

# Office of the Mayor

26 November 2014



More Effective Social Services Inquiry  
New Zealand Productivity Commission  
PO Box 8036  
The Terrace  
Wellington 6143

## Submission on the 'More Effective Social Services' issues paper

This submission is from the Dunedin City Council, PO Box 5045, Moray Place, Dunedin 9058. This submission was considered and approved by the Council's Community and Environment Committee at their meeting on 24 November 2014.

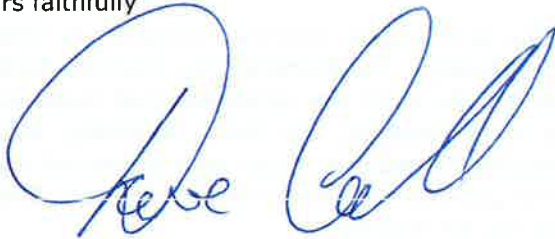
1. The Dunedin City Council welcomes the opportunity to comment on the issues raised in the 'More Effective Social Services' issues paper.
2. The Dunedin City Council notes the importance of the social sector to Dunedin, in terms of social, economic, environmental and cultural wellbeing. The Dunedin City Council's Strategic Framework sets the direction for Dunedin. Whilst the eight key strategies that make up the Framework are interlinked and designed to work together, the Social Wellbeing Strategy focuses on improving social outcomes by ensuring Dunedin is a city with connected people, cohesive communities and quality lifestyles for all; and the Economic Development Strategy sets out pathways to improved economic outcomes for citizens.
3. The Dunedin City Council supports local solutions to local issues in centrally funded social service delivery and with local providers often better positioned to respond more readily to local needs, tailoring solutions to local communities. The Council considers that contracting arrangements that favour large national or multi-national businesses in social service provision can pose a risk to the effectiveness of the solutions (for example, critical local knowledge may not be taken into account) and to the viability of the local social sector into the future.
4. The Dunedin City Council sees value in a strong not-for-profit social sector in the city and considers a large scale move towards funding the for-profit sector to deliver social services could jeopardise the social sector to the detriment of the local community. For example, Cosy Homes – a city partnership of key stakeholders working to improve Dunedin's housing quality – may not have developed or may have taken far longer to develop if it had not been driven forward by a non-profit. When not-for-profit organisations provide social services, this can provide benefits to the community that are wider than just the direct delivery of social services. There is the potential for local providers to support local employment and achieve greater community support and contribution from the voluntary sector. The Dunedin City Council would encourage an approach where government consider the wider costs and benefits of any proposed changes to social service delivery, considering both potential improvements in the delivery of social services and any wider implications, for example, changes for the social sector and the community.

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5. The Dunedin City Council supports the integration of services where evidence supports the benefits of an integrated approach. Initial impressions from the South Dunedin Social Sector Trial (a local grouping of government agencies), is that coordination of services and outcomes has improved for local communities in that area.
6. The Dunedin City Council supports a role for social enterprises as part of a range of mechanisms for social service delivery.
7. The Dunedin City Council supports progress towards monitoring the outcomes from social service delivery. The Dunedin City Council sees value in evaluating specific initiatives where the full range of potential benefits and costs, for example, impacts on the wider community, of an outcomes-based funding model are considered.
8. The Dunedin City Council supports funding models that generate a greater investment in community development in the city than the original investment.
9. The Dunedin City Council challenges an over reliance on population-based funding as the only consideration in funding models (particularly without appropriate adjustors) as this may not adequately address other aspects of community need (for example a small but very deprived community that has seen no improvement over a long period of time).

Thank you for the opportunity to submit on the 'More Effective Social Services' issues paper.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'Dave Cull', written in a cursive style.

Dave Cull  
**Mayor of Dunedin**