

Chappie Te Kani  
Te Tumu Whakarae  
Oranga Tamariki

By email: 9(2)(a)

30 July 2024

Tēnā koe e te rangatira Chappie,

We are writing jointly to raise our continued concerns regarding the current contracting changes that Oranga Tamariki is undertaking with some of its community-based partners.

As you're aware, sector peak bodies raised concerns with us about this situation, and we brought these concerns to you earlier this month. We appreciated you arranging for us to meet with Darrin Haimona on 17 July 2024 to hear Oranga Tamariki's perspective. We note that during this hui, Darrin recognised that timeframes for Oranga Tamariki making decisions on contract discontinuation or changes have been truncated, and that decisions (and the issuing of new contracts) have come much later than Oranga Tamariki would have preferred. He also recognised that additional communication with the sector was needed.

We further understood from this hui that overall, the rationale for change was to find \$30m of savings, and this was being achieved through reviewing demand for services through the lens of information contained in quarterly contract reports, rather than an evaluation of the effectiveness of the service. We also understood from this hui that Oranga Tamariki is shifting funding between regions as demand grows or declines within regions. When we asked about the data and the modelling to support decisions to shift funding between regions, Darrin noted that the data needed updating.

We also understood from the information shared with us verbally at the hui on 17 July that contracts are ending where services are not needed. We understood that this could be because of low referral numbers, or that the service is not delivering a valued service. However, it was unclear to us what evidence this would be based on. It appears that providers have not had adequate opportunities and time to discuss the need in their communities with Oranga Tamariki from their perspective, and that of the tamariki and whānau accessing their service, before these contracts being ended. We noted that although referral numbers for a particular provider could be low, this did not mean that those receiving the service were not benefiting from it, or that it was not contributing to successful outcomes in the community for tamariki and whānau.

We asked Darrin about what supporting documentation was available to evidence the decisions being made on individual contracts. It was unclear to us what overarching documentation was available to support the decisions that were made, for example, regional funding plans or a national strategy. Rather, we were told that much of the information that supported decision-making regarding the changes to contracts was in the quarterly contract reports provided by partner organisations.

We also sought assurance about the transition plans put in place for tamariki and whānau when Oranga Tamariki is discontinuing or changing contracts with community-based partners. We were very concerned to hear that for services provided to tamariki and whānau, including but not limited to prevention and early intervention services, Oranga Tamariki could not guarantee that transitional arrangements were in place, but hoped they would be.

At the end of our hui on 17 July, we outlined that we had continued concerns on a range of aspects of the current change process, given its potential detrimental impact for tamariki and

whānau, and the many examples of stress and uncertainty being felt across the children's community-based sector.

Over the weeks since, we have continued to hear further concerns from organisations delivering services and supports for tamariki and whānau throughout the country that have had their contracts with Oranga Tamariki discontinued, or are still awaiting any certainty around their contract situation.

We have heard from many organisations that they have not had any rationale communicated to them by Oranga Tamariki as to the decisions that have been reached on their contracts, despite Darrin's assurance that they would. They have also not been given the opportunity to engage in any discussion with Oranga Tamariki to inform the decision-making process. We have heard a range of concerns regarding the ongoing wellbeing of tamariki and whānau as a result of the changes and discontinuations made to contracts.

We are also aware of the concerns continuing to be raised through the media by the sector peak bodies and individual organisations.

At this point in time, we are seeking some further answers from you in relation to our ongoing concerns, specifically:

- Can Oranga Tamariki assure that it is proactively working with partner organisations that have had their contracts discontinued or changed, to ensure there are adequate transition plans in place for the continued support of tamariki and whānau accessing these services?
- Why is Oranga Tamariki not providing a clear rationale to partner organisations as to why their contracts are being discontinued and/or changed? Does it have plans to do so?

We would also be grateful if you can please share with us the below, to help us to better understand Oranga Tamariki's approach to this change:

- any regional contract plans that have been completed; and
- any documentation that describes the overall strategy for 2024/25?

We again note the concerns we continue to have regarding Oranga Tamariki's process, communications and overall approach to these contracting changes. We are hearing that the way in which this change is being undertaken is having a negative impact on the children's sector, and we are concerned for the flow-on impacts for tamariki and whānau in communities around Aotearoa New Zealand.

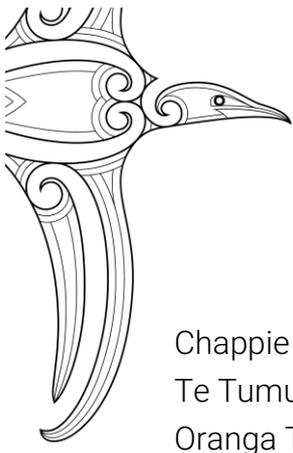
Nā maua noa, nā

Arran Jones

Chief Executive  
Aroturuki Tamariki Independent Children's Monitor

Dr Claire Achmad

Chief Children's Commissioner  
Mana Mokopuna – Children & Young  
People's Commission



Chappie Te Kani  
Te Tumu Whakarāe  
Oranga Tamariki

By email: 9(2)(a)

8 August 2024

Tēnā koe e te rangatira Chappie

### **Request for information under section 45 of the Oversight of Oranga Tamariki System Act 2022**

I refer to the joint letter from the Chief Children's Commissioner and myself, dated 30 July 2024 in which we requested further information about decisions that you have made to reduce or end contracts with some community providers.

I note that we are yet to receive a response or acknowledgement of that letter, despite the Chief Children's Commissioner following up with you on 5 August. Subsequent to those communications and our initial meeting with Darrin Haimona, we now understand, as reported in the media, that you have cut the contracts for 190 providers, and reductions made to more than 142. As reported, this equates to savings of up to \$139m on 2024/25, which is much greater than the \$30m that Darrin initially described, and what we understood to be the case.

As we are yet to receive a reply or an acknowledgement to our letter, I am unfortunately taking the further step of formally requesting the following information under section 45 of the Oversight of Oranga Tamariki System Act 2022.

I am requesting this information for the purposes of exercising my duties as the Monitor of the oranga tamariki system, as it is relevant to fulfilling our objectives and to exercise our functions, duties or powers under our Act. In particular, fulfilling our objectives as set out in section 13(1)(a)) to:

assess the extent to which the Oranga Tamariki system and its interface with other systems support the rights, interests, and well-being of children, young people and their families and whānau who are receiving, or have previously received, services or and support through the Oranga Tamariki system.

And in section 14(2):

(a) assessing compliance with the Oranga Tamariki Act 1989, national care standards regulations, and other regulations and standards made under that Act by the chief executive of Oranga Tamariki and approved providers:

(b) assessing the quality and impacts of service delivery, service mix, service resourcing, and practices on the experiences of children, young people, families, and whānau:

(c) assessing outcomes for children, young people, families, and whānau who receive services or support through the Oranga Tamariki system, and changes in outcomes over time, with particular regard to Māori children and young people and their whānau.

Understanding the changes, the reasons for the change, and transition plans, will provide us with helpful context for our monitoring activities across 2024/25 and resulting reports.

Can you please provide me with:

- any documentation that describes the overall funding strategy for 2024/25, such as reports to Te Riu that sought approval for the funding strategy, and describes the rationale for change
- a list of the contracts that have ended (provider name, location and service type), and those that have been reduced, and by what value
- for the contracts that have ended or been reduced, the transitional arrangements that have been made for tamariki and whānau that were previously engaged with the service (this includes not just services to tamariki in care, but all services that have been reduced)
- any documentation that describes the services where reinvestment will occur, as reported in the media.

Can you please email me this information, by 12 August, on the assumption that this information will already exist. If you are unable to provide this information by that date, please contact me to discuss.

Ngā mihi nui



Arran Jones

Aroturuki Tamariki – the Independent Children's Monitor

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**From:** Arran Jones <[Arran.Jones@aroturuki.govt.nz](mailto:Arran.Jones@aroturuki.govt.nz)>  
**Sent:** Friday, August 9, 2024 7:36 AM  
**To:** Darrin Haimona <9(2)(a)>; Claire Achmad <9(2)(a)>  
**Cc:** Chappie Te Kani <9(2)(a)>; Phil Grady <9(2)(a)>; Nova Banaghan <[Nova.Banaghan@aroturuki.govt.nz](mailto:Nova.Banaghan@aroturuki.govt.nz)>  
**Subject:** RE: Urgent - Information to Children's Commissioner

Mōrena Darrin

Thank you for your response, noting that this provides a high-level summary of the approach taken.

Am I correct to assume that this is an interim response, and the information and documents requested in my letter is still to come?

In addition to the questions in my letter, can you also confirm:

- of all contracts, what percentage have underutilisation? (And broken down by region)
- of those, by what percentage of the contract is there underutilisation? (Including by region)
- why are so many contracts being ceased/reduced?
- of those with under delivery, how many have now been contacted?
- have the orgs with underutilisation been able to have a discussion with Oranga Tamariki to explore the reasons for the underutilisation? (Noting that in some instances, could be misreporting/error/local need/service demands etc).

I am working on an assumption that this information would be to hand, however if it isn't, and if this would take time to compile, please let me know.

Ngā mihi

Arran

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Darrin Haimona  
Deputy Chief Enabling Communities and Investment  
Oranga Tamariki

By email: [REDACTED]  
Cc: [REDACTED]  
[REDACTED]

22 August 2024

Tēnā koe Darrin

### Request for information under section 45 of the Oversight of the Oranga Tamariki System Act 2022 (Oversight Act)

I refer to my letter to Chappie Te Kani dated 8 August 2024, in which I made a request for information that supported the decisions that Oranga Tamariki has made to reduce or end contracts with some community providers. In my letter, I asked that the information be provided by 12 August, on the assumption that the information requested would already exist. This request followed on from previous joint requests for information to Oranga Tamariki from myself and the Chief Children's Commissioner, which had gone unanswered.

On 16 August, I received a response from Andrew Bridgman which referred to a number of documents. Some were provided with the letter, with the balance provided on 20 August. In his letter, Mr Bridgman has referred any further questions, or requests for further information to you.

Although I am pleased to have received some of the information requested, I do not believe it specifically responds to the questions that I have asked, rather they read as a set of documents prepared for another request. For example, there are a number of documents that address pay equity that I did not seek. Although this has not been raised by Oranga Tamariki as a reason for funding changes, have they been included to demonstrate that

contract prices have increased and therefore further savings have needed to be found to fund this cost pressure?

There are also a number of questions that remain unaddressed from the information that you have provided. Could you please either provide me with the following or confirm that it does not exist.

- For the contracts that have ended or been reduced, the transitional arrangements that have been made for tamariki and whānau that were previously engaged (I note documentation states that these should be in place, but can we have confirmation of the arrangements)
- Of all the contracts, what percentage have underutilisation (broken down by region)
- Have the organisations with underutilisation been able to have a discussion with Oranga Tamariki to explore the reasons for the underutilisation?
- Any documentation that describes the services/providers where reinvestment will occur.

In addition, could you also provide me with:

- any further update to Cabinet's Social Outcomes Committee, subsequent to the May update that you have provided
- the advice Oranga Tamariki was preparing to share with cross-agency colleagues (referred to in paragraph 30 of the May Cabinet Committee update)
- regional contract plans for the Bay of Plenty, Wellington and Te Tai Tokerau regions, being the regions we next visit for our monitoring
- the two Partnered Investment Taskforce papers that went to Te Riu, that informed the 2024/25 investment approach (*Partnered Investment Taskforce – 2024/25 contracting round approach* and *Partnered Investment Taskforce – savings options and longer term approach to partnered investment*)
- provider monthly updates from March, as referred to in your communication strategy
- the number of children and young people impacted by the changes to partnered contracts.

The documents that have been provided to date, paint a high-level view of the decision-making processes that have been followed. In particular, I note the *Update to Cabinet* (your appendix 2g) also refers to the following principles:

- Aligning investment to the wellbeing needs of children that come to your attention
- Continuing to move your contracting to focus on performance and outcomes, which will continue to support your investment approach as you move towards a social investment methodology
- Revising services funded to the level of actual service delivery

- Reducing or discontinuing services that are not achieving the intended outcomes of children and their families.

The *Update* also states that where Oranga Tamariki ceases to purchase a service, it will make sure that any demand for the Service can be met by another person.

When we met on 17 July, you explained that decisions to reduce or end contracts was principally based on referral numbers, and that this was considered a proxy measure of need. This aligns with one of the principles. However, as noted in previous correspondence with you, I am concerned about over reliance on referral numbers for this purpose as there may be other factors at play. For example, in our *Experiences of Care* report we note that referrals to transition services are not universal, and providers' ability to engage with rangatahi is impacted on the service being offered to rangatahi too late. Therefore, it may be environmental factors or system issues, such as Oranga Tamariki practice, that are impacting on referral numbers, rather than the needs of rangatahi and whānau.

From our recent visit to Canterbury, we heard from providers unable to act on referrals from Oranga Tamariki because the referrals were incomplete and did not contain necessary information. In Tāmaki we heard from Oranga Tamariki kaimahi that there was shortage of options for mentoring services and a local service was at capacity, yet when we spoke to the service they told us they had capacity but Oranga Tamariki was not referring rangatahi to them.

Over reliance of numbers of whānau or tamariki in a service, also won't account for the complexity of issues faced. It is my hope that decisions taken have not been a desk-based exercise, but that other evidence has been considered, such as conversations with providers to understand some of the issues that may be impacting on their service.

While your messaging talks about using a social investment approach to assess services, I don't see evidence of this to support decision making, such as evaluations of effectiveness, return on investment, or the impact should the service be removed. I also note that reductions are predominantly aimed at early support, prevention, and youth justice (prevention) services. Without seeing any re-investment decisions, I am concerned that removing these services will widen gaps in the safety nets that have been established to keep tamariki safe, and place additional stress on frontline social workers who will have fewer services to refer families to. Taking resources away that prevent harm (and therefore reduce the likelihood of an entry into state care) also runs contrary to a social investment approach.

The changes also reflect a shift away from funding services that are not 'the core business of Oranga Tamariki', rather than in response to any reduction in need. I would be concerned if Oranga Tamariki step away from supporting these whānau before ensuring that another agency has stepped in. A 'core business' methodology may also have the unintended

consequence of increasing siloed operations, making it harder for tamariki and whānau to navigate services and get the help they need.

Finally, I remain concerned to read reports in the media, and hear directly from iwi, about how providers (and in the case of Ngāti Toa, a strategic partner and an enabling community initiative) are experiencing both the process Oranga Tamariki has followed as well as the implications of funding decisions for their communities. Issues of trust and confidence in Oranga Tamariki impacts on the functioning of the children's system.

With decisions now made, it is our role to monitor the impact of these decisions on the Oranga Tamariki system, with forthcoming visits to the Bay of Plenty, Whāngāhui-a-Tara and Te Tai Tokerau.

Can you please provide me with the information requested by Friday 30 August. If you are unable to provide this information by that date, please contact me to discuss.

Ngā mihi nui



Arran Jones

Te Tumu Whakarae

Aroturuki Tamariki | The Independent Children's Monitor

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