioning model itself to inform the advice it needs to give on changes to the model in the future. Likewise, the iwi partners are known to have an intergenerational timeframe for some outcomes they seek.
3. This diversification of roles is consistent with the draft Productivity Commission report *More Effective Social Services*, and its discussion of 'system stewardship'. The sections below outline the measurement roles of the different stakeholders within Whānau Ora.

Whānau

4. Whānau will continue to set their goals and determine whether the services they access are meeting their needs. This has been built into the Commissioning Agencies' Key Performance Indicators.

Commissioning Agencies

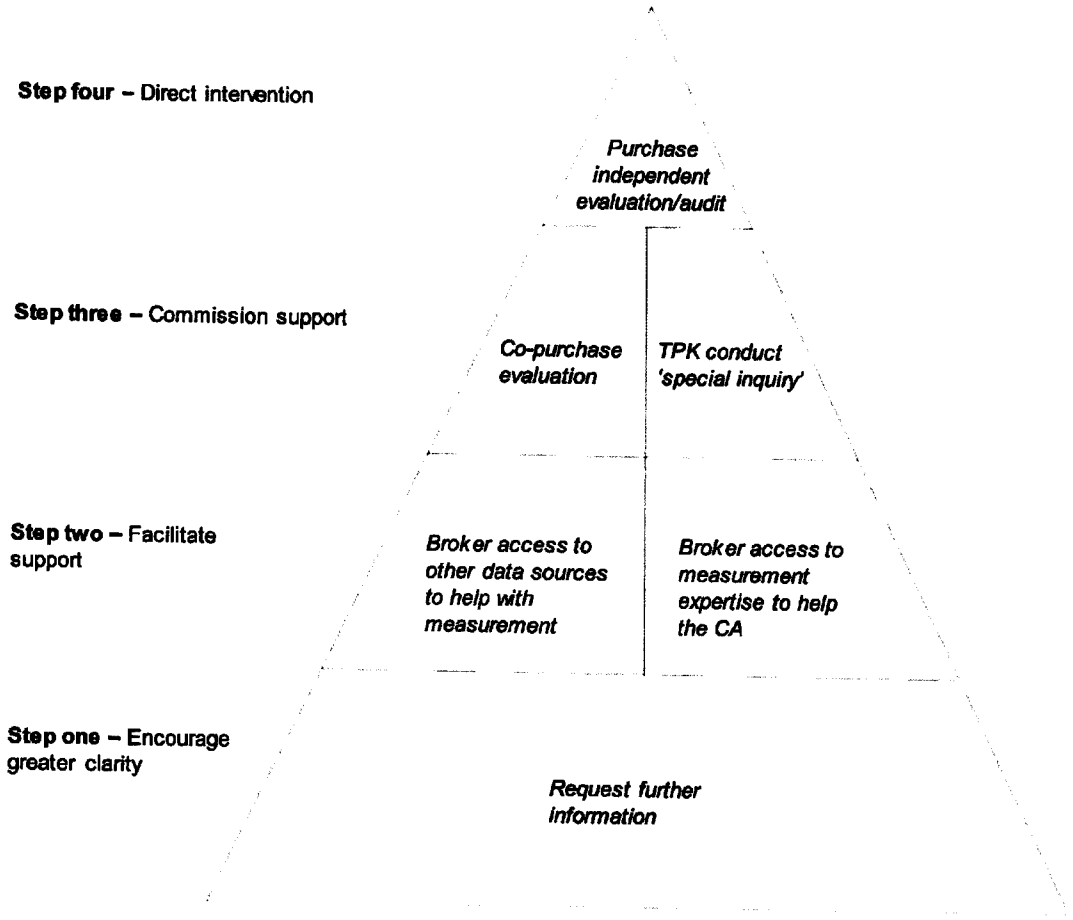
5. In keeping with the devolved commissioning approach, the primary responsibility for reporting on the achievement of the outcomes of Whānau Ora activities will rest with the Commissioning Agencies. The Commissioning Agencies have been contracted and funded to review, monitor and report on their activities. For example, Te Pou Matakana has already had at least one evaluation undertaken on the implementation of its Whānau Direct service.
6. Commissioning Agency boards and shareholders also provide an important source of scrutiny on Commissioning Agency performance. The boards, and where relevant shareholding groups behind them, represent the iwi and urban Māori authorities whose whānau the Commissioning Agencies deliver to. This is part of their accountability to the whānau they serve, and needs to be factored into the overall picture of accountability.

Te Puni Kōkiri

7. Te Puni Kōkiri will be responsible for implementing the workstreams identified in the phase two Whānau Ora measurement framework. Te Puni Kōkiri is accountable for Whānau Ora funds currently directed through the Commissioning Agencies.

8. In keeping with the devolved commissioning approach, Te Puni Kōkiri will seek to rely on the efforts of the Commissioning Agencies in the first instance. Should concerns arise about the sufficiency and adequacy of the information reported by the Commissioning Agencies, Te Puni Kōkiri will take a stepped approach to supporting improvement (below).

Figure 1- Whānau Ora Measurement Support Pyramid



9. The initial (and likely most common) response to any measurement issues will be to seek clarification and more information. Where it becomes apparent that the available information has been presented, Te Puni Kōkiri may work with the Commissioning Agency to gain access to other data sources to improve their measurement, or Te Puni Kōkiri may broker access to other measurement expertise. Steps three and four involve Te Puni Kōkiri more actively intervening in the measurement of Whānau Ora outcomes by the Commissioning Agencies. At these levels, Te Puni Kōkiri will need to consider whether the Commissioning Agencies have delivered on their contractual responsibilities.

Partner agencies

10. The Ministry of Social Development and the Ministry of Health partnered with Te Puni Kōkiri on Whānau Ora in phase one.

11. The Ministry of Social Development identified that the outcomes of Whānau Ora align closely with those of its Community Investment Strategy. The Ministry of Social Development has undertaken to work closely with Te Puni Kōkiri on the development of results measures for the Community Investment Strategy. This is to ensure alignment with Whānau Ora priorities and measures of return on investment.

12. The Ministry of Health continues to lead the development and implementation of the Whānau Ora Information System. As the system is trialled and rolled out Te Puni Kōkiri will give further consideration to how the information system can better support measurement in Whānau Ora.

Minister for Whānau Ora

13. The Minister for Whānau Ora is accountable for the Whānau Ora apparatus funded through Vote Māori Affairs. The Minister also has a leadership role in determining the shape and future of Whānau Ora, exercised partly through chairing the Whānau Ora Partnership Group, but also directly through making decisions within his portfolio activities.

14. The accountability and leadership roles of the Minister need to be supported by quality advice and robust measurement activities.

Whānau Ora Partnership Group

15. The Terms of Reference for the Whānau Ora Partnership Group states that the Partnership Group has two roles:

    "Set the direction for Whānau Ora by:

    - Establishing agreed Whānau Ora outcomes;
    - Agreeing on key Whānau Ora priorities; and

    Oversee the success and progress of Whānau Ora by:

    - Monitoring progress toward achievement of Whānau Ora outcomes;
    - Identifying emerging opportunities and trends that may impact or contribute to the success of Whānau Ora."

16. The Partnership Group does not simply replicate the role of the Minister in monitoring. A different range of capabilities and information networks are represented by the members of the partnership group which they can bring to bear on improving Whānau Ora outcomes.

17. The Partnership Group's current work on Whānau Ora measurement focusses on setting outcomes that align the aspirations of iwi and government through Whānau Ora outcomes. These priorities can form the basis of the Minister's Letters of Expectations. They can also be used to identify the contributions of partner agencies to Whānau Ora.

Appendix 2 – Proposed timeframes and outputs for phase two Whānau Ora measurement 2015/16 to 2016/17

		To what extent are whānau achieving Whānau Ora outcomes?	What is the return on investment from Whānau Ora?	How efficiently does the commissioning model administer Whānau Ora funds?	To what extent does the commissioning model generate the benefits that were expected of it?
YEAR TWO 2015/16	September				
	December	Internal assessment of Commissioning Agencies reporting	Present internal advice on potential measures of return on investment	Internal benchmarking scoping study	
	March	In-depth analysis and reporting of Commissioning Agencies work	Receive external advice on potential measures of return on investment		
	June		Research into the effects of Whānau Ora	Administration cost benchmark established	Formative evaluation of the commissioning model
YEAR THREE 2016/17	September			Ongoing reporting of Whānau Ora administration costs in comparison to benchmark	
	December				
	March	In-depth analysis and reporting of Commissioning Agencies work	Report on return on investment from 2015/16 priorities		
	June				