Learning in complex settings

A case study of enabling innovation in the public sector

This innovation brief profiles the Healthy Homes Initiative – Auckland Co-design: testing ideas to make homes warmer and drier. A collaboration between The Southern Initiative, the Ministry of Health and other partners between 2015-2018.

Trish is a single mother of two small children. She recently had to leave her job and move to Auckland due to a violent history with her partner. She is currently on a benefit and has little family in Auckland. Trish values her independence and is happy to be in her own house, however there are serious problems with the house itself. The rent is very high but there are very few options available in the private rental market. She has applied for social housing and is on a waiting list. Trish has paid to carpet the house and the landlord has not paid her back yet. Trish and her children live in the one bedroom that faces the sun as the rest of the house is cold and damp[1].

Research that shares the lived experience of families, such as Trish's, consistently shows that some families are not served well enough by our current policy and service system. For Trish, and many others in similar situations, engagement with services can instead make things more stressful. The Productivity Commission's 2015 report into More Effective Social Services made clear that creating a service system that works better for families will take significant changes in how we work together and how we deliver services[2]. The report emphasised the need for different and client centred service models, for experimentation, for fostering learning, and for government to be an enabling environment. Similarly a 2018 paper addressing child poverty argued that past efforts to solve complex policy problems have been too fragmented and not built on an understanding of the complex social systems which policies and services must work in[3]. A 'complexity-informed' approach is needed, one which includes building greater trust between government and other agents of change and that draws on distributed community knowledge, resources and local solutions.

This case study reviews a co-design project led by The Southern Initiative (TSI) for the Ministry of Health (the Ministry) between 2015-2018[4]. The case study represents an example of 'fostering learning' and 'experimentation' in action in complex and sensitive settings. It is part of a series of case studies to share what we at TSI and Auckland Co-design Lab are learning about working together differently for outcomes that matter to families. Descriptions of what such an approach takes in terms of mindsets, capabilities and shifts in the system are important for helping us establish a case for change in how we work in the public sector. They help us to understand what is possible when we work differently, as well as some of the barriers that hold the status quo practice in place. This case study offers particular insight into what is involved in taking an innovation process from initial learning with whānau to live prototyping through into implementation. The case study also calls attention to the potential role of local government (when working in partnership) in shifting to more responsive, experimental and collaborative approaches.

Background to the case study

"Co-design offered a powerful start point because it would start with unpacking assumptions and help us to understand what the issues were in Auckland."
Co-design partner

Healthy housing is a key contributor to child and family wellbeing. A critical health concern in New Zealand is our aging and poorly maintained housing stock and this affects renters in particular[5]. Poor quality and mouldy housing has been associated with a range of negative health outcomes including circulatory and respiratory diseases and increased mortality and morbidity rates over winter[6]. The worst effects of housing in terms of cold, damp and poorly maintained homes are often experienced by those on low incomes. Achieving warm, dry, healthy homes brings together a complex set of variables around the physical house (how it was built and how it is maintained) and how the family lives in it, with overlays of legislation, policy incentives and other factors.

In 2013 the Ministry established the first Healthy Homes Initiative (HHI) in Auckland (named AWHI) to reduce household crowding for whānau with children at risk of rheumatic fever. This has since been expanded in both geographic coverage and scope and now includes two HHIs. In 2015 the Ministry contracted TSI to lead a co-design process to generate a sustainable supply of housing-related interventions to support the Auckland HHIs. A co-design approach puts whānau voice and experience on equal footing with other forms of expertise, creating the space to find out what was and wasn't working and why.

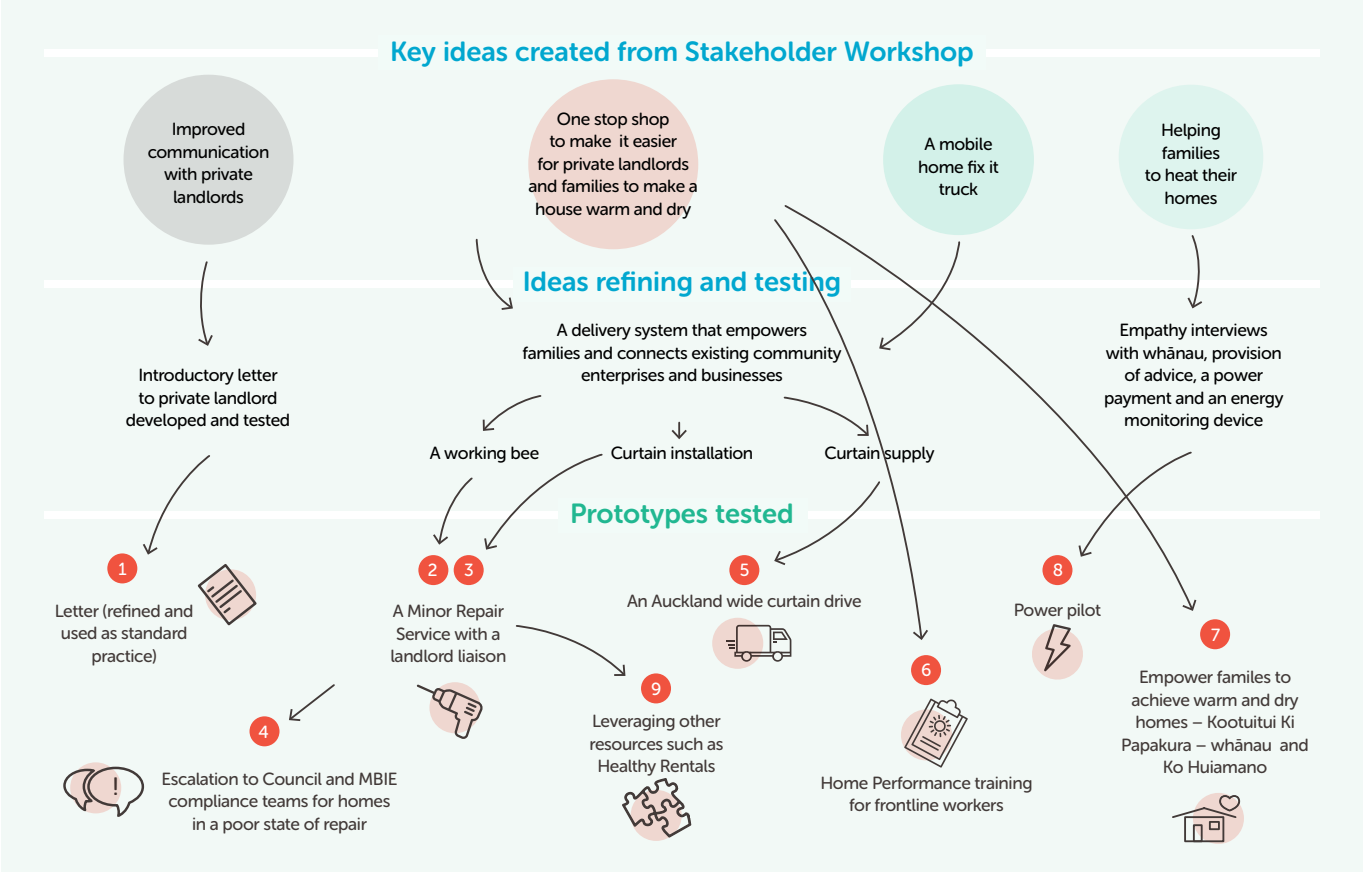
Over three years TSI worked with a range of partners to identify, test and implement interventions that would contribute to warmer, drier, healthier homes for Auckland's Healthy Homes Initiatives.

What was involved in the co-design project?

Between October 2015 and September 2016 a four phase co-design process (Frame, Explore, Imagine, Test) was undertaken. TSI had the role of an 'innovation partner', providing a neutral platform for collaboration. The process was led and held together by a multi-disciplinary co-design team from TSI, Beacon Pathway, Turuki Healthcare and the Auckland and Waitemata District Health Boards, who brought a collective knowledge of health, housing, community, social work and design. To begin, in-depth interviews were held with whānau and frontline workers involved in the AWHI process to understand their lived experience. From these, key insights and visual maps were developed and shared back with families and stakeholders. Insights provided a greater understanding of the reasons behind certain family living situations and ways in which families already worked to improve their homes.

The insights also emphasised the challenges that existed to implementing certain interventions and how the role of landlords and pressures on the rental market influenced outcomes. They also showed the number of agencies families were engaging with and how the complexity of the service system was creating additional burden.

As noted the causes of poor housing and poor health outcomes are complex and interconnected and therefore beyond the capacity or responsibility of any one organisation to respond to. As demonstrated by the story of Charlotte in The Family 100 Project[7], conventional approaches to service development can reinforce the different silos across agencies or responsibilities. The co-design process instead created a temporary space and collaboration structure where central and local



government, whānau, frontline workers, community organisations and providers could come together to learn and understand connections between challenges and outcomes. There was an emphasis on understanding people's lived experience as well as the context and conditions that informed it.

After the key issues were identified and agreed, whānau, providers and agencies then worked together to explore potential responses. Nine initial ideas were developed into prototypes and tested in workshops. A refined set was then further prototyped with providers, landlords and with families in their homes.

Prototyping then continued for 14 months. Using a 'safer to try, safer to fail' approach the team tested out plausible ideas and directions either rapidly in workshops or over time in situ. Reflecting the iterative nature of the design process the first ideas tested resulted in some ideas being dropped and additional ideas being developed. Prototypes then evolved based on lessons drawn from this ongoing work with whānau and frontline staff over time. The evolution of initial prototypes is shown in the diagram on the previous page. Several of the prototypes were refined into implementation and received ongoing funding as part of the HHI.

This commitment to testing, learning and experimentation in context is another way in which the process differed to conventional service development. 'Learning by doing' allowed the team to engage with how existing services and interventions were actually working on the ground and grapple with and name the range of implementation and policy issues, interactions and challenges that surfaced rather than working on assumptions. Throughout, the team worked together with whānau to ensure this was done in ways that were sensitive and responsive to the complex, stressful and unstable environment experienced by many families.

Involving whānau and stakeholders from different parts of the system, and taking an experimental approach, resulted in a more holistic and connected framing of the issues. This in turn created the space for more collaborative, innovative and systemic responses, including responses that drew upon and reconfigured existing and newly identified resources in different and non-traditional ways.

How did the approach contribute to project outcomes?

The co-design project has successfully supported the two Auckland HHI providers to improve service delivery and better outcomes for eligible families, such as families accessing home repairs to make their homes warmer and drier including, stopping draughts, reduced mould and making homes easier to heat, as a result of fit-for-purpose service innovations. For example more than 200 whānau have had curtains installed, a critical intervention for making homes easier to heat.

Some of the whānau involved in the prototyping process have themselves received and continue to deliver their own home performance training and interventions, further extending the service reach. Greater trust and co-ordination exists between frontline providers such as assessment teams and those doing installations, increasing the likelihood that proposed interventions will be implemented in ways that achieve outcomes for families. Better information flows between the HHIs and local and central government agencies has resulted in increased ability to investigate severe housing issues and landlord inaction. There is now better understanding of which agency can assist depending on the legislative framework they are responsible for. In addition, insights from the work have been fed into relevant legislation reviews such as the Residential Tenancies Act Review and the development of proposed standards for the Healthy Homes Guarantee Act.

The co-design approach contributed to these changes in the policy and service system and improved outcomes for families in four key ways, as outlined below.

1. A holistic view of how the current policy and service system impacts on the well-being of families

"We have been able to use the material in a whole range of forums to influence and highlight issues in Auckland and across the system."
Co-design partner

The initial process of mapping families' experiences exposed the pressures and difficulties faced on a day to day basis and the impact these have on whānau capacity to create healthy homes for their families. It showed how the actions and behaviours of landlords and services impacted on families, and what families were required to juggle or compromise across family dynamics, education, employment, income, health and wellbeing needs. Many of the challenges captured in the journey maps were known to agencies. However, seeing it as experienced by whānau on a daily basis, as well as the short and long term impacts on wellbeing helped to make the case that different approaches were needed. It also facilitated the creation of responses that were appropriate to the needs and context, such as a landlord liaison role.

2. Safe spaces to test and learn with whānau and providers

"What is different about [co-design] though, is the fail fast, safe to fail, then change, prototyping, try it then dump it if it's not working, generate it, if it's working, tweak and improve."
Co-design partner

The 'safer to try, safer to fail' ethos provided the team with the opportunity to prototype different approaches with stakeholders and whānau under the conditions and in the contexts in which they would be used. It was expected that some things would not work, but that trying, failing and learning was necessary for being able to make informed decisions about what would or could work in

this complex setting. For example, one of the prototypes involved working with South Auckland Curtain Bank (SACB) to test the viability of recycled curtains. The prototype tested available supply, possible promotion and collection points, the percentage of donated curtains that could effectively be recycled, the potential of involving whānau in curtain making, and the cost difference between re-use and new curtains. As a result, data-informed decisions could be made about what to drop and what to continue.

A commitment to creating safe spaces for learning also created space for considered risk taking, necessary for identifying alternative ways to address complex issues. For example, engaging landlords around improvements can risk unsettling a tenancy relationship and such actions might have traditionally been avoided. In this case the room to test and learn meant new approaches to improving the conditions of homes were made possible. As a result of this work, a Minor Repairs Service (MRS) has now been established to provide minor repairs and landlord liaison, but this was a prototype that first began as a Working Bee. It was developed as a result of creating the space to try new responses to landlord inaction and to date 225 homes have had improvements done that they would not have otherwise received.

3. Enhanced connections and co-ordination across different parts of the system

"It was so disjointed, now it is seamless, we can do our job with the right support to the point where we get the outcomes. We have relationships with contractors and other people in the system, we are respected and heard."
Co-design partner

In addition to new ideas, the process of listening, learning and trying things together contributed to significantly enhanced connections, relationships and trust across the service system. For some whānau and frontline workers the co-design process represented a profound shift in power dynamics creating an opportunity to be heard, exercise expertise and work more closely and on even footing with other stakeholders, policy makers and contract managers. This resulted in greater coordination between those at the front-line working to serve whānau and interventions that solved issues. For example, an app developed to schedule installation and repair appointments on the spot resolved many issues of trying to contact and line up contractors and families.

For the SACB for example the prototyping process produced ongoing connections with potential community curtain drive points, partnerships for curtain supplies and additional funding for new curtains. The process also facilitated closer working relationships between agencies, for example between the Ministry of Health team and the Auckland Council Infrastructure and Environmental Services team. Teams whose remit complemented each other, such as Auckland Council's Compliance Investigations Team and Ministry for Business Innovation and Employment (MBIE) Tenancy Compliance & Investigations Team also have greater coordination across their activities. In turn this has created opportunities for greater integration across the system and better ways of connecting and applying existing resources.

4. Innovation in service responses

"Through this process we were able to develop a whole new methodology that serves a real need."
Co-design partner

The bringing together of different skills and perspectives from across parts of the system facilitated by the core team also enabled the emergence of new service configurations. The MRS, noted above, represents a new, 'fit for purpose' reconfiguration of resources and skills. Neither the service, which does minor repairs in privately rented houses, nor the conditions and ecosystem to support its delivery existed prior to the co-design project. The co-design process enabled a more systemic understanding of the issues and challenges families face outside of social housing, and opened up ways that existing resources might be reconfigured to respond more appropriately.

Ko Huiamano is another model that challenges traditional service configurations. The co-design process created a platform to connect an existing whānau-led initiative supported by TSI and Kootuitui, to the Healthy Homes work, from which Ko Huiamano emerged. Kootuitui whānau had already identified housing as a priority, and as a result of connections made across the co-design process whānau were trained to deliver their home performance advice and interventions to other whānau. The initiative recognises and builds on the knowledge, leadership skills, motivation and resources of the local community, as well as reaching those who might not otherwise access such a service.

What were the factors that enabled a truly experimental approach to happen?

The case study is an example of where people and teams have been able to work together differently, learning and trying out what works in complex and sensitive settings.

A pressure for outcomes and a Better Public Service target around rheumatic fever created an appetite for trying different things. But several other significant factors were also critical to what made the project both different and successful in the eyes of those participating.

i. Reflective and critical practice at practitioner and leadership levels

"We tried really hard not to be stuck into a particular mindset, we try to be open to whatever learning our providers tell us, we do see our role as being enabling." *Co-design partner*

Critical reflection includes learning from bad and good outcomes. It involves being prepared to change the definition of a good outcome in light of feedback from whānau and those at the front line. This genuine openness to learning, reflection, being adaptive and working with uncertainty were critical behaviours and mindsets evidenced throughout the project by all stakeholders. This included a proactive way of working by the Ministry to take on learnings.

ii. Diverse and deep skills, experience and networks of the core team

Success in this complex and sensitive setting required ways to safely involve families, bring diverse parties into alignment, challenge processes and create the space and trust for testing and trying new things. To achieve this the team needed to bring together experience and skills across health, housing, communications, working with whānau, social sector knowledge and facilitation as well as drawing on strong networks across community, local and central government. As the project evolved the team continued to grow the network and skills around the initiative, building relationships and inviting in those with the knowledge and influence needed to address the issues and opportunities as they emerged.

iii. Shared commitment to outcomes that mattered to whānau

The commitment to families provided a critical shared focus for collaborators. Achieving the outcomes that mattered to families was always at the centre of action and decision-making. Voices of whānau and stakeholders were not marginalised when the feedback was unfavourable and outcomes for families were always prioritised over outcomes for the individuals or their organisations.

iv. Supportive and empowering management and leadership

An enabling environment was created from leadership within the Ministry that then flowed into the project structure itself. This manifested in particular in the Ministry's willingness to try new approaches and advocate for better outcomes in Government agencies and local government. It also included a genuine commitment to and investment in relationship building that created the space for innovation and collaboration.

v. Support, structure and resource for working differently

Collaboration is often a stated goal, but in practice it is difficult to achieve. The space for the "co" work of co-design was made possible by an investment in relationships and building trust. Equally the environment for working in new ways was enabled through the Ministry's commitment to a learning approach, and the learning platform provided by TSI and the core team. This was a space outside of traditional contract structures and business as usual (BAU) delivery, where stakeholders could safely connect, reflect, think about and try new things.

What does this mean for local and central government innovating in the future?

As suggested above, testing and learning with whānau and stakeholders in complex and sensitive settings requires supportive working practices and conditions that often do not exist within more conventional service and policy delivery structures. In considering what is needed to grow the conditions for more of this work in the future, six areas are highlighted through the case study. Each area includes questions to consider for growing practice in the future.

Leveraging insights for impact at service and systems level

By their nature design-led approaches can help us to work more systematically, making visible the policy and system conditions that contribute to the challenges we are trying to address at service level. But to leverage this potential teams need to be supported to work across both levels, delivering to service and operational outcomes as well as effectively identifying and sharing learning about gaps and opportunities between policy intent and practice. Questions this raises for future practice include:

- What are the opportunities for future intervention initiatives to support policy insights more deliberately?
- How might we help teams best balance the tension between delivering immediate outcomes to a specific population, and the opportunity to achieve impact at greater scale through structural change?

Negotiating the transfer of prototypes back into 'BAU'

"What governs quality transition? How and what of the principles and relationships generated and integral to the success of the co-design process could or should be maintained as prototypes transition into services?" *Co-design partner*

"There were changes made to the delivery ecosystem, are we ready for that?" *Co-design partner*

This case study represents an example of new models and responses being prototyped and then adopted once they have demonstrated potential for impact. Transfer of successful prototypes back into the service ecosystem represents success. It also raises questions about how to best ensure a quality transition, as the prototype moves from the enabling and collaborative context of the co-design team, process and platform back into the conventional BAU funding, reporting and service delivery environments. Questions this raises include:

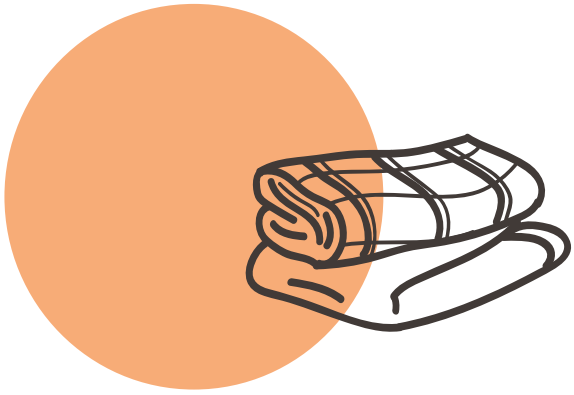
- When is the right time for the co-design team to stop being involved in a prototype and what are the appropriate go/stop points on a prototype?
- What relationships and principles are integral to the initial success and what of these should continue to govern the future prototype/service development?
- Is there readiness/structures/capacity in the system for supporting new models?

Ethical practice in complex and sensitive settings

Intervening or potentially changing the situation for whānau already experiencing significant adversity and stressors is high stakes. However conventional approaches to 'avoiding harm' can inadvertently act against the interests of whānau and close the space for trying new things. Emphasis on vulnerability can serve to exclude voices and limit the potential for participation and agency in decision-making for example. In complex and sensitive settings risk from taking action also needs to be weighed against the risks families face should their situation remain unchanged, for example living in unsafe housing.

The co-design team demonstrated what it means to think through a range of perspectives on this and balance legitimate concerns with other factors such as the capacity and agency that can manifest through participation. Rather than reduce risk by not trying things with the potential for negative outcomes (such as loss of tenancy) the co-design team identified what was required to create a 'safer to fail' environment in which something new could be tried and tested. They actively engaged with the complexity of the context taking considered action in partnership with whānau and other service providers. Managing this uncertainty and potential for negative outcomes required a high level of skills, networks and resources and commitment to better outcomes for families. Questions this raises for future practice includes:

- What ethical processes and principles best help us negotiate and consider risk and opportunity together with families and whānau when experimenting with new approaches to improve outcomes in complex and sensitive settings?
- What is needed in terms of skills of the team, commitment of resources, expectations and start points to do this work safely and well?



Funding the conditions for innovation and learning

"It takes time to align up with other agencies... the issue of housing is going to take a long time to resolve...it's about how we work together differently...This is a long term problem, so how do we restructure our funding so that it works? How do we set up things so that we can learn off each other, and create a conducive environment for success?" *Co-design partner*

"Contracts traditionally pay you for output. This took a different approach, the funding has also enabled the building of capacity for us to operate differently...." *Co-design partner*

Conventional funding structures and contracts with a focus on service delivery do not encourage conditions for collaboration, innovation and learning. Genuine co-design and collaboration between stakeholders requires time for building trust, relationships and alignment. Time and care needs to be given to understanding and unpacking what is creating the barriers to outcomes, and then new approaches to be identified, tried and tested. Achieving such in this project required a more collaborative approach to funding, reporting and decision-making than exists in default contracts and funding. The conventional tools funders have available to them to assess and make funding decision focus on outputs, measures, outcomes, throughput, activities and reporting. In supporting innovation however success might be signified through a reconfiguring of skills, assets and resources and eventually structures and policies. Commitment and investment is also needed to build the capacity of the service and policy system to actually deliver any new innovations developed. Questions this raises for supporting future practice include:

- How might we set up contracting and commissioning processes for experimentation and learning that includes growing capacity of the system to support new ways of working?
- What structures, funding, tools and models - for example a revised understanding of outcomes and success measures - might best support experimental, collaborative learning approaches in more sustained ways?

Enabling whānau-led initiatives

The Ko Huiamano kaupapa is an example of a whānau-led model that unlocks the capability, motivation and potential already within communities[8]. This approach puts some of the power for improving the health of homes in the hands of whānau, and creates opportunities for building and sustaining capacity, social connectedness and cohesion at the same time.

Many of the whānau that Ko Huiamano are working alongside would not traditionally engage with services, so it is an example of an initiative that also extends the reach of those receiving benefits from the Auckland HHI. While there is great promise in such approaches, we also need to further build our understanding of the role of government in best supporting and sustaining such emerging peer to peer models, for example:

- How do we support sustainability, for example ongoing recruitment?
- What kind of financial models are most appropriate to recognise and support the contribution whānau are making? How might this interact with the policies in place for those accessing support through benefits for example?
- What do we need to learn about what success looks like? Is the primary goal a sustained and scaled model, professionalisation, or a capacity building experience for whānau that is a springboard for other outcomes including formal employment?

Local government in a social innovation partner role

"Local government is a now key player in Auckland Healthy Homes initiative and they weren't before. TSI and having council in this has been a huge win for this programme, drawing on resources and networks, joining up the food chain." *Co-design partner*

Finally this case study also highlights the additional benefits that come when local government is enabled to act as an effective innovation platform and partner. The strong structural support inherent in local government improved the 'safety net' of resources and networks available to the team. It gave access to existing resources in the system and allowed for the connecting up of similar efforts. For example MBIE and Auckland Council teams are a lot more connected, and Ko Huiamano grew from a connection made between the TSI teams who were working with an existing whānau-led initiative. Importantly, with a remit to support social, economic and community transformation and build whānau, service and system capability, TSI provided a stable and neutral platform for innovation, not a competitor for service funding. Questions this raises for supporting future practice include:

- How might we increase opportunities for local government to play or continue to play this role elsewhere?
- How might other local government organisations be provided the scope to think and act in such local and systemic ways?
- How else might local government act as an innovation partner?

In summary

This case study helps demonstrate the kinds of enabling behaviours, platforms, structures and resourcing needed to achieve the collaborative "learning system" envisioned in the Productivity Commission's report. It also serves as an example of the issues and challenges teams working in such complex and sensitive settings need to work through, and the kinds of skills and attitudes we need to foster to support more participatory and complexity-informed approaches to service and policy design and innovation. Key to these are the space and capacity for building trusting relationships, the skills and commitment to negotiating the complexity of issues that cross multiple domains, a genuine tolerance for experimentation and an openness to learning.

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- AWHI
- National Hauora Coalition

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