

Chief Executive's Leadership Group

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Business Group:	GM People Governance and Capability
Title:	Kāinga Ora financial contribution to end-of-year functions 2024

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Purpose

1. This paper seeks the Chief Executive's Leadership Group's (CELG) endorsement of the appropriate way to recognise the end of the calendar year 2024 in terms of financial contribution to end-of-year functions.

Recommendations

2. It is recommended that CELG:
 - a) Endorse the approach of contributing a maximum of \$25 per person for individuals attending a Kāinga Ora function, to be arranged within specific parameters, and coordinated at a *team* level (option 2 on the options table in the 'proposal' section of this paper).
 - b) Or otherwise - endorse one of the other options on the options table.

Discussion

3. Please find the below 'options table', covering the funding and function position for the end-of-year for your consideration. Recommendation: This paper proposes four options for a position on end-of-year funding and events. We recommend option 2, with option 3 a close second.

Proposal Details	Option 1	**Option 2**	*Option 3*	Option 4
Funding contribution per head for employees	\$30	Maximum of \$25	\$12 per head for an office morning/afternoon tea	\$0
Total MAX Budget allocation based on 3000 employees	Up to \$90,000 (Note: there has never been a 100% uptake of the funding allocation)	Up to \$75,000 (Note: there has never been a 100% uptake of the funding allocation)	Up to \$36,000	\$0



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<p>Details / Use</p>	<p>Team-based functions organised by individual teams.</p> <p>Larger / conjoined teams or group functions were welcome where volunteers were able to coordinate the funding.</p>	<p>Team-based functions organised by individual teams.</p> <p>Larger / conjoined teams or group functions were welcome where volunteers were able to coordinate the funding.</p>	<p>Office-based morning teas organised by a volunteer (same system as Matariki this year where volunteers are directed to a Viva Engage page to find their community / kick off for their organising committee).</p>	<p>N/A</p>
<p>Positives with the approach</p>	<ul style="list-style-type: none"> • Consistent with the previous year. • Cannot be interpreted as appreciating our people any less than last year. 	<ul style="list-style-type: none"> • Brings us in line with other public sector departments / agencies, albeit at the higher end. • Brings us in line with SFO (another Crown agent) • Is still enough to cover a meal for teams who want to go out for dinner. • Shows that we have made a reduction to our 2023 position. 	<ul style="list-style-type: none"> • Makes clear efforts to respond to fiscally constrained environment. • In line with current Sensitive Expenditure guidance for catering. • Could bring whole offices together (connecting across teams and groups) instead of team silos. • Reduces the costs associated with travel for the bringing together of cross-location teams by holding single location functions. • In line with DIA, and lower than other government agencies. • Is more sensitive towards those in the middle of change processes. 	<ul style="list-style-type: none"> • Shows, without any doubt, that we are exercising the fiscal constraint the government is asking from us and that we are taking it seriously. • Brings us in line with HUD and MBIE. • Does not take away from the ability for our people to come together on their own terms. • Shows sensitivity towards those in the middle of a change processes.
<p>Risks</p>	<ul style="list-style-type: none"> • We are at the upper end of government department / agency end-of-year offerings (highest per head number we are aware of). • Does not show consideration to clear directives around the 	<ul style="list-style-type: none"> • Potential for our people to feel they are slightly less appreciated than last year. 	<ul style="list-style-type: none"> • Potential for our people to feel they are less appreciated than last year. • Quite a substantial difference from previous years. 	<ul style="list-style-type: none"> • Could be a challenge to return from this option next year. • May be seen as extreme, as we are Crown Entity.

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	<p>reduction of discretionary spending.</p> <ul style="list-style-type: none"> • Could be seen as insensitive to those going through a change process. 	<ul style="list-style-type: none"> • Could be seen as insensitive to those going through a change process. 	<ul style="list-style-type: none"> • Doesn't allow any funding for individual teams to come together, unless self-funded. • Doesn't enable/encourage our people to step away from the office environment (often a highlight for people and helps with connecting). • Risk that some offices don't get a volunteer to arrange it. 	<ul style="list-style-type: none"> • Teams may get together anyway under a different guise (such as flying team members in for training). The cost would be spread across team budgets as part of their own discretionary spend. • Our people do not feel appreciated.
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Risks and their Treatments

4. Risks associated with each option are covered in the risk section of the table above.

Next Steps

5. Internal communications about any end-of-year funding will be released around early November.

6. Whichever option is endorsed by CELG will be communicated through a Business Alert and Arawhata story. In the interim, we will maintain a watching brief over any relevant public sector directives and the GM PGC will advise CELG, if required.

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Supplementary Information:

The table below details the contributions that Kāinga Ora has made to individuals attending end-of-year functions in the past five years:

Year	Contribution per head	Position on functions	Actual spend
2019	\$40	Whole-of- office based functions organised by volunteer organising committees.	\$72,924
2020	\$40	Whole-of- office based functions organised by volunteer organising committees.	\$152,531
2021	\$40	Tightly restricted team -based functions organised by individual teams (adhering to COVID-19 restrictions of the time).	\$57,883
2022	\$40	Team -based functions organised by individual teams.	\$164,547
2023	\$30	Team -based functions organised by individual teams. Larger / conjoined team or group functions were acceptable where volunteers were able to coordinate the funding and arrangements.	\$82,108

In the week of 16 September 2024, some government departments and agencies shared insights on their end-of-year contributions as follows:

Agency/Department	Funding per head	Type
Housing and Urban Development	\$0	Core agency
Ministry of Business, Innovation and Employment	\$0	Core agency



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Ministry of Social Development	\$20	Core agency
Inland Revenue	\$25	Core agency
Department of Corrections	\$25	Core agency
Department of Internal Affairs	\$25 (until last year when it changed to a funded morning tea)	Core agency
Serious Fraud Office	\$25	Crown Agent

Key messages for 2023 end-of-year functions and events

Sent via Business Alert and subsequent Arawhata story on 31 October 2023

Amount	\$30 per head
Applicable Recipients	Fixed term and permanent employees only, for those who confirm they will attend a Kāinga Ora function, which a team, or teams, decide is right for them.
Key messages on logistics of events	<ul style="list-style-type: none"> • Instead of a single, larger-scale function in each of our main centres, teams can agree what works for them, their location and their preferred timing. • People Leaders are to lead discussions and agree on what works for their teams and location, with the support of any team members who would like to help. • People planning to use the \$30 per head allocations to book external venues for team events will need Tier 3 approval. • With smaller sized gatherings, there is potential to use our facilities if:



	<ul style="list-style-type: none">- Approval is granted from your People Leader.- A proper clean up takes place immediately afterwards. It is not the job of our cleaning contractors to do this.- A People Leader is present as a sober host for the duration of the function involving alcohol on Kāinga Ora premises.
<p>Key messages on spending</p>	<ul style="list-style-type: none">• The \$30 per head can be used for venue hire and/or catering but NOT for purchase of alcohol.• There will not be an option to allocate any additional function-related costs to team-based cost centres as 'Discretionary Expenditure'. We appreciate this is a change from last year, but it is the right thing to do at this time.• \$30 per person cannot be used to cover alcohol (including in the form of vouchers) or direct charitable donations.• This allocation is for Kāinga Ora employees only, and for their participation in a Kāinga Ora event. For example, the \$30 cannot be "gifted" to our people to use as they choose, including if they elect not to participate.• Contractors are welcome to be included in any planned celebrations; however, this will be at their own cost.

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