



PALMERSTON NORTH CITY COUNCIL

AGENDA
COMMUNITY DEVELOPMENT
COMMITTEE
ADDITIONAL ITEM

9AM, WEDNESDAY 5 FEBRUARY 2020
COUNCIL CHAMBER, FIRST FLOOR, CIVIC ADMINISTRATION BUILDING
32 THE SQUARE, PALMERSTON NORTH



MEMBERSHIP

Lorna Johnson (Chairperson)
Rachel Bowen (Deputy Chairperson)
Grant Smith (The Mayor)

Brent Barrett
Susan Baty
Zulfiqar Butt
Renee Dingwall
Lew Findlay QSM
Patrick Handcock ONZM

Leonie Hapeta
Billy Meehan
Karen Naylor
Bruno Petrenas
Aleisha Rutherford
Danielle Harris

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COMMUNITY DEVELOPMENT COMMITTEE MEETING

5 February 2020

ADDITIONAL ITEM

5. **Final Report on Fees for Service Contracts 2016-2019** Page 5
- Memorandum, presented by Joann Ransom - Community Development Manager (note this report replaces pages 11-13 in the Agenda).

MEMORANDUM

TO: Community Development Committee

MEETING DATE: 5 February 2020

TITLE: Final Report on Fees for Service Contracts 2016-2019

PRESENTED BY: Joann Ransom - Community Development Manager

APPROVED BY: Chris Dyhrberg, Chief Customer Officer

RECOMMENDATION(S) TO COUNCIL

1. That the report entitled 'Final Report on Fees for Service Contracts 2016-2019' be received for information.
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1. ISSUE

This memorandum is to provide a final report on the Fee for Service (FFS) programme which ran from 01/07/2016-30/06/2019.

It replaces the original memo that was submitted and circulated in the agenda papers. The reason why the original report has been replaced is that more information had been found and a number of inaccuracies have been corrected.

The report covers a 'historical' funding scheme which no longer runs and which commenced in 2015. All of the staff involved in the Fees for Service scheme including the General Manager, Community Development Manager and Grants Coordinator are no longer in their roles and the writer was working from information that was available.

2. BACKGROUND

- 2.1 The FFS programme funded groups whose activities contributed towards Council's approved Community Funding Outcomes. The funding programme was managed in accordance with Council's Community Funding Policy 2012, and the budget and Community Funding Outcomes approved by Elected Members in 2015.
- 2.2 In late 2015, community groups were asked to submit proposals stating how their activities would contribute towards the Community Funding Outcomes. Of the sixty-three proposals submitted forty-nine groups were successful and entered into funding agreements to the value of \$1.57m per year.

2.3 Due to cancellations of some contracts on both the part of funded organisations and Council, unallocated funds were made available for an additional funding round in 2018-19.

2.4 In August 2018 a report was brought to Council reviewing the performance of the funded groups at the half way mark of 18-months into their contracts. The results of the performance review were positive with 85% of groups given an overall performance rating of 'good' or 'very good' and the review teams felt they would fund 98% of groups again.

3. PERFORMANCE

3.1 This report provides a final report on the (FFS) contracts.

3.2 The \$1.57m Fee for Service budget was paid in full in 2016-17 and 2017-18. In 2018-19 a total of \$90,500 was not paid out. This sum is made up of a \$50,000 increase in funding in the 2018-2028 Ten Year Plan, and the grants awarded to contracted organisations that no longer wished to continue their contracts.

3.3 One organisation had their contract terminated due to non-completion of contracted deliverables while three organisations cancelled their grants by their own decision.

3.4 Residual FFS funding which was not uplifted has been invested in the capability and capacity of community groups through a combination of grants and training.

4. ACCOUNTABILITY

4.1 All organisations, except one, submitted the contracted annual accountability reports. The one organisation that failed to fulfil its accountability obligations in 2017 and 2018, did not receive funding in 2019 and the funds granted in the first two years were returned to Council.

4.2 A review of Fee for Service accountability reports was carried out to consider how well the contracts were acquitted in terms of meeting reporting obligations and completed actions in relation to the intended actions they proposed to undertake in their applications.

4.3 The review showed that while much good work was being done by contracted community groups, the reporting requirements were not always clear or easy to report on and didn't adequately record success.

5. LOOKING FORWARD

The aims of the mid-point review and this final report were to:

- build the capacity of contracted groups;
- identify opportunities to better support the overall community sector; and
- identify ways to build on or improve operation of the programme.

5.1 Following the mid-point review, a new Strategic Priority Grants (SPG) scheme replaced the FFS from 2019-2022.

5.2 A Results Based Accountability (RBA) approach has been applied in co-designing the SPG contracts which clearly aligns funded organisations activities with Council’s strategic outcomes and concentrates on the ‘vital few’ key performance indicators. It is expected that the clearer goals developed between Council Officers and funded organisations will clarify the work and successes of community organisations through a simple, unified reporting process.

5.3 This report concludes the reporting for the 2016/2019 FFS round.

6. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	Yes
Are the decisions significant?	No
If they are significant do they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these actions?	No
Are the recommendations inconsistent with any of Council’s policies or plans?	No
The recommendations contribute to Goal 3: A Connected and Safe Community	
The recommendations contribute to the outcomes of the Connected Community Strategy	
The recommendations contribute to the achievement of action/actions in the Community Support Plan	
The action is: Providing targeted funding that seeks to improve community outcomes; Monitor contracted organisations against Council Outcomes.	
Contribution to	The Fee for Service programme supported the community by funding

strategic direction and to social, economic, environmental and cultural well-being	groups whose activities contribute towards the Community Funding Outcomes that Council approved in 2015. These were updated as part of the Community Funding Policy 2018 to reflect Council's new strategic direction. The Strategic Priority Grant programme has replaced the Fees for Service programme.
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ATTACHMENTS

1. Highlights from the Fees for Service 2016-2019 funding round.