

**Management report to Council**

**Agenda item 6.3**

**Kensington Adventure Playground Contract: No 3545**

**Council**

**Presenter:** Alison Duncan, Manager Community Services

**28 February 2017**

**Purpose and background**

1. The purpose of this report is to inform Council of:
  - 1.1 the status of improvements in governance, operating model, and longer term financial viability of The Venny Inc. to operate the Kensington Adventure Playground (KAP)
  - 1.2 the findings of community surveying to help determine if sufficient improvement has occurred for the option to extend the contract to be exercised.
2. KAP, managed and operated by The Venny Inc., is a Council built and owned asset in JJ Holland Park providing a free communal play space for children residing in nearby social housing. Council awarded the KAP contract to The Venny commencing on 1 July 2016 for one year with a two year option to extend. This was subject to a report from management in February 2017 on matters as outlined above. Council also appointed a Best Interest Advisor, Bernie Geary AOM to ensure the service was managed in the best interest of children (refer Attachment 2).

**Key issues**

3. A summary of The Venny's progress is detailed in Attachment 3. Key Improvements include:
  - 3.1 strengthened governance with a new Chairperson, restructured board and dedicated portfolios
  - 3.2 revised child safety practices and oversight from an external counselling supervisor
  - 3.3 a dedicated fund raising position has been advertised and applicants shortlisted.
4. Improvements are still required to: develop external partnerships (with formalised agreements) to support a more robust operating model, develop an overarching framework and action plan to deliver on all seven Child Safe standards, and reduce The Venny's almost total dependency on contract income from Council with financial viability contingent on this income.
5. Survey results highlighted many benefits of The Venny's programs and services for children and families, however, staff and board members have recognised the need for improvements (refer Attachment 4).
6. The Venny's remit has extended beyond children in the middle years age group with significant support offered to young people and local families. A review of the physical limitations of the building is required to determine if there is sufficient space for support agencies and community groups.
7. Given a range of improvements are still required it is management's recommendation that Councils' contract with The Venny be extended for one year from 1 July 2017 with the option to extend for one year from 1 July 2018 to 30 June 2019 contingent on further improvements with financial viability and a robust and sustainable operating model.
8. It is recommended that the Best Interest Advisor's appointment be extended until 30 June 2017 to ensure progress in the best interests of children is maintained. The total 2016-17 cost for this appointment will be \$20,000.

**Recommendation from management**

9. That Council:
  - 9.1 approves The Venny Inc.'s continued operation and management of the Kensington Adventure Playground contract for one year from 1 July 2017 until 30 June 2018 with the Council retaining the option to extend for a further one year
  - 9.2 approves the extension of the Best Interest Advisors' appointment to 30 June 2017 for a total cost 2016-17 of \$20,000
  - 9.3 notes a further report from management will be presented to Council in February 2018 on the status of improvements in the development of The Venny's operating model and longer term financial viability.

**Attachments:**

1. Supporting Attachment (page 2 of 5)
2. Background Information (page 3 of 5)
3. Progress Summary (page 4 of 5)
4. Survey findings (page 5 of 5)

**Supporting Attachment**

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**Legal**

1. No direct legal issues arise from the recommendation from management.

**Finance**

2. The cost of appointing The Venny Inc. is \$300,000 per annum plus CPI for a three year period which commenced 1 July 2016. If approved, the recommendation will pre-commit \$300,000 plus CPI in the development of the 2017-18 Annual Plan and Budget.
3. The additional cost to Council of \$20,000 for the Best Interest Adviser will continue to be met through existing 2016 -17 budget.
4. The organisation also provided the management report as at 30 November 2016, which shows the organisation is operating at a profit of \$29,522 for the first five months of this financial year. If the trend continues, the organisation should perform better than last year and generate a profit for 2016 -17.
5. A Dun and Bradstreet report for The Venny Inc. was obtained on 19 January 2017 which shows that there are no court actions against the organisation.
6. The financial reports demonstrate that The Venny is totally dependent on contract income from the City of Melbourne to be able to provide playground services to the community. The organisation's financial viability is contingent upon the continuation of the Council's contract incomes and its capacity to monitor and control operating expenses.

**Conflict of interest**

7. No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a direct or indirect interest in relation to the matter of the report.

**Stakeholder consultation**

8. An online survey and face to face interviews were conducted in December 2016 and January 2017 with 8 community agencies, 67 children and 12 parents in attendance for holiday activities; 6 of 8 Venny Inc. Board members and 6 staff.

**Relation to Council policy**

Melbourne for All People 2013–17: 4.3 Facilitate structured and unstructured play opportunities for children of all abilities and their families to promote physical, mental, emotional and social development.

**Environmental sustainability**

9. In developing this report it is expected that the current high levels of environmental sustainability strategies which The Venny maintains in conjunction with City of Melbourne will be ongoing and incorporated into future activities.

## Background Information

The KAP was operated by The Venny Inc. under a lease and funded by a Council community grant of \$149,000 per annum plus additional bridging funding of \$126,000 per annum following withdrawal of support by the Federal Government in 2014.

In October 2015, the board of The Venny Inc. advised Council officers their current operating funding and service model was not viable in the long term as it could not secure additional funding despite obtaining Deductible Gift Recipient status.

In response Council increased funding from \$275,000 to \$300,000 per annum (plus CPI) for three years and tendered the service (in accordance with Section 186 of the *Local Government Act 1989*) on the basis it is provided on council owned land and a market of not for profit providers existed for this type of service.

Council awarded the KAP contract to Save the Children Australia (STCA) in April 2016. In May 2016 STCA withdrew from the arrangement as there was insufficient community support for them as a community development agency to take over the service. As there were two complying tenders (STCA and The Venny), and one had withdrawn Council proceeded on the basis that the remaining tenderer should be the preferred tenderer.

The contract was awarded to The Venny for one year commencing 1 July 2016 with a two year extension option subject to negotiation of final issues including compliance with insurances. Other identified issues included a more robust approach to children's safety in compliance with State Government Child Safe Standards, improved financial viability and the need for a more robust and sustainable operating service.

An independent Best Interest Advocate, Bernie Geary OAM was appointed to ensure the service was managed in the best interests of children and to support effective discussions between Council and management of the board of The Venny.

## The Venny Progress Summary

Action	Outcomes	Recommendations
Governance	The Venny board have appointed a new Chairperson and 4 new board members with assigned portfolios. The Manager of The Venny is no longer a Director of the board resulting in a clearer delineation of responsibility. Pitcher Partners, accountants are working pro bono to provide accountancy services.	Council officers and Best Interest Advisor will continue to meet with the board on a monthly basis.
Independent audit of playground equipment	Consultants appointed by City of Melbourne have reviewed playground equipment and scope of work for upgrade. Additional proposal to update adventure playground guidelines to be received.	Progress project to repair or remove existing play items as identified in audit.
Child Safe Standards and management of vulnerable children	Group and individual staff counselling supervision has occurred with focus on child safe practices. Counselling supervisor has noted: <ul style="list-style-type: none"> <li>• need to prioritise upgrade of IT programs for service efficiency, data collection, and record keeping</li> <li>• formalise external stakeholders' roles within service parameters.</li> </ul>	Continue with counselling supervisor to oversee update of policy manual and all child safe standards by 30 June 2017. The Venny needs to develop MoU's with external stakeholders to define roles and responsibilities and, review its IT requirements.
Identify other funding sources	The Venny has obtained \$75,000 for a musical installation and \$15,000 to work with existing children's groups. The Venny will be piloting a playgroup for CALD families with children with disabilities supported by a small amount of funding from an external agency.	Continue to review The Venny's strategy to gain financial independence though the fundraising coordinator position. This could include local community fundraising, philanthropic and grant applications.
Partnerships and service collaborations	A range of partnerships are identified through quarterly reporting process.	Potential to strengthen partnerships with schools and other stakeholders such as Kensington Community Recreation Centre. Potential to explore a co-located integrated service model supported by MoU.
Data Collection and Monitoring	In general performance measures and targets are being met however consistency and quality of reporting outcomes could be improved.	Contract manager notes The Venny is interested in the development of a monitoring and evaluation framework to improve data and outcome accountabilities.
Best Interest Advisor	Attended 27 meetings/consultations with staff and Board and local agencies including VicPol. Advises: <ul style="list-style-type: none"> <li>• Has attended meetings with Manager, Chairperson and some board members.</li> <li>• The Venny is positively regarded in the local community.</li> <li>• operates as a playground and community centre but has insufficient space for wrap around services.</li> <li>• needs to focus on utilising its large community base to assist with fund raising.</li> <li>• External counsellor should continue to supervise staff.</li> </ul>	Review operational space requirements in conjunction with The Venny. Monitor the commitment to raise funds from the local community when fundraising coordinator is appointed.

## Survey findings: 19 December 2016 to January 2017

Survey target	Method	Responses	Key themes
Board members	Online	6/8	<ul style="list-style-type: none"> <li>• Need a period of stability and continuity</li> <li>• Need improvements in internal systems and professionalization of the service</li> <li>• Stronger and more productive partnerships</li> <li>• Increased funding diversity</li> <li>• Better technology for recording and reporting</li> <li>• Develop staff capability, especially around trauma and working with vulnerable children</li> <li>• New program development (addressing community violence)</li> </ul>
Staff	Online	6	<ul style="list-style-type: none"> <li>• Similar responses to Board, but greater emphasis on training and development such as child trauma.</li> </ul>
Children who use the Venny	Face to Face	67	<ul style="list-style-type: none"> <li>• Average age: 10</li> <li>• Males (29) 43% Females (36) 54%</li> <li>• Primary School 43% from Kensington Primary School, 31% from schools in western suburbs (Truganina, Werribee, Sunshine, Footscray, Kingsville)</li> <li>• Most popular background: Somali (16), Australian (11), Australian/Filipino (6)</li> <li>• Most popular type of visit ranged from every day, 3-5 times a week to once or twice a week</li> <li>• Most popular reason for visiting was fun, followed by friends and activities/animals, equipment, food &amp; staff</li> <li>• The types of things children 'learn' at the Venny related to safe play, interacting and socialising with others, caring for animals and 'making things' or learning how to cook, clean and make music.</li> <li>• Improvements related to the venue expanding, additional equipment (water slides/pool, flying fox, tree house, soccer posts, monkey bars) to animals/fruit trees. A program for mothers with children was a suggestion from a parent.</li> <li>• When asked to imagine the Venny in the future, there was a direct link to improvements (as above) with other suggestions including renovations, expanding the playground, and remaining in the community 'for years'.</li> </ul>
Parents of children who use the Venny	Face to Face	12	<ul style="list-style-type: none"> <li>• Value children's interactions with others, risk taking, creative and safe space, interaction with other parents and cooking.</li> <li>• Recommend: new equipment (flying fox, tree house); more funded programs; improved promotion; expansion of the centre and environmentally focussed activities.</li> </ul>
Local agencies	Online & Face to Face	8	<ul style="list-style-type: none"> <li>• Some agencies described close relationships with The Venny and opportunities for future partnerships.</li> <li>• The Venny recognised for long local history and knowledge of local families.</li> <li>• Seen as instrumental in managing ad hoc issues that arise (JJ Holland Park incident of potential violence) worked in partnership with network and cohealth.</li> <li>• The Venny is reporting issues of child safety and protection to VicPol and DHHS Child Protection.</li> </ul>