Te Puni Kōkiri
REALISING MĀORI POTENTIAL

24 July 2015

Te Minita Whānau Ora

WHĀNAU ORA NAVIGATOR ALLOCATION

Kaupapa/Purpose

1. This briefing provides the recommended allocation of Budget 2015 Whānau Ora Navigator funding to Whānau Ora Commissioning Agencies for your approval.

Key Points

2. You have sought advice on the best way to allocate funding of $12.44m per year for Whānau Ora Navigators secured through Budget 2015 to Whānau Ora Commissioning Agencies. You were provided with a briefing on 13 July 2015 outlining a recommended Navigator funding allocation (briefing #29340). You then discussed the content of this briefing with officials on Tuesday 21 July 2015.
3. Based on this previous advice and discussions with officials, this briefing provides for your approval a recommended funding allocation based on:
   - maintaining the Whānau Ora Phase One Navigator service coverage; and
   - targeting Navigator resource regionally based on Māori and Pacific population deprivation data.
4. We recommend you approve the allocation of Budget 2015 Navigator funding of:
   - 132.7 FTEs to Te Pou Matakana ($10.56m);
   - [redacted]
5. [redacted]

Out of scope

Recommended Action

6. Te Puni Kōkiri recommends that you:
   a. **note** the Whānau Ora Navigator funding allocation approach based on Māori and Pacific population deprivation and Phase One service coverage, taking into account proposals presented by Commissioning Agencies;

   Te Pou Matakana and Pasifika Futures

   b. **endorse** the recommended Whānau Ora Navigator allocation;

      i. Te Pou Matakana: $10.56m;

      YES / NO

      ii. [redacted] Out of scope [redacted]

      YES / NO

   c. **approve** the allocation of Budget 2015 contingency funding of:

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i. $0.61m to Te Pou Matakana to support the continuation of Whānau Ora Navigator contracts across Te-Ika-a-Māui expiring in 2015/16;

YES / NO

ii. $0.17m to Te Pou Matakana to provide resource across Te-Ika-a-Māui to allow for increased workforce continuity from pre-30 June 2015 levels;

Out of scope

YES / NO

iii. [redacted]

YES / NO

[redacted]

f. [redacted]

h. **note** that following your approval, officials will engage with Commissioning Agencies regarding the recommended Navigator allocation;

i. **note** that Te Pou Matakana and Pasifika Futures will continue to engage with Whānau Ora providers regarding the commissioning of Navigators with a view to having Navigators active in communities as soon as possible;

j. **note** that Te Puni Kōkiri will contract with Commissioning Agencies for Navigator funding arrangements for a two year period to 30 June 2017; and

k. **note** that officials are available to provide any further information required.

Di Grennell
Manahautū Tuarua Hononga ā Rohe

APPROVED
Hon Te Ururoa Flavell Te Minita Whānau Ora
Date:_____ / _____ / 2015

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Out of scope

Table 1: Recommended Whānau Ora Navigator FTE allocation by region:

Region	Te Pou Matakana	[redacted]	Te Puni Kōkiri[2]	Total Navigator FTEs	% of total Navigator workforce
Te Tai Tokerau	26.0	[redacted]	2.5	28.5	11%
Tāmaki Makaurau	46.1	[redacted]	-	56.6	22%
Hauraki-Waikato	23.6	[redacted]	5.0	28.8	11%
Waiariki	30.0	[redacted]	3.0	33.2	13%
Te Tai Hauāuru	27.0	[redacted]	5.0	33.2	13%
Ikaroa-Rāwhiti	25.0	[redacted]	16.0	41.6	16%
Te Waipounamu	-	[redacted]	7.0[4]	33.7	13%
TOTAL FTEs	177.7	[redacted]	38.5	255.7	100%
% of workforce	69%	[redacted]	15%	100%	

9. This indicative allocation requires the allocation of Navigator funding as follows (note: all of this funding becomes available from 1 July 2015 onwards):[5]

Table 2: Funding implications of recommended allocation:

Funding for FY15/16	Navigator FTEs[6]	Budget 2015 ($M)	Budget 2014 ($M)	Total ($M)
Funding available for FY15/16		**12.44**	**5.00**	**17.44**
Te Pou Matakana	209.2	10.56	4.48	15.04
[redacted]				
TOTAL	255.7	12.44	5.00	17.44

Whānau in Te-Ika-a-Māui (Te Pou Matakana)

10. The high proportion of Navigators allocated to Te Pou Matakana is driven by two factors:
    - the high proportion of Phase One Navigators based in Te-Ika-a-Māui (219.5 FTEs out of 242.5 FTEs active at 30 June 2015); and
    - the high proportion of Māori experiencing deprivation in Te-Ika-a-Māui.
11. Officials have recently held further discussions with Te Pou Matakana on their Navigator distribution proposal. Te Pou Matakana has undertaken to commission Whānau Ora Navigators at a regional level according to Māori population deprivation (as shown in table 1) and work with the necessary providers to maintain Whānau Ora Phase One reach and service coverage as far as possible.
12. In producing our recommended allocation, we have evaluated the allocation to Te Pou Matakana in order to:
    - maintain proportionality of the available Navigator workforce to levels of deprivation within the Māori population; and

Out of scope

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[1] [redacted]

[2] These 38.5 FTEs are the remaining Navigators contracted by Te Puni Kōkiri ending during 2015/16.

[3] 16.5 of these 26.5 FTEs are funded from Budgets 2014 and 2015. 10 FTEs are expected to be funded from 2015/16 commissioning funds.

[4] This includes 5 Rū Whenua positions contracted until 20 June 2016.

[5] [redacted]

[6] Note: this total includes Te Puni Kōkiri funded Navigators coming off contract in 2015/16.

- maintain service coverage across areas of high deprivation and considering the benefits of Phase One service coverage.

13. This recommended level of resource will require $10.56m for FY2015/16, consisting of:
    - $9.95m for 132.7 FTEs to be funded from 1 July 2015 (in addition to funding for 45 FTEs previously allocated within Budget 2014); and
    - $0.61m to support the ongoing commissioning of 15 positions whose contracts end during the 2015/16 financial year.

Out of scope

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[redacted]

Out of scope

[redacted]

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Legally Privileged: In Confidence

Out of scope

Contingency funding

26. Officials recommend that the Budget 2015 Whānau Ora Navigator contingency funding of $1.83m is applied to:

    - supplement the Whānau Ora Navigator workforce to maintain Phase One Whānau Ora Navigator workforce coverage, with a focus on areas of high deprivation by funding the engagement of 15 Navigator positions in Te-Ika-a-Māui whose contracts expire during the 2015/16 financial year; and

Out of scope

- [redacted]

27. Table 4 shows how the contingency funding is proposed to be distributed within the recommended allocation.

Table 4: Budget 2015 contingency funding detailed breakdown:

Allocation of contingency	Application of contingency	Annual FTE equivalents	Detail
Te Pou Matakana	**$0.77M**	**9.6**	• **15 Navigator positions in Te-Ika-a-Māui come off contract with Te Puni Kōkiri during 2015/16. In order to maintain these positions through to 30 June 2016, Te Pou Matakana can extend these positions as they come off contract within the same regions. This will require $0.60m of the contingency funding.**
[redacted]			
TOTAL	$1.83M	22.9 FTEs	

Out of scope

28. The funding supporting Whānau Ora Navigators over the 2014/15 – 2016/17 period is shown in Table 5:

Table 5: Funding categories supporting Whānau Ora Navigators 2014/15 – 2016/17:

Funding category	2014/15 workforce	2015/16 workforce	2016/17 workforce
Te Puni Kōkiri funded	**235 FTEs** (174 Navigators, 61 Kaitoko Whānau)	**38.5 FTEs** (including 5 Rū Whenua)	Funding to be confirmed
Budget 2014 funded	**N/A**	**51 FTEs** (45 Te Pou Matakana) [redacted]	**51 FTEs** (45 Te Pou Matakana) [redacted]
Budget 2015 funded	**N/A**	**156.2 FTEs** (132.7 Te Pou Matakana) [redacted]	**156.2 FTEs** (132.7 Te Pou Matakana) [redacted]
[redacted]	**N/A**	[redacted]	[redacted]
TOTAL FTEs	235	255.7	217.2

Out of scope

29. The continuing service coverage of the Navigator workforce depends on ensuring ongoing funding for the 38.5 Navigator FTEs currently engaged by Te Puni Kōkiri whose contracts end at different dates during 2015/16. We propose funding for these 38.5 FTEs is treated as follows:

- 15.0 Navigator positions with contracts ending before 30 June 2016:

Out of scope

[10] Note: [redacted]

Funding to support the ongoing commissioning of these Navigators through to 30 June 2016 is proposed to be drawn from Whānau Ora Navigator Budget 2015 contingency funding and allocated to Te Pou Matakana to commission Navigator FTEs within the same regions; and

- 23.5 FTEs with contracts ending on 30 June 2016:

  As signalled in our briefings leading up to Budget 2015 decisions, we will work with your office to confirm the preferred approach to maintaining the Navigator workforce at 30 June 2016. This includes:

  - applying other funding sources (such as Ministry of Social Development funds to be transferred in 2015) to navigation;
  - preparing a bid for Budget 2016 requesting additional funding; and
  - applying Te Puni Kōkiri baseline funding where necessary.

30. As discussed with officials, any application of Te Puni Kōkiri baseline funding in order to maintain the volume of the Navigator workforce will require re-prioritisation, which may affect Te Puni Kōkiri's ability to support priority areas.

Risks and mitigations

Service disruption

31. As of Tuesday 30 June 2015, contracts for all Whānau Ora Navigators (excluding the 38.5 FTEs with contracts expiring during the 2015/16 financial year) have expired. This has resulted in a disruption in service provision for whānau.

32. Immediately following your endorsement, Commissioning Agencies will engage Whānau Ora providers regarding the commissioning of Whānau Ora Navigators. Given the number of providers Te Pou Matakana will be required to contract with, procuring and contracting these Navigator positions is likely to take a minimum of six to eight weeks. We will work with Te Pou Matakana to help facilitate this process where appropriate.

Stakeholder relationships

33. The service disruption resulting from delays in finalising the Navigator allocation risk negatively affecting the relationships between Te Puni Kōkiri and stakeholders, including Whānau Ora Commissioning Agencies, Whānau Ora providers, Whānau Ora Navigators, and whānau and families working with Navigators. These delays also risk negatively affecting Whānau Ora Commissioning Agencies' relationships with these stakeholders. These risks can be best mitigated by finalising the Navigator funding allocation and confirming this allocation with Commissioning Agencies.

Out of scope

34. [redacted]

Increased transactional / contracting costs

35. The original commissioning model of Te Pou Matakana was not designed to support an extended Navigator workforce that would extend beyond its Collective Impact Partners existing service reach and reporting requirements. As a result, Te Pou Matakana has needed to increase regional coverage through new relationships with providers outside their existing network.

36. Consequently, developing and managing these new relationships and contracts will increase transaction costs for Te Pou Matakana. For these additional providers there will also be an increase in their measurement and evaluation requirements. We expect operational funding (on a business-as-usual basis) to be kept within the 20% benchmark of commissioning funds over the contract term stipulated within the commissioning Cabinet [SOC Min (13) 14/3 refers].

37. [redacted]

Out of scope

Workforce sustainability

38. As discussed as part of the development of the Budget 2015 package, in order to sustain those elements of the overall workforce that will not be funded beyond 2015/16, additional funding will need to be sought either as part of the bid for Budget 2016 funding, or through other means such as prioritising funds becoming available from the Ministry of Social Development.

39. At your direction, officials will develop an approach to securing Budget 2016 funding for these workforce elements over the coming months. This will include early discussions around the content and direction of a bid for additional Budget 2016 Navigator funding, as well as a timeline for finalising and submitting this bid.

Consistency with commissioning model

40. There is a possibility this approach to allocating the Navigator workforce between Commissioning Agencies at a regional level may attract criticism for being too prescriptive and inconsistent with the devolved commissioning model. These criticisms will be mitigated by ensuring Whānau Ora Commissioning Agencies are ultimately responsible for decisions regarding the location of Navigators within regions, as well as the providers contracted to engage Navigators.

Regional distribution

41. There is a possibility that the chosen spread of Navigator FTEs between regions may attract accusations of favouritism toward certain regions. These potential criticisms can be mitigated through articulating the approach to Navigator allocation, which has been driven according to Phase One Navigator workforce volume and coverage and tailored to target resources based on deprivation.

Next steps

Out of scope

42. [redacted]

43. Following your endorsement of this revised Whānau Ora Navigator allocation, officials will work to have the Navigators reflected within Commissioning Agencies' 2015/16 Annual Investment Plans. Te Pou Matakana has stated that it intends to commission Navigators via its providers as soon as possible.

44. Te Puni Kōkiri will agree and contract with Commissioning Agencies for Navigator funding arrangements for a two year period to 30 June 2017. This will align with the end date for Commissioning Agencies' initial contracting period with Te Puni Kōkiri of 30 June 2017.