

Interesting Facts and Stat's about government funding of NGO's and Social Sector Commissioning

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- There are approximately 15 to 20 public service departments and Crown entities that commission social services from NGOs
- In 2020/21 it is estimated that between \$6 and \$7 billion went to NGOs for social services
- Ministry of Health (excluding DHBs) and ACC accounts for around 70 percent of the total funding (36 percent and 34 percent respectively)
- In 2020/21 social sector government departments and Crown entities had at least 18,800 arrangements with NGOs – this includes contracts, grants, and other agreements.
- Government departments and Crown entities with around 2,000 or more arrangements included the Ministry of Health, Ministry of Social Development, Department of Internal Affairs, Ministry of Education, ACC and Oranga Tamariki.

- Approximately 5,800 NGO's receive government funding
- MOH have 5,613 providers that they fund
- 20 percent of contracts that were current in 2020/21 were awarded to Māori, and 5 percent to Pacific
- Of nine government departments and Crown entities:
 - The mean value of contracts across for 2020/21 is \$247,293.
 - 60 percent of the contracts for services are less than \$100,000 for the year (2020/21) which accounts for 9 percent of total spend.
 - 18 percent of the spend is due to 9 contracts (\$274.2m total)
 - nearly half of these contracts (47%) in 2020/21 are over 3 years in length
- For the majority of contracts reporting from NGOs occurs between 2 and 12 times a year, with 27 percent reporting monthly.
- The majority of monitoring happens between 2 and 4 times a year, and takes place via a visit to the NGO.

Overview of changes to commissioning

- A change in approach to commissioning social services agreed by Government in late 2021
- This applies across all government departments that commission social services
- The change was informed by conversations between Government and NGO's
- The key change is from a transactional to a relational approach becoming the 'default' way to commission social services
- This will require a change of mindset, culture and behaviour so is being phased in over six years

Principles for social sector commissioning

- Individuals, families, whānau and communities exercise choice
- Māori-Crown partnerships are at the heart of effective commissioning
- The sector works together locally, regionally and nationally
- The sector is sustainable - recognise the true cost of service provision and the value of the work that social sector staff are undertaking
- Decisions and actions are taken transparently
- The sector is always learning and improving
- Commissioning is responsive to the equity of unique and diverse populations

Six features of a relational approach

- Grounding our work in the needs and aspirations of the people we serve
- Entering relationships around a common set of outcomes
- Recognising and giving practical effect to Te Tiriti o Waitangi
- Agreeing how we will work to deliver these common outcomes (high trust model)
- Committing to shared accountability
- Agreeing clear roles across the commissioning process