



PALMERSTON NORTH CITY COUNCIL

AGENDA COUNCIL

9AM, WEDNESDAY 29 APRIL 2020

AUDIO VISUAL MEETING



MEMBERSHIP

Grant Smith (Mayor)

Tangi Utikere (Deputy Mayor)

Brent Barrett

Susan Baty

Rachel Bowen

Zulfiqar Butt

Vaughan Dennison

Renee Dingwall

Lew Findlay QSM

Patrick Handcock ONZM

Leonie Hapeta

Lorna Johnson

Billy Meehan

Karen Naylor

Bruno Petrenas

Aleisha Rutherford

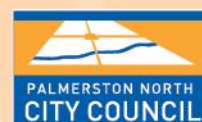
Heather Shotter

Chief Executive, Palmerston North City Council

Palmerston North City Council

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Private Bag 11034, 32 The Square, Palmerston North



COUNCIL MEETING

29 April 2020

ORDER OF BUSINESS

Note: Due to the changing situation in relation to COVID-19, this meeting will be held via audio visual links. A recording of the meeting will be made available on our website shortly after the meeting has finished.

If you wish to attend this meeting via audio visual link then please contact the Democracy & Governance Administrator, Carly Chang, on carly.chang@pncc.govt.nz to request a link.

1. Apologies

2. Notification of Additional Items

Pursuant to Sections 46A(7) and 46A(7A) of the Local Government Official Information and Meetings Act 1987, to receive the Chairperson's explanation that specified item(s), which do not appear on the Agenda of this meeting and/or the meeting to be held with the public excluded, will be discussed.

Any additions in accordance with Section 46A(7) must be approved by resolution with an explanation as to why they cannot be delayed until a future meeting.

Any additions in accordance with Section 46A(7A) may be received or referred to a subsequent meeting for further discussion. No resolution, decision or recommendation can be made in respect of a minor item.

3. Declarations of Interest (if any)

Members are reminded of their duty to give a general notice of any interest of items to be considered on this agenda and the need to declare these interests.

4. Confirmation of Minutes

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“That the minutes of the ordinary meeting of 25 March 2020 Part I Public be confirmed as a true and correct record, subject to an amendment to clause 28.2 replacing 102 with 142 and 102A with 142A.”

REPORTS

5. Cultural CCOs six-month reports to December 2019

Page 25

Memorandum, presented by Rebecca Hoffmann, Policy Analyst; Julie Macdonald, Strategy & Policy Manager.

6. Deadline for preparation of cultural CCOs Statements of Intent

Page 117

Memorandum, presented by Julie Macdonald, Strategy & Policy Manager.

7. Approval of the Local Governance Statement 2019-2022

Page 121

Memorandum, presented by Hannah White, Democracy & Governance Manager.

8. Work Schedule

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9. Exclusion of Public

To be moved:

“That the public be excluded from the following parts of the proceedings of this meeting listed in the table below.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official

PALMERSTON NORTH CITY COUNCIL

Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered		Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for passing this resolution
10.	Minutes of the ordinary meeting - Part II Confidential - 25 March 2020	For the reasons setout in the ordinary minutes of 25 March 2020, held in public present.	

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public as stated in the above table.

Also that the persons listed below be permitted to remain after the public has been excluded for the reasons stated.

[Add Third Parties], because of their knowledge and ability to assist the meeting in speaking to their report/s [or other matters as specified] and answering questions, noting that such person/s will be present at the meeting only for the items that relate to their respective report/s [or matters as specified].

PALMERSTON NORTH CITY COUNCIL

Minutes of the Council Meeting Part I Public, held in the Council Chamber, First Floor, Civic Administration Building, 32 The Square, Palmerston North on 25 March 2020, commencing at 9.01am

- Members Present:** The Mayor (Grant Smith) (in the Chair) and Councillors Brent Barrett, Susan Baty, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Lorna Johnson, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.
- Apologies:** Councillors Rachel Bowen, Leonie Hapeta, Billy Meehan and Karen Naylor.

Councillor Rachel Bowen entered the meeting at 9.25am via audio visual link during consideration of clause 26. She was not present for clauses 24 to 26.1 inclusive.

Councillor Leonie Hapeta entered the meeting at 9.25am via audio visual link during consideration of clause 26. She was not present for clauses 24 to 26.1 inclusive.

Councillor Billy Meehan entered the meeting at 9.25am via audio visual link during consideration of clause 26. He was not present for clauses 24 to 26.1 inclusive.

Councillor Karen Naylor entered the meeting at 9.25am via audio visual link during consideration of clause 26. She was not present for clauses 24 to 26.1 inclusive.

24-20 Apologies

Moved Grant Smith, seconded Tangi Utikere.

RESOLVED

1. That Council receive the apologies.

Clause 24-20 above was carried 12 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Lorna Johnson, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

25-20 Late Items

Moved Grant Smith, seconded Tangi Utikere.

RESOLVED

1. That the following additional items be received. The reason for lateness is that legal advice has been sought to allow essential services to continue during Alert Level 4 relating to COVID-19, which requires attention at this meeting.

- Alteration to Standing Orders
- Establishment of Business Continuity Committee
- Delegation Changes for Emergency Purpose

Clause 25-20 above was carried 12 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Lorna Johnson, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

26-20 Alteration to Standing Orders

Moved Grant Smith, seconded Tangi Utikere.

RESOLVED

3. Noting that Standing Order 3.11.1 has been met:

2.5A – Temporary right to attend by audio or audiovisual link
During the period that the New Zealand or Palmerston North alert level for Coronavirus is at “Level 3” or higher, members of the local authority or its committees have the right to attend meetings by means of an audio or audiovisual link, unless they have been lawfully excluded.

[cl 25A(1), Schedule 7, LGA]

2.5B – Temporary right to vote by audio or audiovisual link
During the period that the New Zealand or Palmerston North alert level for Coronavirus is at “Level 3” or higher, where a meeting has a quorum, members attending a meeting by audio or audiovisual link may vote on any matters raised at the meeting, provided the conditions of the standing orders are met where relevant.

[cl 24(1) and cl 24(4), Schedule 7, LGA]

Clause 26.3 above was carried 12 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Lorna Johnson, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

Councillors Rachel Bowen, Leonie Hapeta, Billy Meehan and Karen Naylor entered the meeting at 9.25am via audio visual link.

Moved Grant Smith, seconded Tangi Utikere.

1. That the report entitled “Alteration to Standing Orders”, of Council meeting 25 March 2020, is received.
2. That the Standing Orders are altered by removal of SO 2.4.5 and SO 3.4.5 “Definition of quorum for committee meetings” at all times that the New Zealand or Palmerston North alert level for Coronavirus is at “Level 3” or

higher.

Clauses 26.1 and 26.2 above were carried 16 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

27-20 Establishment of Business Continuity Committee

Moved Grant Smith, seconded Tangi Utikere.

RESOLVED

1. That the report entitled "Establishment of Business Continuity Committee", of Council meeting 25 March 2020, is received.
2. That a new Standing Committee, "Business Continuity Committee" is established as of 25 March 2020 and remains in place at all times that the New Zealand or Palmerston North alert level for Coronavirus is at "Level 3" or higher.
3. That all current Standing Committees except the Hearings Committee and Hearings by Commissioner are suspended as of 25 March 2020 and that this suspension remains in place at all times that the New Zealand or Palmerston North alert level for Coronavirus is at "Level 3" or higher.
4. That the Council adopts the Terms of Reference (attached) of the Business Continuity Committee.
5. That the Council approve Delegation 170A (attached) for the period of the establishment of the Business Continuity Committee.

Clause 27-20 above was carried 16 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

28-20 Delegation Changes for Emergency Purpose

Moved Grant Smith, seconded Tangi Utikere.

RESOLVED

1. That the report entitled "Delegation Changes for Emergency Purpose", of Council meeting 25 March 2020, is received.
2. That the "Specified Sum" as identified at clause 142 of the Delegation be temporarily set at \$3.2 million at all times that the New Zealand or Palmerston North alert level for Coronavirus is at "Level 3" or higher, in

accordance with recommended clause 142A, subject to an amendment to 142A that reads “this clause does not apply to the calculation of the delegated authority in accordance with Delegation 221, concerning the write-off of bad debts”.

3. That the Council provide a temporary delegation, “the Coronavirus Emergency Expenditure,” to the Chief Executive to empower the Chief Executive to enter transactions of up to \$3.2 million subject to appropriate constraints as identified in the recommended clause 211A.
4. That all spending related to the Coronavirus (COVID-19) response be reported to the Finance and Audit Committee within 6 months after the lowering of the alert levels.

Clause 28-20 above was carried 16 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

29-20

Confirmation of Minutes

Moved Grant Smith, seconded Tangi Utikere.

RESOLVED

1. That the minutes of the ordinary meeting of 18 March 2020 Part I Public be confirmed as a true and correct record, subject to an amendment to clause 23-20, noting that Clause 3.11 of Committee of Council recommendations be adopted subject to the below amendment:

“That the Consultation Document for the 2020/21 Annual Budget (Plan) as attached to the report titled ‘Annual Budget 2020/21 – Final Version of Consultation Document’ and amended to include corrections to the financial table on page 13 of the document, and subject to the deletion of the “Let’s Talk” sessions, be adopted”.

Clause 29-20 above was carried 13 votes to 0, with 3 abstentions, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

Abstained:

Councillors Rachel Bowen, Billy Meehan and Karen Naylor.

REPORTS

30-20

Update on the Release of Part II (confidential) items

Memorandum, presented by Hannah White, Democracy and Governance Manager.

Moved Grant Smith, seconded Tangi Utikere.

RESOLVED

1. That the report Update on the Release of Part II (confidential) items be received.

Clause 30-20 above was carried 16 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

The meeting adjourned at 10.24am.

The meeting resumed at 10.46am.

EXCLUSION OF PUBLIC

31-20

Recommendation to Exclude Public

Moved Grant Smith, seconded Tangi Utikere.

RESOLVED

1. "That the public be excluded from the following parts of the proceedings of this meeting listed in the table below.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered		Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for passing this resolution
12.	Award of Tender - CET Arena Redevelopment	Commercial Activities	s7(2)(h)

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public as stated in the above table.

Clause 31-20 above was carried 16 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

The public part of the meeting adjourned at 10.47am.

The public part of the meeting resumed at 11.24am.

32-20 Fees & Charges - Animal Control

Memorandum, presented by Steve Paterson, Strategy Manager - Finance.

Moved Grant Smith, seconded Tangi Utikere.

RESOLVED

1. That item 6 of clause 16-20 of the recommendations from the Finance and Audit Committee meeting of 18 March 2020 be replaced with the following:

“6.1 That the fees and charges for Impounding of Animals (in terms of section 14 of the Impounding Act 1955) and for Dog Registration and Dog Impounding (in terms of sections 37 and 68 of the Dog Control Act 1996) as proposed in Appendix 6 be adopted with the following amendment:

1. the preferred owner application fee and the proposed process for obtaining preferred owner status be applied only to those who are not currently classified as preferred owners
2. the registration fee for all preferred owners be \$85

6.2 That following public notification the fees and charges take effect from 1 July 2020.”

Clause 32-20 above was carried 16 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

33-20 Work Schedule

Moved Grant Smith, seconded Tangi Utikere.

RESOLVED

1. That the Council receive its Work Schedule dated March 2020.

Clause 33-20 above was carried 16 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

RECOMMENDATIONS FROM COMMITTEE MEETINGS

34-20 Planning & Strategy Committee Part I Public - 11 March 2020

Consideration was given to Planning & Strategy Committee recommendations as appended to these minutes.

Moved Aleisha Rutherford, seconded Patrick Handcock ONZM.

RESOLVED

1. That clauses 8-20 and 11-20 of the Committee's recommendations be adopted, subject to the following amendment:

That item 1 of clause 11-20 be amended to read:

- "1. That the Council approve the draft Palmerston North Speed Limits Bylaw 2020 Consultation Document (as attached as attachment one in the report titled "Draft Speed Limits Bylaw 2020 – approval for consultation", dated 11 March 2020) for consultation with the public, and that the period of consultation be deferred to a later time to be determined by the Chief Executive and the Chairperson."

Clause 34.1 above was carried 13 votes to 0, with 3 abstentions, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

Abstained:

Councillors Rachel Bowen, Billy Meehan and Karen Naylor.

Moved Aleisha Rutherford, seconded Patrick Handcock ONZM.

2. That clause 9-20 of the Committee's recommendations be adopted.

Clause 34.2 above was carried 10 votes to 3, with 3 abstentions, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Susan Baty, Zulfiqar Butt, Vaughan Dennison, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

Against:

Councillors Brent Barrett, Renee Dingwall and Lorna Johnson.

Abstained:

Councillors Rachel Bowen, Billy Meehan and Karen Naylor.

35-20 Finance & Audit Committee Part I Public - 18 March 2020

Consideration was given to Finance & Audit Committee recommendations as appended to these minutes.

Moved Susan Baty, seconded Tangi Utikere.

RESOLVED

1. That the Committee's recommendations be adopted, subject to the following amendment:

That item 6 of clause 16-20 be replaced with the following:

- "6.1 That the fees and charges for Impounding of Animals (in terms of section 14 of the Impounding Act 1955) and for Dog Registration and Dog Impounding (in terms of sections 37 and 68 of the Dog Control Act 1996) as proposed in Appendix 6 be adopted with the following amendment:
 1. the preferred owner application fee and the proposed process for obtaining preferred owner status be applied only to those who are not currently classified as preferred owners
 2. the registration fee for all preferred owners be \$85
- 6.2 That following public notification the fees and charges take effect from 1 July 2020."

Clause 35-20 above was carried 13 votes to 0, with 3 abstentions, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

Abstained:

Councillors Rachel Bowen, Billy Meehan and Karen Naylor.

36-20 Play, Recreation & Sport Committee Part I Public - 18 March 2020

Consideration was given to Play, Recreation & Sport Committee recommendations as appended to these minutes.

Moved Leonie Hapeta, seconded Aleisha Rutherford.

RESOLVED

1. That clause 4-20 (item 3) of the Committee's recommendations be adopted, subject to the following amendment:

That the words "\$300,000" be replaced with "up to \$300,000".

Clause 36.1 above was carried 11 votes to 1, with 4 abstentions, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Leonie Hapeta, Bruno Petrenas, Aleisha

Rutherford and Tangi Utikere.

Against:

Councillor Lorna Johnson.

Abstained:

Councillors Rachel Bowen, Lew Findlay QSM, Billy Meehan and Karen Naylor.

Moved Leonie Hapeta, seconded Aleisha Rutherford.

RESOLVED

2. That clauses 4-20 (items 1, 2, 4 and 5) and 8-20 of the Committee's recommendations be adopted.

Clause 36.2 above was carried 12 votes to 0, with 4 abstentions, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

Abstained:

Councillors Rachel Bowen, Lew Findlay QSM, Billy Meehan and Karen Naylor.

The meeting finished at 11.51am

Confirmed 29 April 2020

Mayor

RECOMMENDATIONS FROM COMMITTEE

TO: Council

MEETING DATE: 25 March 2020

TITLE: Presentation of the Part I Public Planning & Strategy Committee Recommendations from its 11 March 2020 Meeting

Set out below are the recommendations only from the Planning & Strategy Committee meeting Part I Public held on 11 March 2020. The Council may resolve to adopt, amend, receive, note or not adopt any such recommendations. (SO 3.18.1)

8-20 **Review of Water Supply Bylaw - s 155 Determinations**

Report, presented by Julie Macdonald, Strategy & Policy Manager.

The **COMMITTEE RECOMMENDS**

1. That pursuant to s 155(1) of the Local Government Act 2002, the Council determines that a bylaw is the most appropriate way of addressing the perceived problem of providing a reliable and efficient water supply system that maintains public health and safety and preserves the environment.
2. That pursuant to s 155(2)(a) of the Local Government Act 2002, the Council determines that a stand-alone bylaw is the most appropriate form for a water supply bylaw.
3. That pursuant to s 155(2)(b) of the Local Government Act 2002, the Council agrees that it is not anticipated that a revised bylaw would give rise to implications under the New Zealand Bill of Rights Act 1990.
4. That the Chief Executive is instructed to draft an amended Water Supply Bylaw which addresses the perceived problem of providing a reliable and efficient water supply system that maintains public health and safety and preserves the environment.
5. That the Chief Executive include water conservation in the scope when drafting the amended Water Supply bylaw.
6. That the Chief Executive report in 2020 on options to enhance water conservation in the city, including benefit cost analyses for rainwater storage, greywater recycling and universal water supply metering.

9-20 Draft Venues Policy for consultation

Memorandum, presented by Julie Macdonald, Strategy and Policy Manager.

The **COMMITTEE RECOMMENDS**

1. That Council does not proceed with a Venues Policy.

11-20 Draft Speed Limits Bylaw 2020 - approval for consultation

Report, presented by Julie Macdonald - Strategy & Policy Manager.

The COMMITTEE RECOMMENDS

1. That the Council approve the draft Palmerston North Speed Limits Bylaw 2020 Consultation Document (as attached as attachment one in the report titled "Draft Speed Limit Bylaw 2020 – approval for consultation, dated 11 March 2020) for consultation with the public.
2. That the Mayor and Deputy Mayor be authorised to approve minor amendments to the consultation document prior to publication.
3. That growth areas including Whakarongo, and the school, be included in stage 2 for consultation.

ATTACHMENTS

Nil

RECOMMENDATIONS FROM COMMITTEE

TO: Council

MEETING DATE: 25 March 2020

TITLE: Presentation of the Part I Public Finance & Audit Committee Recommendations from its 18 March 2020 Meeting

Set out below are the recommendations only from the Finance & Audit Committee meeting Part I Public held on 18 March 2020. The Council may resolve to adopt, amend, receive, note or not adopt any such recommendations. (SO 3.18.1)

14-20 Palmerston North Airport Ltd - Interim Report for 6 months to 31 December 2019

Memorandum, presented by Steve Paterson, Strategy Manager - Finance.

The **COMMITTEE RECOMMENDS**

1. That the Interim Report and Financial Statements of Palmerston North Airport Ltd for the period ended 31 December 2019 be received.

15-20 Palmerston North Airport Ltd - Draft Statement of Intent for 2020/21

Memorandum, presented by Steve Paterson, Strategy Manager - Finance.

The **COMMITTEE RECOMMENDS**

1. That the Palmerston North Airport Ltd (PNAL) draft Statement of Intent (SOI) for 2020/21 be received and the associated presentation, including the preliminary assessments from the Board Chair and Chief Executive of the impact of COVID-19 on the company, be noted.
2. That PNAL be advised the Council supports the proposed direction and implementation strategy and that an updated version of the SOI be prepared for Council consideration following the Board's consideration of the potential impact of COVID-19 on the budgeted financial position.
3. That PNAL be advised that in the interests of supporting the proposed Terminal Development Plan, the Council is prepared to consider an amendment to the dividend policy, though the nature of that policy will need to be considered in the light of the updated financial forecasts.

16-20 Fees and Charges Review

Report, presented by Steve Paterson, Strategy Manager - Finance.

The **COMMITTEE RECOMMENDS**

1. That the Fees and Charges Review report be received and the current status of fees and charges be noted.

Trade waste

2. That the proposal to adopt updated fees and charges for Trade Waste services effective from 1 July 2020 as attached in Appendix 2, be approved for public consultation and the Chief Executive be authorised to undertake the necessary consultative process under sections 82 and 150 of the Local Government Act 2002.

Planning & Miscellaneous

3. That the Statement of Proposal (and the associated summary) to adopt updated fees and charges for Planning Services and Miscellaneous Services effective from 1 July 2020 as attached in Appendix 3, be approved for public consultation and the Chief Executive be authorised to undertake the necessary consultative process under sections 83 and 150 of the Local Government Act 2002.

Building

4. That the fees and charges for Building Services, as proposed in Appendix 4 be adopted and following public notification take effect from 1 July 2020.

Environmental Health

5. That the fees and charges for Environmental Health Services (in terms of regulation 7 of the Health (Registration of Premises) Regulations 1966) as proposed in Appendix 5, be adopted and following public notification, take effect from 1 July 2020.

Animal Control

6. That the fees and charges for the Impounding of Animals (in terms of section 14 of the Impounding Act 1955) and for Dog Registration and Dog Impounding (in terms of sections 37 and 68 of the Dog Control Act 1996) as proposed in Appendix 6 be adopted, and following public notification, take effect from 1 July 2020 and that the preferred owner application and suggested process to retain preferred owner status – current preferred owner fee be deleted.

Burial & Cremation

7. That the fees and charges for Burial and Cremation, as proposed in Appendix 7 be adopted and following public notification, take effect from 1 July 2020.

Service Connections

8. That the fees and charges for Service Connections, as proposed in Appendix 8 be adopted and take effect from 1 July 2020.

Sportsfields

9. That the fees and charges for Sportsfields as proposed in Appendix 9 be adopted and take effect from 1 July 2020.

Bulk Water Filling Station

10. That the fees and charges for the Bulk Water Filling Station as proposed in Appendix 10 be adopted and take effect from 1 July 2020.

ATTACHMENTS

Nil

RECOMMENDATIONS FROM COMMITTEE

TO: Council

MEETING DATE: 25 March 2020

TITLE: Presentation of the Part I Public Play, Recreation & Sport Committee Recommendations from its 18 March 2020 Meeting

Set out below are the recommendations only from the Play, Recreation & Sport Committee meeting Part I Public held on 18 March 2020. The Council may resolve to adopt, amend, receive, note or not adopt any such recommendations. (SO 3.18.1)

4-20 Bowling Club Merger - Pre-feasibility report

Report, presented by Aaron Phillips, Senior Parks Planner, Kathy Dever-Tod, Manager Parks and Reserves and Brad Cassidy (Sport Manawatū).

The **COMMITTEE RECOMMENDS**

1. That the Council support a merged bowling club being located on Waihikoa Park, North Street, at the site currently leased to the Northern Bowling Club.
2. That the Council agree that the Terrace End Bowling Club will be relieved of their responsibility under their lease clause 36.d. to remove the buildings and leasehold improvements from the Summerhays site estimated as costing \$200,000.
3. That the Council refer the provision of a grant of \$300,000 to the draft 2021/31 Ten Year Plan process representing a proposed contribution to assist the merging clubs with construction of an artificial bowling green on the Waihikoa Park at North Street.
4. That the Council, when finalising its 2020/21 Annual Budget, consider incorporating provision of \$50,000 to engage external consultants to carry out investigations and reporting for the Regional Sports Facilities Investment Decision Making Process, including assessment of the best location for a covered bowling green.
5. That it be noted consultation on the future of the Summerhays Street site will be subject of a separate report to Planning and Strategy Committee.

8-20 Draft Play Policy 2020 (Play Palmy, Play!) for consultation

Memorandum, presented by Julie Macdonald - Strategy & Policy Manager.

The **COMMITTEE RECOMMENDS**

1. That the Draft Play Policy 2020 (Play Palmy, Play!) (attachment 1 of the memorandum titled 'Draft Play Policy for consultation' dated 18 March 2020) is received and adopted for consultation.
2. That the Chairperson and Deputy Chairperson of the Play, Recreation and Sport Committee be given delegated authority to approve minor amendments to the Draft Play Policy 2020 (Play Palmy, Play!) prior to consultation.

ATTACHMENTS

Nil

MEMORANDUM

TO: Council

MEETING DATE: 29 April 2020

TITLE: Cultural CCOs six-month reports to December 2019

PRESENTED BY: Rebecca Hoffmann, Policy Analyst; Julie Macdonald, Strategy & Policy Manager

APPROVED BY: Sheryl Bryant, General Manager - Strategy & Planning
Stuart McKinnon, Chief Financial Officer

RECOMMENDATION(S) TO COUNCIL

1. That Council receive the six-month reports to December 2019 submitted by Globe Theatre Trust Board, Te Manawa Museums Trust, Caccia Birch Trust Board and Regent Theatre Trust (Attachments 1-6 of this report entitled 'Cultural CCOs six-month reports to December 2019').

1. ISSUE

Globe Theatre Trust Board, Te Manawa Museums Trust, Caccia Birch Trust Board and Regent Theatre Trust (the cultural CCOs) have submitted their six-month reports. Attachments 1 – 5 are the cultural CCOs' full six-month reports to Council for the period 1 July to 31 December 2019.

This memorandum provides the opportunity for Councillors to review the progress made by the cultural CCOs during this period. However, staff are mindful that these reports cover a period before the COVID-19 pandemic. Closure of CCO facilities will undoubtedly affect the CCOs' ability to meet their aspirations for the rest of the financial year. As the targets set for the year are no longer meaningful, staff have provided limited analysis of the six-month reports.

This issue will be more fully traversed when the Council considers the cultural CCOs' Statements of Intent and annual reports.

2. BACKGROUND

A Council-Controlled Organisation (CCO) is an organisation in which Council has the right to appoint at least fifty per cent of the trustees. Council has four cultural CCOs which were set

up to independently manage Council-owned cultural facilities: Globe Theatre Trust Board, Te Manawa Museums Trust, Caccia Birch Trust Board and Regent Theatre Trust. These organisations are each managed by a Board of Trustees made up of committed volunteers.

Caccia Birch Trust Board, while currently exempted as a CCO pursuant to s 7(3) of the Local Government Act 2002, is still required to report to Council in the same way as a CCO.

CCOs are required to meet specific reporting requirements under the Local Government Act 2002. Statements of Intent are produced annually and must be agreed to by Council. Six-monthly reports allow Council to track each CCO's progress against their individual Statement of Intent and the Council's objectives for the CCO.

3. GLOBE THEATRE TRUST BOARD

Highlights from the Globe's six-month report (Attachment 1) include:

- Hiring an Assistant Manager to support the busy theatre;
- Success in implementing a promotional strategy for venue hirers.

The Trust exceeded its usage targets and was tracking well against other targets during the period.

Financials

Summary Financials (\$000)	YEAR TO DATE			ANNUAL
	Actual	Budget	Var.	Budget
Financial Performance				
Revenue provided by PNCC	58	58	0	116
Total revenue	134	143	(9)	285
Total Expenses	126	119	(7)	238
Net Surplus (Deficit)	8	24	(16)	47
Financial Position				
Current Assets	60			37
Total Assets	338			403
Current Liabilities	20			15
Total Liabilities	20			15
Equity	318			388
Cash Flows				
Total Net Cash Flows	(17)			1
Opening Cash	71			24
Closing Cash	54			25

- Six-month financial performance budget calculated based on 50% of full year budget;
- Six-month actual is \$8K surplus compared to a budgeted \$24K surplus;

- Cash decreased by \$17K in the 6 months, but the opening balance was \$47k higher than budgeted.

4. TE MANAWA MUSEUMS TRUST

Highlights from Te Manawa's six-month report (attachments 2 and 3) include:

- The *Mighty Small, Mighty Bright* exhibition welcomed over 8,000 visitors in its first month;
- Te Manawa's Chief Executive was appointed to the Te Papa Trust Board.

Targets for online engagement, attendance at Rangimārie activities, and visitor satisfaction were exceeded for the period. However, visitor numbers and third-party revenue are below target.

Clarity was sought on the performance measure "Exhibitions and products increase Te Manawa's profile across New Zealand and the world." This is a count of all attendees to Te Manawa exhibitions, events and products off-site, and is therefore wider than the previous measure of "visits to TM exhibitions at other venues".

Financials

Summary Financials (\$000)	YEAR TO DATE			ANNUAL
	Actual	Budget	Var.	Budget
Financial Performance				
Revenue provided by PNCC	1,600	1,600	0	3,200
Total revenue	1,839	1,927	(88)	3,867
Total Expenses	1,719	1,873	154	3,850
Net Surplus (Deficit)	120	54	66	17
Financial Position				
Current Assets	989			848
Total Assets	18,470			18,395
Current Liabilities	468			441
Total Liabilities	473			444
Equity	17,997			17,951
Cash Flows				
Total Net Cash Flows	(281)			24
Opening Cash	582			387
Closing Cash	301			411

- Six-month actual was \$120K surplus compared to a budgeted \$54K surplus;
- Cash decreased by \$281K in the six months, compared to a decrease of \$33k for the same period last year. Opening cash was \$195k higher than budgeted;
- Working capital is \$521K, which covers 15% of annualised costs.

5. CACCIA BIRCH TRUST BOARD

Highlights from Caccia Birch's six-month report (Attachment 4) include:

- Maintenance of the house and grounds completed to a high standard;
- Visitors are taking up the opportunity to explore the CoachHouse Archive.

The Trust slightly exceeded its usage targets and was tracking well against other targets during the period.

Financials

Summary Financials (\$000)	YEAR TO DATE			ANNUAL
	Actual	Budget	Var.	Budget
Financial Performance				
Revenue provided by PNCC	54	56	(2)	112
Total revenue	154	153	1	307
Total Expenses	158	162	4	326
Net Surplus (Deficit)	(4)	(9)	5	(19)
Financial Position				
Current Assets	124			70
Total Assets	214			149
Current Liabilities	88			46
Total Liabilities	88			46
Equity	126			103
Cash Flows				
Total Net Cash Flows	(14)			(1)
Opening Cash	42			32
Closing Cash	28			31

- Six-month actual is \$4K deficit compared to a budgeted \$9K deficit;
- Cash has decreased by \$14K in the 6 months, but the opening balance was \$10k higher than budgeted;
- Working capital is \$36K, which covers 11% of annualised costs.

6. REGENT THEATRE TRUST

Highlights from the Regent's six-month report (Attachment 5) include:

- Hosting diverse community performances, including the national finals of Ngā Manu Kōrero 2019 and Abbey Musical Theatre's production of *Les Misérables*;
- Securing funding for the replacement of the theatre's sound system.

Targets for major events, live nights, and attendance were exceeded for the period. However, commercial live nights are below target. Many targets are not reported on, as the Trust plans to report on these in their annual report.

Financials

Summary Financials (\$000)	YEAR TO DATE			ANNUAL
	Actual	Budget	Var.	Budget
Financial Performance				
Revenue provided by PNCC	118	117	1	234
Total revenue	460	437	23	832
Total Expenses	467	455	(12)	901
Net Surplus (Deficit)	(7)	(18)	35	(69)
Financial Position				
Current Assets	797			510
Total Assets	1,028			1,220
Current Liabilities	163			211
Total Liabilities	163			211
Equity	865			1,009
Cash Flows				
Total Net Cash Flows	303			43
Opening Cash	426			408
Closing Cash	729			451

- Six-month actual is \$7K deficit compared to a budgeted \$18K deficit;
- Cash has increased by \$303K in the past 6 months. This is in line with past year movements for the first 6 months;
- Working capital is \$634K, which covers 63% of annualised costs.






7. NEXT STEPS

The CCOs will submit their annual reports by 30 September 2020 and these will be presented to the Arts, Culture and Heritage Committee meeting on 11 November 2020, assuming there is no further disruption due to the COVID-19 pandemic.

8. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?		Yes
If Yes quote relevant clause(s) from Delegations Manual <Enter text>		
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?		Yes
Are the recommendations inconsistent with any of Council's policies or plans?		No
<Enter text>		
The recommendations contribute to Goal 2: A Creative and Exciting City		
The recommendations contribute to the outcomes of the Creative and Liveable Strategy		
The recommendations contribute to the achievement of action/actions in the Arts Plan The action is: Work with Council controlled organisations (CCOs) to implement the Council's strategy.		
Contribution to strategic direction and to social, economic, environmental and cultural well-being	A strong working relationship with the cultural CCOs is essential in meeting a range of strategic outcomes sought by the Council. The delivery of actions in the Arts Plan and Culture and Heritage Plan requires close collaboration with CCOs who are well-positioned in the community to deliver relevant services.	

ATTACHMENTS

1. Globe six-month report [↓](#) 
2. Te Manawa six-month report (performance measures) [↓](#) 
3. Te Manawau six-month report (financials) [↓](#) 
4. Caccia Birch six-month report [↓](#) 
5. Regent six-month report [↓](#) 



Six Month Report to Palmerston North City Council

THE GLOBE THEATRE TRUST BOARD
DECEMBER 2019



address: PO Box 132, 132 Main Street
Palmerston North
website: www.globetheatre.co.nz
email: info@globetheatre.co.nz
phone: 06 351 4409

Six Month report to Palmerston North City Council from the Globe Theatre Trust Board December 2019

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CHAIRPERSON'S REPORT

The Trustees of the Globe Theatre Trust are pleased to present this half-year report to the Palmerston North City Council. Our interim results indicate that we are on track to meet all KPIs in our annual report.

The first six months of 2019/20 (July – December 2019) have, as with previous years, been very busy. Notably:

- July - Manawatu Youth Theatre's production of Alice In Wonderland and the Michelle Robinson Dance School
- August – The Rose Academy (one of our MOU's) production of The Ugly Duckling and the Aotearoa Country Music Awards
- October – PACANZ National Young Performer Awards and the Manawatu Theatre Society's (MOU) production of Swingers
- November – The Comedy Hub (MOU) Palmy Comedy Festival and for those of us old enough to remember the 80's, Lloyd Cole from Lloyd Cole & the Commotions

Over the last two years, Denise has worked very hard to build relationships with promoters and tour organisers from out of town. Palmerston North wasn't always on the map for tours (both musical & theatre) but we have noticed that we are now getting regular enquiries as to our venue availability. The likes of Plus1 (James Reid & Lloyd Cole) and Second Hand News (The Maes & Rosier) organise numerous tours throughout the year and we are now on their radar which is testament to the relationship Denise has built with them.

We were extremely proud to be the venue for the 2019 Palmy Comedy Festival. The Comedy Hub are one of our MOU organisations and their festival featured over 50 performances from 30 different acts including the wonderful Guy Williams and the return of local girl Laura Daniels with her Two Hearts show.

Our participant and audience numbers continue to increase. We class participants as the people who are up on the stage or presenting. These figures are well on track to meet our expectations for 2019/2020.

In September 2019, the Board took the step to employ an Assistant Manager. It was during this process that Denise informed us that she was ready to move on. This changed the focus of the process. We then interviewed with a view to recruiting a Manager and an Assistant Manager. This gave us an added opportunity to employ two people that interviewed as the most likely to be able to work together in a cohesive and positive way. The outcome of that process was that Gerry Keating was selected to fill the Manager's role and Jaye Lincoln the Assistant Manager's role. Both Gerry & Jaye have settled in very well and their bubbly smiles, positive attitude and a set of very complementary skills are a great addition.

Our ongoing upgrading of the theatre continues. We have successfully received funding to complete our Globe 1 Digital Lighting System upgrade and this work will commence in early 2020.

The support we have from the Council has once again, been amazing. Any issues we report are acted on immediately. Knowing that this process is in place allows us to focus on the day to day job of running the theatre.

The above achievements have only been possible because of our wonderful team. From the Board Members down to the people who volunteer as our Front of House, I take this opportunity to "Thank You" for your contribution.



It was with great reluctance that the board accepted the resignation of Phil Monk. Phil has been a long-time member of the Globe Theatre Trust Board and his experience and expertise will be sadly missed. However, we know Phil will still pop his head in from time to time so he may be gone but we will still see him around.

Of course, this report would not be complete without mentioning Denise Servante who decided to apply for the Manager's position two years ago. After a lengthy recruitment process, Denise was selected for the position. Denise took on a huge undertaking, that of restoring and enhancing the reputation of the Globe Theatre as a desirable theatre for hire. The growth, the relationships, the repeat hirers, are all down to Denise and the work she put in. She has passed the baton on now to Gerry, who is very willing and capable of continuing this journey.

And finally, the theatre wouldn't be a theatre without the hirers and patrons. We live in a city that is constantly growing and people moving to Palmerston North are doing so not just for jobs, but also for the lifestyle it offers. We have a very vibrant and creative community which can only be a good thing.

Maxine Dale
Chairperson
February 2020



Trust Details as at 31 Dec 2019	
Nature of Business	Theatre
Establishment Date	15 April 2002
Trustees	J Adams M Dale (Chairperson) R Harris G Hudson M May P Monk (to 31 December 2019)
Treasurer	G Hudson
Secretary	M May
Address	312 Main Street PO Box 132 Palmerston North
	Telephone: (06) 351 4409
Bankers	Bank of New Zealand
Solicitors	Cooper Rapley
Registered Office	C/ Palmerston North City Council Civic Administration Building The Square Palmerston North
Incorporation Number	1206039
Inland Revenue Number	43-006-495



MANAGER'S REPORT

Introduction

This report is my first report to council having taken on the role of Theatre Manager on October 21st 2019. The Globe Theatre Trust Board recognised how busy the theatre was and took the step to employ an Assistant Manager (Jaye Lincoln) to assist the manager in the running of the theatre. Jaye & I have taken the first couple of months to get an understanding of how the Globe was operating. With our MOUs and the large number of repeating hirers, it was important that we continued the great work Denise Servante had done with these groups. The fact that so many repeating hirers contact us shows how well the Globe is regarded in the performing arts circuit.

Event marketing and audience development

This continues to be a focus for the Globe. How do we engage with more people within the Palmerston North/Manawatu region without bursting the budget? This is the age-old question for all theatres and performing groups. While the Globe is primarily a venue for hire, having a promotional strategy to offer to hirers makes us attractive especially with touring groups. A band from outside of Manawatu coming to the Globe will not have much of an audience reach within our region, so they rely on us to help promote their event. And the fact that we are getting more and more international acts coming through, only strengthens our resolve to build our audience database.

We continue with our main avenues for marketing while developing new ones. To achieve this, the following actions are undertaken.

- Monthly editorial and What's On advert in the ENJOY supplement
- E-marketing to our database of audience members (currently 3,300)
- Regular posting & sharing on Facebook
- Listing all our events on Eventfinda
- Working closely with www.theSquare.co.nz and My Manawatu
- Displaying posters in the venue and distributing to key information points in the CBD
- Billboards on the "grassy knoll" on the corner of Main & Pitt Streets
- Using Instagram as a means to reach a new audience (in progress)
- Promoting the Globe Theatre at the Palmerston North Women's Lifestyle Expo, May 2020 (in progress).

Stakeholder Engagement

From July to October 2019, Denise continued to meet with the cultural CCO managers and the Arts Powerhouse Steering Group. After I came on board, there was one Arts Powerhouse Steering Group meeting which I attended with Denise & Jaye. Obviously, with the Christmas/New Year period, no more meetings were organised. I look forward to meeting with the CCO Managers and interacting with the members of the Arts Powerhouse Steering Group throughout 2020 and working together to continue to grow Palmerston North as a creative and exciting city.

Our AGM & Stakeholders Meeting were held in October & November respectively. Our family of community organisations that call the Globe home, has increased from 5 to 7. Our repeat hirers continue to come back, and we are finding that our rehearsal room is being used more.



Repairs/maintenance and building issues

In conjunction with the PNCC Asset Managers, there has been good progress in key aspects of the theatre maintenance and renewal:

- See through window installed in Manager's office to look out to foyer/box office
- New café counter installed
- The air-conditioning leak above the Globe 1 stage was quickly fixed and no repeated issues have occurred

The next 6 months

The first 6 months of 2020 is already looking very busy. Our 2nd "Summer Sounds Festival" has 11 acts confirmed with a number of them coming from overseas. It appears that the northern hemisphere artists like to escape the winter up north and head south for some sunshine. And luckily for us, they see the Globe Theatre as an attractive venue to include in their tour.

We are very proud to announce that The East Pointers (Canadian band who played here in 2018 to a sold-out Globe 1) are coming back again in March 2020. And rather than us having to contact them, when they were putting together their 2020 NZ Tour, they contacted us and wanted to come back.

We were very excited to have the wonderful pantomime group "Pantoloons" from Wellington come to visit us in January. Tickets for this show sold very fast. Who doesn't love a bit of pantomime?

Chamber Music New Zealand are returning for 2020 with 5 shows over the year. Our Sunday Matinee Series also continues with 10 shows for 2020. We are also incredibly honoured to have Up Down Girl in Globe 2 at the end of February. Add these shows to the large number that have either booked or pencilled in dates, and the Globe Theatre is once again going to be the place to go.

The final piece of funding to complete the Globe 1 Digital Lighting System has been successful, and we look forward to upgrading the lights in early 2020. This long-awaited project has been very warmly received by our regular users and they (and us) are looking forward to getting it up and running.

While only in the job a couple of months, I can clearly see how well Denise has worked with so many of the community groups in our city and I look forward to (a) making contact with them and trying to remember their names and (b) continuing to work with them to bring their shows and events to our theatre. As a music lover, I enjoyed having the likes of Lloyd Cole (UK), The Maes (Australia), The East Pointers (Canada) and Mel Parsons (NZ) performing at the Globe. But it is having the smaller community groups who struggle to put on their shows, come to the Globe and put their shows on the stage, that is something I am very much looking forward to.

Gerry Keating
Manager
February 2020



PERFORMANCE MEASURES - 6 MONTHS TO 31 DEC 2019

DEFINITIONS

USER GROUPS

MOU Group – has an MOU arrangement with the Globe Theatre, is performance-based, may be a community group or professional group

Art School – is performance based, where the performance is delivered by students whether or not the organisation is a commercial company

Community Group – the hirer is a community organisation, may or may not be performance based

Professional Group – the hirer is a professional performing arts practitioner, a private individual or a commercial company (may or may not be performance based)

Community Festival – the Globe Theatre participates in a city-wide/cultural precinct-wide series of events that form part of a festival. May or may not be performance based, may or may not attract a hire fee

USAGE AND PERFORMANCE

Usage – A space in the theatre is set aside for a specific event, activity or exclusive use by a hirer.

Performance – The “usage” involves an audience of any description

Note: The Theatre has two auditoria, the foyer and a rehearsal room which are all available for hire. Thus, there may be multiple uses, both across hireable spaces and of single hire spaces – for example morning and evening use in the same space - in any one day

PERFORMANCE BASED USAGE:

Theatre Performance – a dramatic or dance performance on stage to an audience, open to the public, may be ticketed or not, or a rehearsal towards a performance in front of an audience

Musical Performance – a musical performance on stage to an audience, open to the public, may be ticketed or not, or a rehearsal towards a performance in front of an audience

Film Performance – a film shown to an audience, open to the public, may be ticketed or not

NON-PERFORMANCE BASED USAGE:

Conference – a presentation on stage to an audience, may be open to the public or may be pre-registered delegates, may be ticketed or not

Celebration – a ceremony, party or other festive event, may be open to the public or not, may involve a “performance” to an audience, may be ticketed or not

Misc meeting – anything else!

Strategic priorities and performance monitoring for 2019/20

STRATEGIC PRIORITY 1: ENSURE THAT THERE ARE MORE, AND MORE VISIBLE, ARTS AND ACTIVITIES AT THE GLOBE THAT CONTRIBUTE TO THE COUNCIL'S ASPIRATIONS AS AN ARTS POWERHOUSE.

Outcomes	Outputs (KPIs)	
	Target 2019/2020 SOI	Result at December 2019 (6 months)
Number of usages Result at 31 Dec 2017: 190 Result at 30 June 2018: 514 Result at 31 Dec 2018: 326 Result at 30 June 2019: 680	550	On track: 380 usage (discreet bookings for exclusive use of a space)
Number of performances Result at 31 Dec 2017: 78 Result at 30 June 2018: 175 Result at 31 Dec 2018: 123 Result at 30 June 2019: 253	185	Achieved: 190 performances (with an audience of any description). This includes 48 discreet performances as part of the Comedy Festival in November 2019. Clearly, this has boosted the 6-month figure to exceed the annual target at 6 months.
Hours of use by hirers Result at 31 Dec 2018 = 1,268 (new measure) Result as at 30 June 2019 = 2,544 (new measure))	2,200	On track: 1,436 (does not include box office or café opening hours)
No. discreet participants Result at 31 Dec 2018 = 878 (new measure) Result as at 30 June 2019 = 1,843 (new measure)	1,400	On track: 1,156 participants as organiser/performer/speaker. This figure is elevated in the first half of the year. Participants may carry on engaging during the second half of the year but are only counted once.
No of visitors/audience members Result at 31 Dec 2018 = 10,860 (new measure) Result as at 30 June 2019 = 21,409 (new measure)	22,000	On track: 12,635 (people participating at the Globe as an audience member/attending an event but not as an organiser or performer. For example, someone who has been to multiple events at the Globe as an audience member would be counted for each event they attend. It does not include people visiting the box office or café.)
Maintain or improve satisfaction ratings of hirers Result at 31 May 2018 = 97% (n=33) Results at 30 June 2018 = 91% (n=35) Result at 31 Dec 2018 = 81% (n=27) Result as at 30 June 2019 = 93% (n=50)	Result maintained or improved	Results available as at 21 February: 28 post hire surveys have been completed. 86% (24) record an excellent rating, 7% good and 7% fair. Immediately following the hire, all hirers are sent a short survey asking for their satisfaction with their experience hiring the Globe. Comments provided with feedback are considered monthly at Board meetings and issues addressed where appropriate. The major influencer on the ratings are "booking and confirming your hire" and "Equipment available to you for your hire", followed by "Front of House/Box Office during your hire" and "Technical support during the period of your hire".



STRATEGIC PRIORITY 1: ENSURE THAT THERE ARE MORE, AND MORE VISIBLE, ARTS AND ACTIVITIES AT THE GLOBE THAT CONTRIBUTE TO THE COUNCIL'S ASPIRATIONS AS AN ARTS POWERHOUSE.

Outcomes	Outputs (KPIs)	
	Target 2019/2020 SOI	Result at December 2019 (6 months)
Maintain or improve satisfaction ratings of visitors (audiences) Benchmark as at July 2017 = 78% (n=171) Results at 30 June 2018 = 79% (n=255) Result at 31 Dec 2018 = 85% (n=62) Result as at 30 June 2019 = 84% (n=148)	Provide annual result	Results available as at 30 October 2019: 83% (n=51) Audience surveys take place monthly and target ticket buyers through the Globe ticketing system. Comments and feedback are considered at Board meetings. The major influencer for audience members at this stage appears to be online ticketing followed by front of house/reception. This is very similar to this time last year (when the order of these two elements was reversed).
Number of national and international visiting productions performing at the Globe Result at 31 December 2018: 11 (new measure) Result at 30 June 2019: 28 (new measure)	10	Achieved: 11 events classed as national or international were brought to the Globe. 7 of the events were co-promoted (i.e. some form of box office split rather than a straightforward hire-fee): James Reid - National Mel Parsons – National Nicole Son Quartet – International/Split The Good Girl Song Project – International/Split Missy Raines Trio (Vanessa McGowan) – International/Split Fred of Featherston. The Merry Wives (Sparrow & Boyle) – National/Split Sparrowthon (Sparrow & Boyle) - National/Split Lloyd Cole - International Miriam Clancy - National The Maes (Second Hand News) – International/Split Gilbert & Sullivan On Tour – National/Split



STRATEGIC PRIORITY 2: SUPPORT THE LOCAL PERFORMING ARTS COMMUNITY TO SHOWCASE THEIR DIVERSE TALENTS AT THE GLOBE, AND WORKING TO ENSURE OUR USERS REPRESENT THE DIVERSITY OF THE PALMERSTON NORTH COMMUNITY		
Outcomes	Outputs (KPIs)	
	Target 2019 SOI	Result at December 2018 (6 months)
Proportion of use that is driven through MOU arrangements and is performance based Result at 31 May 2018 (11 months) = 51% Result at 31 Dec 2018 = 47% Result at 30 June 2019 = 57%	65%	On track: Seven MOU arrangements are currently in place: Alliance Francaise, Michelle Robinson School of Dance, MTS (including MYTH), Sunday Matinee Series, Tall Poppies, The Rose Academy and The Comedy Hub. These 7 organisations accounted for 63% of usage.
Proportion of MOU-driven use that is performance-based Result at 31 May 2018 (11 months) = 92% Result at 31 Dec 2018 = 96% Result at 30 June 2019 = 95%	95%	On track: 98% of usage by MOU groups was performance based.
Proportion of overall usage from established community users ¹ Result at 31 May 2018 (11 months) = 31% Result at 31 Dec 2018 = 33% Result at 30 June 2019 = 21%	Result maintained or improved	On track: 78 (20%) uses from 24 returning hirers (excluding MOU/Professional Groups hiring the venue).
Proportion of overall usage from new community groups ² Result at 31 May 2018 (11 months) = 3.5% Result at 31 Dec 2018 = 7.5% Result at 30 June 2019 = 5.3%	Result maintained or improved	On track: 14 (3.5%) uses from 9 new hirers, 3 of which went on to make multiple bookings (and become a repeat hirer during this 6-month period).



STRATEGIC PRIORITY 3: MAINTAIN AND DEVELOP FACILITIES THAT ENABLE OUR COMMUNITIES TO PRODUCE AND ENJOY THE VERY BEST PERFORMING ARTS THAT CAN BE OFFERED, ENSURING THAT THE GLOBE REMAINS A CUTTING EDGE, VISIBLE AND RESILIENT CULTURAL INSTITUTION/FACILITY.		
Outcomes	Outputs (KPIs)	
	Target 2019 SOI	Result at December 2018 (6 months)
Carry out capital development programme	Globe 1: Digital lighting system	On track: Successful applications to Central Energy Trust, Eastern and Central Community Trust and Mainland Foundation raising the final amount of \$85,000. Equipment to be purchased in early 2020.
Funding capital renewal programme from depreciation fund	67% depreciation costs available for capital renewal	Not calculated as at 31 December. Capitalisation of assets purchased will be done at year-end.
Result as at 30 June 2019 = 45% (new measure)		

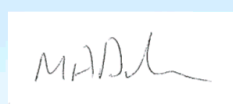


THE GLOBE THEATRE TRUST FINANCIAL STATEMENTS FOR THE 6 MONTHS ENDED 31 DEC 2019

Statement of Responsibility

We are responsible for the preparation of the Globe Theatre Trust's financial statements and statement of performance, and for the judgements made in them. We are responsible for any end-of-year performance information provided by the Globe Theatre Trust under section 19A of the Public Finance Act 1989. We have the responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting. In our opinion, these financial statements and statement of performance fairly reflect the financial position and operations of the Globe Theatre Trust for the 6 months ended 31 December 2019.

Signed on behalf of the Board:



Entity Information For 6 Months To 31 December 2019

LEGAL NAME, TYPE OF ENTITY AND LEGAL BASIS

The Globe Theatre Trust (the Trust) is a trust incorporated in New Zealand under the Charitable Trusts Act 1957 and is domiciled in New Zealand. The Trust is controlled by Palmerston North City Council (PNCC) and is a council-controlled organisation as defined under section 6 of the Local Government Act 2002, by the Council's right to appoint the Board of Trustees.

THE TRUST'S PURPOSE OR MISSION

The primary objective of the Trust is to promote the arts within Palmerston North by catering for a variety of local and touring arts and cultural events such as drama, comedy, musical theatre, dance and musical recitals, public artistic competitions, conferences and seminars, rather than making a financial return.

STRUCTURE OF THE TRUST'S OPERATIONS, INCLUDING GOVERNANCE ARRANGEMENTS

The Globe Theatre is a Council-owned venue that is managed by a Trust Board comprising 5 Council-appointed trustees and up to 2 trustees co-opted by these appointees.

MAIN SOURCES OF THE TRUST'S CASH AND RESOURCES

The Trust Board manages the theatre complex as multi-purpose venues for hire. Principally, the venues are for the performing arts with two theatres: one a 200 tiered-seat theatre and one a flat-floor performance space with an option of up to 100 tiered-seat layouts. The Trust Board also hires the foyer/cafe-bar area separately as a meeting space. The Trust Board maintains an asset register of equipment, including projectors for film viewings.



The Globe Theatre complex primarily serves the community performing arts in Palmerston North with an operating subsidy from the City Council which ensures that the complex is affordable for amateur and community arts groups. Particularly, the Theatre was developed in 1982 as a partnership project between the City Council and the Manawatu Theatre Society and this relationship remains enshrined on the Board's Trust Deed.

The theatre provides a quality experience that is also available to professional organisations for hire.

Finally, the Trust Board raises funds to maintain its equipment and asset register to ensure that it can continue to offer that quality experience to all its clients. As part of this, the Trust Board also promotes shows to raise funds for this purpose.



Statement Of Financial Performance For The Six Months To 31 Dec 2019

	Notes	Unaudited Dec-19	SOI Budget 2020	Actual 2019
Income				
Donations, Fundraising and other similar revenue	2	21,137	97,601	100,267
Council Funding	3	57,874	115,636	113,366
Investment Revenue		240	300	421
Sales of Goods and Services	4	55,077	71,340	90,785
Total revenue		134,329	284,877	304,839
Expenditure				
Costs related to providing goods and services	5	8,477	16,608	31,970
Employee related costs	6	68,157	44,811	85,223
Administration and Overhead	7	19,403	98,256	45,062
Other Expenses	8	8,755	19,607	21,247
Asset Write-offs		0	0	1,599
Depreciation		21,630	58,728	37,363
Total Expenditure		126,422	238,010	222,464
Net Surplus/(Deficit)		7,907	46,867	82,375



Statement Of Financial Position As At 31 Dec 2019

	Notes	Unaudited Dec-19	SOI Budget 2020	Actual 2019
Assets				
Current Assets				
Bank Accounts and Cash	9	54,301	25,312	70,799
Debtors and Prepayments	10	6,387	11,826	13,233
Total Current Assets		60,688	37,138	84,032
Non-Current Assets				
Property, Plant and Equipment	11	277,265	365,916	275,848
Total Non-Current Assets		277,265	365,916	275,848
Total Assets		337,953	403,054	359,880
Liabilities				
Current Liabilities				
Creditors and Accrued Expenses	12	8,742	11,826	36,556
Employee costs payable	13	225	2,912	7,619
Unused Grants and Donations with Conditions	14	10,874	-	5,500
Total Current Liabilities		19,841	14,738	49,675
Non-Current Liabilities				
Total Non- Current Liabilities			-	-
Total Liabilities		19,841	14,738	49,675
Net Assets		318,112	388,316	310,205
Trust Equity				
Contributed capital		100	100	100
Retained surpluses	15	318,012	388,216	310,105
Total Trust Equity		318,112	388,316	310,205

Statement Of Changes In Accumulated Funds For The Six Months To 31 Dec 2019

	Unaudited Dec-19	SOI budget 2020	Actual 2019
Balance at 1 July	310,205	341,426	227,830
Current Period Surplus/(Deficit)	7,907	46,890	82,375
Balance at 30 June	318,112	388,316	310,205



Statement Of Cash Flows For The 6 Months To 31 Dec 2019

	Notes	Unaudited Dec-19	SOI Budget 2020	Actual 2019
Cash Flows from Operating Activities				
Receipts of Council Grants		57,874	115,635	113,366
Donations, Fundraising and other similar revenue		21,249	97,601	101,182
Receipts from sale of goods and services		54,926	71,342	87,264
Interest Received		240	300	421
Payments to Suppliers		-142,407	-179,266	-181,434
Goods and Services Tax (net)		-3,283	0	-932
Net Cash Flows from Operating Activities		-11,401	105,612	119,867
Cash Flows from Investing & Financing Activities				
Purchase of Fixed Assets/Renewals		-5,098	-104,175	-81,977
Net Cash Flow from Investing & Financing Activities		-5,098	-104,175	-81,977
Net Increase/(Decrease) in Cash		-16,498	1,437	37,890
Opening Cash Balance		70,799	23,875	32,909
Closing bank accounts and cash	9	54,301	25,312	70,799

Notes To The Financial Statements

1 Statement of Accounting Policies

REPORTING ENTITY

The financial statements for the Trust are for six months ended 31 December 2019 and were approved by the Board of Trustees on 17 February 2020.

BASIS OF PREPARATION

The Trust has elected to apply PBE SFR-A (PS) Public Benefit Entity Simple Format Reporting – Accrual (Public Sector) on the basis that it does not have public accountability as defined and has total annual expenses of equal to or less than \$2,000,000. All transactions in the performance report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Statement of compliance

The financial statements of the Trust have been prepared in accordance with the requirements of the Local Government Act 2002, which includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

Measurement base

The financial statements have been prepared on a historical cost basis.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**Changes in Accounting Policies**

There have been no changes to accounting policies this year.



GST

The Trust is registered for GST. All amounts are recorded exclusive of GST, except for Debtors and Creditors which are stated inclusive of GST.

Sale of goods

Revenue from the sale of goods is recognised when the goods are sold to the customer.

Sale of services

Revenue from the sale of services is recognised by reference to the stage of completion of the services delivered at balance date as a percentage of the total services to be provided.

Theatre Hire

Charges for Theatre Hire are recognised when the Theatre is hired to the customer.

Interest Revenue

Interest revenue is recorded as it is earned during the year.

Grants

Grants received from the Palmerston North City Council are the primary source of funding to the Trust and are restricted for the purposes of the Trust meeting its objectives as specified in the Trust's trust deed.

Council, government, and non-government grants are recognised as revenue when they are received unless there is an obligation to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

Fundraising and Donations

Fundraising and donations are recognised as revenue when cash is received, unless the donations have a "use or return" condition attached. If there is such a condition, then the donation is initially recorded as a liability on receipt and recognised as revenue when conditions of the donation are met.

Donated assets revenue

Revenue from donated assets is recognised upon receipt of the asset if the asset has a useful life of 12 months or more, and the value of the asset is readily obtainable and significant.

Advertising, marketing, administration, overhead and fundraising costs

These are expensed when the related service has been received.

Bank Accounts and Cash

Bank accounts and cash comprise cash on hand, cheque or savings accounts, and deposits held at call with banks. Bank overdrafts are presented as a current liability in the statement of financial position.

Debtors and other receivables

Debtors are initially recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment is recognised and the loss is recorded as a bad debt expense.

Investments

Deposits with banks are initially recorded at the amount paid. If it appears that the carrying amount of the investment will not be recovered, it is written down to the expected recoverable amount.



Property, plant, and equipment

Property, plant, and equipment is recorded at cost, less accumulated depreciation and impairment losses.

Donated assets are recognised upon receipt of the asset if the asset has a useful life of 12 months or more, and the current value of the asset is readily obtainable and significant. Significant donated assets for which current values are not readily obtainable are not recognised.

For an asset to be sold, the asset is impaired if the market price for an equivalent asset falls below its carrying amount.

For an asset to be used by the Trust, the asset is impaired if the value to the Trust in using the asset falls below the carrying amount of the asset.

Depreciation

Depreciation is provided on a straight-line basis at rates that will write off the cost of the assets over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows

- Theatre Equipment 10 years (10%)
- Computer Equipment 5 years (20%)
- Furniture & Fittings 10 years (10%)

Creditors and other payables

Creditors and accrued expenses are measured at the amount owed.

Employee and contractor costs

Wages, salaries and annual leave are recorded as an expense as staff provide services and become entitled to wages, salaries and leave entitlements. Independent contractor costs are also included where at the discretion of management these services could equally have been delivered by an employee.

Performance payments are recorded when the employee has been notified that the payment has been granted.

Superannuation contributions are recorded as an expense as staff provide services.

Employee Costs Payable

A liability for employee costs payable is recognised when an employee has earned the entitlement.

These include salaries and wages accrued up to balance date and annual leave earned but not yet taken at balance date. A liability and expense for long service leave and retirement gratuities is recognised when the entitlement becomes available to the employee.

Provisions

The Trust recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation because of a past event, it is probable that expenditure will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Income Tax

The Trust has been granted Charitable Status by the Inland Revenue Department and therefore is exempt from income tax.



Accumulated Funds

Accumulated Funds are measured through the following components:

- Retained Earnings
- Contributed Capital

Budget figures

The budget figures are derived from the statement of intent as approved by the Board at the beginning of the financial year. The budget figures have been prepared in accordance with Tier 3 standards, using accounting policies that are consistent with those adopted by the Board in preparing these financial statements.

Tier 2 PBE Accounting Standards applied

The Trust has applied the following Tier 2 Accounting Standards in preparing its financial statements.

Grant expenditure

Non-discretionary grants are those grants awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where the Globe Theatre Trust has no obligation to award on receipt of the grant application and are recognised as expenditure when approved by the Grants Approval Committee and the approval has been communicated to the applicant. The Globe Theatre Trust's grants awarded have no substantive conditions attached.

2 Donations, Fundraising and Other Similar Revenue

	Dec-19 (unaudited)	Budget SOI 2020	Actual 2019
Donations and Fundraising	1,412	8,000	2,494
Other	19,725	89,601	97,773
Total Donations and Fundraising Revenue	21,137	97,601	100,267

"Other" fundraising comprises:

	Unaudited Dec 2019	Actual 2019
Central Energy Trust	-	72,773
Community Organisation Grants Scheme	5,000	4000
Lottery Community Fund	-	5000
Mainland Foundation	-	-
Pub Charity Ltd	9,725	6,000
NZCT	5,000	-
Lion Foundation	-	10,000
Total Donations and Fundraising Revenue	19,725	97,773



3 Council Funding

	Dec-19 (unaudited)	Budget SOI 2020	Actual 2019
PNCC grant	57,874	115,635	113,366
Total grants revenue	57,874	115,635	76,582

4 Sales of Goods and Services

	Unaudited Dec 2019	SOI 2020	Actual 2019
Foyer rental	2,934	4,000	4,700
Theatre Hire	39,169	50,834	59,866
Recoverable income	2,362	4,200	9,410
Sales	-	-	58
Ticket Sales (commission and shows)	10,613	12,309	16,718
Total Sales of Goods and Services	55,077	71,342	90,752

5 Costs relating to providing goods and services

	Unaudited Dec 2019	SOI 2020	Actual 2019
Project Expenses	200	600	10,696
Recoverable expenses	2,497	5,000	9,532
Shows Expenses	5,779	11,000	11,743
Total Costs of Goods Sold	8,477	16,600	31,970

6 Employee and Contractor Related Costs

	Unaudited Dec 2019	SOI 2020	Actual 2019
Salaries, wages and employment related costs	62,683	81,000	73,501
Contractor costs	3,429	15,000	9,414
KiwiSaver Employer Contributions	2,045	2,250	2,308
Total Employee Related Costs	68,157	98,250	85,223

SHOWCASING OUR COMMUNITY
globe

7 Administration and Overheads

	Unaudited Dec 2019	SOI 2020	Actual 2019
Cleaning	2,706	3,017	3,486
Hire of Plant and Equipment	235	208	580
Light, heating and power	9,202	18,297	16,464
Marketing	2,116	6,144	6,180
Repairs and Maintenance	2,924	12,240	13,600
Office Costs	500	781	679
Postage, Printing and Stationery	333	1,245	1,169
Telephones and Internet	1,386	2,881	2,904
Total Administration and Overheads Costs	19,403	44,814	45,062

8 Other Expenses

	Unaudited Dec 2019	SOI 2020	Actual 2019
Audit Fees	-	8,862	8,564
Bank Charges	55	41	40
Consulting and Accountancy	426	921	812
General Expenses	1,946	1,661	4,326
Insurance	2,919	2,778	2,723
Legal expenses	-	-	-
Professional Development	215	2,000	1,368
Provision for impairment	-	-	-
Security	326	502	492
Subscriptions and compliance costs	2,068	1,399	1,473
Waste Disposal	802	1,440	1,448
Total Other Expenses	8,755	19,602	21,247

9 Bank Accounts and Cash

	Dec 19 (unaudited)	Actual 2019
Cash on hand	458	458
Non-profit current	8,099	20,049
Rapid Save (donations)	45,743	50,292
Total Cash and Cash Equivalents	54,301	70,799



10 Debtors and Prepayments

	Actual Dec 2019	Actual 2019
Accounts receivable	6,638	12,772
GST receivable	-250	461
Total accounts receivable	6,388	13,233

11 Property, Plant and Equipment

	Furniture and Fittings	Theatre Equipment	Computer Equipment	Total
Cost				
Balance at 1 July 2018	\$41,374	\$456,982	\$3,499	\$501,855
Additions	\$7,683	\$79,077	-	\$86,760
Disposals	-\$2,235	-	-\$1,251	-\$3,486
Balance at 30 June 2019	\$46,822	\$536,059	\$2,248	\$585,129
Accumulated Depreciation and Impairment Losses				
Balance at 1 July 2018	\$13,675	\$257,969	\$2,160	\$273,803
Depreciation Expense	\$5,131	\$31,653	\$580	\$37,363
Disposals	-\$1,155	-	-\$732	-\$1,887
Balance at 30 June 2019	\$17,651	\$289,622	\$2,008	\$309,279
Carrying Amount	\$29,171	\$246,437	\$240	\$275,850
Cost				
Balance at 1 July 2019	\$46,822	\$536,059	\$2,248	\$585,129
Additions	-	\$23,048	-	\$23,048
Disposals	-	-	-	-
Balance at 31 Dec 2019	\$46,822	\$559,107	\$2,248	\$608,177
Accumulated Depreciation and Impairment Losses				
Balance at 1 July 2018	\$17,651	\$289,622	\$2,008	\$309,279
Depreciation Expense	\$2,603	\$18,963	\$65	\$21,631
Balance at 31 Dec 2019	\$20,254	\$308,585	\$2,073	\$273,803
Carrying Amount	\$26,568	\$250,522	\$175	\$277,265

There are no restrictions over the title of the Trust's property, plant, and equipment; nor is any pledged as security for liabilities.



12 Creditors and Accrued Expenses

	Actual Dec 2019	Actual 2019
Accrued Expenses	-	17,536
PAYE Payable	6,778	1,788
Creditors	5,171	17,232
GST Payable	-3,207	-
Total Creditors and Other Payables	8,742	36,556

Creditors and other payables are non-interest bearing and are normally settled on 30-day terms. Therefore, the carrying value of creditors and other payables approximates their fair value.

13 Employee and Contractor Related Costs Payable

	Actual Dec 2019	Actual 2019
Annual Leave	-	4,677
Wages accrual	225	2,942
Total Employee Costs Payable	225	7,619

14 Unused Donations and Grants with Conditions

	Actual Dec 2019	Actual 2019
Mainland Foundation	10,000	-
Lions Club of Middle Districts	500	500
Donations for future Matinees	374	-
NZCT	-	5,000
Total Unused Donations and Grants with Conditions	10,874	5,500

Grants received in advance relate to funding received for the provision of specific development where conditions of the grant have not yet been satisfied, and conditions include a “use or return” clause.

15 Accumulated Surpluses

	Unaudited	SOI budget	Actual
	Dec-19	2020	2019
Balance at 1 July	310,205	341,426	227,830
Current Period Surplus/(Deficit)	7,907	46,890	82,375
Balance at 30 June	318,112	388,316	310,205



16 Capital Commitments and Operating Leases

The Trust has no capital commitments and no operating lease commitments (2019 \$nil).

17 Contingencies

CONTINGENT LIABILITY

The Trust has no contingent liabilities (2019 nil).

CONTINGENT ASSETS

The Trust has no contingent assets (2019 \$nil).

18 Capital Management

The Trust's capital is its equity, which comprises Trust capital and retained surpluses. Equity is represented by net assets.

The Trust deed requires the Board of Trustees to manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently. The Trust's equity is largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments, and general financial dealings.

The objective of managing the Trust's equity is to ensure that the Trust effectively achieves its objectives and purpose, whilst remaining a going concern.

19 Explanation of major variances against budget

At this stage in the year, generally income and expenditure should be at about 50% of annual budget. There are the following exceptions/variances:

REVENUE

Donations, Fundraising and other similar revenue: The first half ran to the expected budget with the remainder of the year's capital grant revenue expected and budgeted in the second half of the financial year. The remaining high value work relates to the upgrade to Globe 1 LED lighting equipment – completing the lighting upgrade started with the lighting rig last year.

Sales of Good and Services: Theatre hire income remains strong – 54% ahead of budget. Hire for all venue spaces are running above budget.



EXPENDITURE

Costs related to sales of goods and services close to the budgeted figure.

Employee and contractor costs are over budget as the budget did not reflect the additional costs of hiring an assistant theatre manager. This overspend is compensated by: savings on contractor costs, and additional net hire revenues that reflect increased usage. The increased staff cost meets the need for more on site personnel to service the theatre and hirers' needs. In the past theatre resources were provided by substantial donated hours from volunteers and also unpaid on site time from the manager. The new staff structure will reduce this dependence on volunteer and donated time, while ensuring structure and consistency to systems and service levels.

Other Expenses are higher than budget mainly due to costs of transferring the liquor licence and bar operation from Manawatu Theatre Society to the Globe Theatre Trust Board. The Trust Board continues to work with the contracted operator to develop the café bar facility.

BALANCE SHEET

The Bank accounts and cash balance is higher than budgeted primarily because of the second half timing of the major capital project.

Fixed assets remain well below full year budget for the same reason that cash balances are higher.

Creditors and accrued expenses includes about \$50,000 relating to the capital programme to replace the rig in Globe 1.

20 Events after Balance Date

There were no events after balance date that require disclosure.

21 Ability to continue operating

The Trust intends to continue operating in future periods.





te manawa
TE PAPAIOEA PALMERSTON NORTH

SIX MONTH REPORT

1 JULY 2019 to 31 DECEMBER 2019

for

**TE MANAWA MUSEUMS
TRUST**

Goals:

- Te Manawa's profile as a place with which to engage is maintained and enhanced
- Te Manawa's relationship with Rangitāne is a priority
- Third party revenue generation and excellent visitor feedback statistics are a priority
- Te Manawa is focussed on developing for the future
- Prioritise staff development

1. Te Manawa's profile as a place with which to engage is maintained and enhanced				
Performance Measures	2019/2020 Target	Status	Result	Comments
<ul style="list-style-type: none"> A high number of visitors to Te Manawa experiences 	170k	At risk	<p>71,050 YTD (84% achieved against YTD target, and 42% achieved against annual target). This compares similarly with the same time last year (41% annual target achieved)).</p> <p>(2018/2019: Not Achieved - 126,666 visits in person against a target of 178,000)</p>	<p>Mighty Small Mighty Bright visits 8,120 since opening 23 Nov 2019.</p> <p>11,879 visits measured to the Art Gallery for the second quarter, with 24,064 visits measured YTD*</p> <p>LEOTC contracted service levels for Sci Tech Maths and Art Health PE were achieved for the 2019 calendar year.</p> <p>Total Learning visits YTD: 16,099 against an annual target of 30,755 (52% achieved)</p> <p>Total onsite event visits YTD: 6,827 against an annual target of 7,000 (98% achieved)</p> <p>*Measured electronically</p>
<ul style="list-style-type: none"> Exhibitions and products increase Te Manawa's profile across New Zealand and the world 	50k	At Risk	<p>11,640 YTD (47% achieved against YTD target, 23% achieved against the annual target). The Topp Twins exhibition is the only exhibition on tour at the moment. Confirmation is imminent of another South Island venue for the exhibition.</p> <p>(2018/2019: Achieved - 103,589 against a target of 100,000)</p>	<p>While the 50k target number counts those attending TM touring exhibitions, the category is far wider reaching than what numbers can count.</p> <p>Topp Twins at Ashburton Museum</p> <p>AL selected for Te Papa Trust Board in recognition of work TM does.</p> <p>Te Manawa awarded accreditation as an organisation 'Working Towards Becoming Dementia Friendly' – believed to be the first museum in New Zealand to have such recognition from Alzheimers New Zealand</p>

					Renewed membership to international change network OFBYFOR ALL
<ul style="list-style-type: none">On-line presence attracts increasing interest	400k	On Track	362,462 YTD against the YTD target of 200,000 and an annual target of 400,000 (24,676 e-visits YTD)	Total e-visits YTD: 24,676 against a YTD target of 30,000, and an annual target of 60,000	
TOTAL VISITS to TM Experience	620k	On Track	445,152 (72% achieved against a YTD target of 310,000 and annual target of 620,000)		
			(2018/2019: Achieved - 634,221 against a target of 200,000)		
			(2018/2019: Achieved - 864,476 against a target of 478,000)		

2. Te Manawa's relationship with Rangitāne is a priority

Performance Measures	2019/2020 Target	Status	Result	Comments
Partner with Rangitāne to create more opportunities for Rangitāne with Te Manawa		On Track		UAE exhibition opened on 15 th Nov in Te Rangī Whenua closing 31 Jan 2020.
Develop Rangimārie (a Māori tourist attraction based on stories of Rangitāne told and performed at Te Manawa and marae)	2,000 visitors to Rangimārie activities	On track	3,500 (2018/19: Not measured)	Rangimārie Project in development

3. Third party revenue generation and excellent visitor feedback statistics are a priority				
Performance Measures	2019/2020 Target	Status	Result	Comments
Develop and implement a strategy to increase third party revenue	\$651k	At Risk	Achieved \$238,545 for first half of year (36% of end of year target). (2018/19: Not achieved)	A volunteer fundraiser is assisting with this development.
Maintain high levels of visitor satisfaction	>96% satisfied	On Track	99% Good/Very Good/Excellent) (2018/2019: Achieved 99% against a target of >96%)	<p>Example comments from December 2019 include:</p> <ul style="list-style-type: none"> • 'Awesome Gallery. We need to come back another day to have a proper look around. Better than the Wellington Gallery' • 'That coffee was delicious' • 'The Animalia exhibition was really cool to see as well as the UCOL student work' • 'So good that you're just asking for donations. You could easily charge \$25 for entry in here' • 'The shop is really good, full of crazy cool things' • 'Love the changing exhibitions in the middle. More hands on for the kids' • 'Thank you for the history lesson Matty, we'll be back' • 'The facebook page is where I get most of my info and is good. Thank you for providing a fun, safe, entertaining and educational free space in our city' • 'The Santa's Cave was lovely, it was nice to see it still had some of the things from when I was young.' • The science one was a very cool look at that topic

4. Te Manawa is focussed on developing for the future

Performance Measures	2019/2020 Target	Status	Result	Comments
Develop foundational principles and establish a programme of projects that demonstrate community participation and experimentation	Develop and deliver two examples that explore and test 'out-of-the-box' thinking, and new approaches	Completed	Two initiatives delivered Two initiatives in planning (2018/19: Achieved)	Climate Change Theatre Action - delivered. See Quarter 1 Report for details. UAE exhibition in TRW. Open now. NOA PasteUp 3 Project. In planning – a multi-site community art project which is receiving financial and in-kind support from PNCC, and IHC. This project is working towards a late April to late June 2020 timeframe, and will include an exhibition component. Oral Histories Project for people living with disabilities. In planning – an exhibition-style project to celebrate the achievements and lives of people living with disabilities in Manawatu, which is being supported with funding from Department of Internal Affairs. The project is working towards an Aug/September 2020 timeframe.
	Debrief and document learnings	On track	(2018/19: Achieved)	Climate Change Theatre Action Initiative successfully debriefed.

5. Prioritise staff development				
Performance Measures	2019/2020 Target	Status	Result	Comments
Develop and manage Human Resource systems aligning with and supporting the Te Manawa model and culture	All appropriate staff have annual Performance Reviews and agreed Development Plans for 2019/2020 in place	Completed	Development plans for 2019/20 are under way (2018/2019: Achieved)	Completed
Provide Te Reo Māori training	Provide Te Reo Māori training	On Track	(2018/2019: Achieved)	Weekly Te Reo Sessions for all staff Weekly Waiata Sessions for all staff
Provide contemporary museum training	Provide contemporary museum training	On Track	<p>5 staff members are completing Service IQ training in:</p> <ul style="list-style-type: none"> NZ Cert in Business Level 3 (Intro to Team Leadership) x3 pers NZ Cert in Retail Level 3 x1 per NZ Cert in Tourism (Visitor Experience) Level 3 – x1 per <p>Conferences and meetings attended include:</p> <ul style="list-style-type: none"> Museum Educators Forum – New Plymouth July 2019. All TM Educators attended Symposium on community and commercial crafting of textiles, old and new. Attended by Collections Manager (Heritage) <p>OFBYFORALL Third Wave Registration Training completed for Front-of-House staff in the following areas:</p> <p>Vulnerable Children's Act, and the impacts on interactions with Visitors</p> <p>Conflict resolution</p>	

				Dementia Awareness (completed by all Te Manawa Staff) (2018/2019 Achieved)	
Strengthen Staff engagement	Staff engagement survey carried out	Q4		(2018/2019: Not measured)	

b) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets. After initial recognition, they are measured at amortised cost, using the effective interest method, less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

c) Held to Maturity Investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities and there is the positive intention and ability to hold to maturity. They are included in current assets, except for maturities greater than 12 months after balance date, which are included in non-current assets. After initial recognition they are measured at amortised cost, using the effective interest method, less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit. Currently, the Trust does not hold any financial assets in this category.

d) Financial Assets at Fair Value through Other Comprehensive Revenue and Expense

Financial assets at fair value through other comprehensive revenue and expense are those that are designated into this category at initial recognition or are not classified in any of the other categories above. They are included in non-current assets unless management intends to dispose of, or realise, the investment within 12 months of balance date.

These investments are measured at their fair value, with gains and losses recognised in other comprehensive revenue and expense, except for impairment losses, which are recognised in the surplus or deficit. On derecognition, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit.

Currently, the Trust does not hold any financial assets in this category.

Impairment of financial assets

Financial assets are assessed for evidence of impairment at each balance date. Impairment losses are recognised in the surplus or deficit.

Loans and receivables, and held-to-maturity investments

Impairment is established when there is evidence that the Trust will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership, or liquidation and default in payments are indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectible, it is written-off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (that is, not past due). Impairment in term deposits are recognised directly against the instrument's carrying amount.



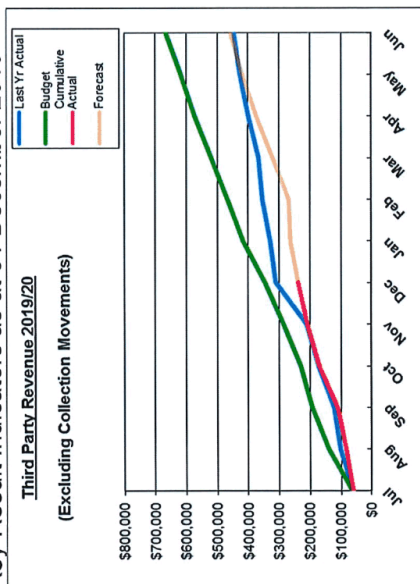
FINANCIAL REPORT

For six months ended
31 December 2019

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Financial Commentary

Key Result Indicators as at 31 December 2019



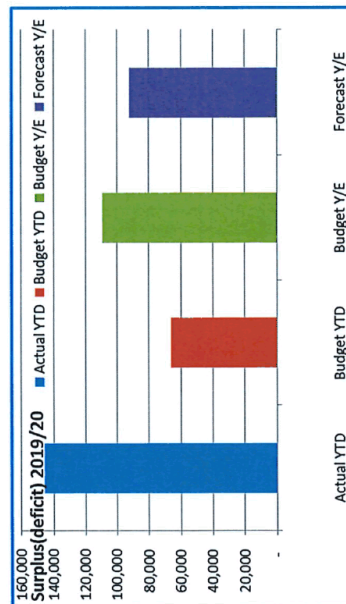
Third Party Revenue (excluding Collection Movements):

Actual YTD third party revenue at \$238k is below budget by \$88k for the six month period.

- Interest YTD is \$7.3k vs Budget \$3k
- Sponsorship and other income received is \$65.9k vs Budget \$125k
- Public Programmes and events & Cust Services \$64.4k vs Budget \$68.7

Forecast for Third Party Income has been reduced by \$209k. The main changes

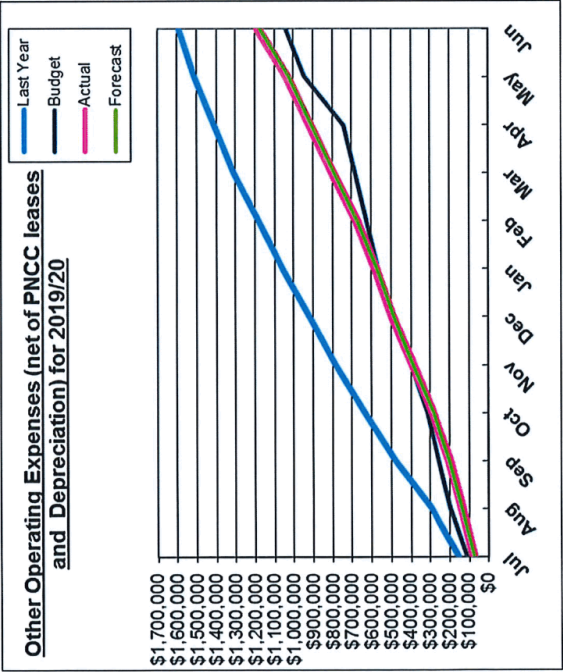
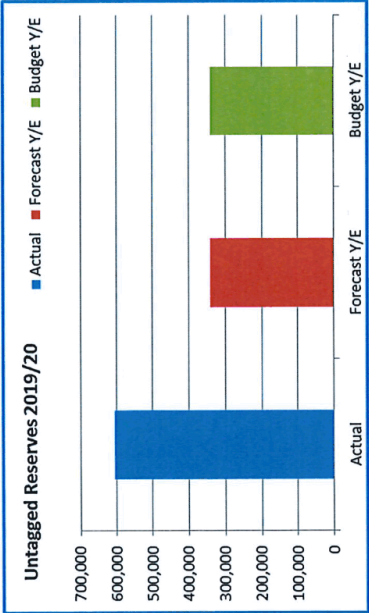
- \$51.9k - reduction in income from Education activities.
 - Donations/Sponsorship reduced by \$154k to reflect a more achievable target
- Other third party forecast income has been reduced by \$3.2k to reflect lower than predicted income from Exhibitions & Customer Services Revenue.



Year-End Surplus/(Deficit) (including Collection Movements):

For the six months, year-to-date, the net operating surplus is (\$145.6k), vs budget (\$66k). This \$79k favourable variance is due to gains from salary savings of \$69.6k from unfilled budgeted positions, and \$7k increase in collection movements. These variances and a saving in operating expenses, to date, offset the shortfall in budgeted revenue.

Many of the apparent operating savings at 31 December are timing differences.



Ta Manawa Museums Trust
Statement of Comprehensive Revenue and Expenditure
(Classification of expenses by activity)
for the Month Ended 31 December 2019

Note	Actual YTD 31-Dec-19 Unaudited \$	Budget YTD 31-Dec-19 \$	Variance \$	Last year 31-Dec-18 Unaudited \$
Operating Revenue	1,599,955	1,599,954	-	
PINCC Grants	20,000	-	-	20,360
MDC Grant	7,341	3,118	4,224	7,500
Interest Received	211,204	323,642	(112,438)	283,589
Other Income	1,838,500	1,926,715	(88,214)	311,449
Total Operating Revenue				
	1,838,500	1,926,715	(88,214)	311,449
Total Operating Expenditure	185,549	178,241	(7,308)	175,739
Collection & Knowledge	321,874	359,434	37,560	326,791
Corporate Services & Facilities				
People & Partnership	507,423	537,675	30,252	502,530
Employee costs				
Learning	149,474	151,556	2,121	98,161
Kaitiaki	9,363	8,485	(878)	-
Communications	112,941	105,324	(7,617)	93,531
Public Programmes & Events	80,199	81,632	1,433	91,007
Sponsorship	-	83,269	83,269	10,013
Customer Services	179,771	188,260	(11,510)	151,007
Volunteers	113	575	462	840
	531,861	599,140	67,280	444,559
Concepts & Engagement	274,862	331,399	56,536	525,717
Executive	274,330	289,990	(15,660)	388,382
Depreciation	129,542	134,976	5,435	135,177
Asset Write Off	267	-	(267)	-
Total Operating Expenditure	1,718,284	1,873,180	154,895	1,997,365
Operating Surplus/(Deficit)	120,216	53,535	66,681	(1,685,916)
Collection Movement Income				
Custodial Assets	-	2,500	(2,500)	-
Donated Assets	25,611	10,000	15,611	9,339
Collection Movement Expense				
Custodial Assets Returned	-	-	-	-
Collection Assets Declassified	164	-	(164)	-
Net Collection Movements	25,447	12,500	12,947	9,339
Net Surplus/(Deficit)	145,663	66,035	79,628	(1,676,577)
Other Comprehensive Revenue and Expense	-	-	-	-
Total Comprehensive Revenue and Expense	145,663	66,035	79,628	(1,676,577)

The accompanying notes form part of, and are to be read in conjunction with these financial statements.

Te Manawa Museums Trust

Statement of Comprehensive Revenue and Expense (classification of expenses by function)
for the Month Ended 31 December 2019

Note	Actual YTD 31-Dec-19 Unaudited \$	Budget YTD 31-Dec-19 \$	Variance \$	Last Year 31-Dec-18 Unaudited \$
Operating Revenue				
PNCC Grants	1,599,955	1,599,954	-	1,565,513
MDC Grant	20,000	-	20,000	20,360
Interest Received	7,341	3,118	4,224	7,500
Other Income	211,204	323,642	(112,438)	283,589
Total Operating Revenue	1,838,500	1,926,715	(88,214)	1,875,962
Operating Expenditure				
Payroll	1,055,992	1,125,656	69,664	982,719
Other Operating Expenses	491,614	571,679	80,064	838,601
Interest	-	-	-	-
PNCC Leases & SLA's	40,869	40,869	0	40,869
Depreciation	129,542	134,976	5,435	135,177
Asset Write-offs	267	-	(267)	-
Total Operating Expenditure	1,718,284	1,873,180	154,896	1,997,366
Collection Movement Income				
Custodial Assets	-	2,500	(2,500)	-
Donated Assets	25,611	10,000	15,611	9,339
Collection Movement Expense				
Custodial Assets Returned	-	-	-	-
Collection Assets Deaccessioned	164	-	(164)	-
Net Collection Movements	25,447	12,500	12,947	9,339
Surplus/(Deficit) Including Collection Movements	145,663	66,035	79,628	(111,065)

Forecast 30-Jun-20 (as at 31-Dec-2019)	Budget 30-Jun-20 (SOI) \$	Variance \$	30 June 2019 12 Months Audited \$
3,199,909	3,199,909	-	3,131,026
20,000	20,307		20,360
11,140	6,236	4,904	13,892
411,644	640,890	(229,246)	415,924
3,642,693	3,867,342	(224,649)	3,581,202
2,133,496	2,239,966	(106,470)	2,091,061
1,142,948	1,191,542	(48,593)	1,256,939
-	-	-	-
81,738	81,738	0	84,738
266,745	269,952	(3,207)	267,865
267	-	267	(1,017)
3,625,195	3,783,198	(158,003)	3,699,606
-	5,000	(5,000)	-
25,726	20,000	5,726	74,426
-	-	-	-
164	-	164	115
25,562	25,000	562	74,311
43,060	109,144	(66,084)	(44,093)

The accompanying notes form part of, and are to be read in conjunction with these financial statements.

Te Manawa Museums Trust
Statement of Financial Position
As at 31 December 2019

		Actual 31-Dec-18 Unaudited \$	Actual 31-Dec-19 Unaudited \$	Budget 30-Jun-20 SOI \$	Forecast 30-Jun-20	Variance	Actual 30-Jun-19 Audited \$
Assets							
Current Assets							
Cash and Cash Equivalents	3	320,770	300,952	411,151	365,731	(45,420)	582,450
Stock of Merchandise		53,088	52,434	45,000	50,000	5,000	50,070
Debtors and Sundry Receivables		25,119	6,670	50,000	35,000	(15,000)	12,004
Interest Receivable		522	2,114	1,600	2,500	900	2,727
Prepayments		64,982	40,005	57,000	57,000	-	63,767
Term Deposits	3	174,472	587,004	282,988	150,000	(132,988)	150,000
Total Current Assets		638,953	989,179	847,739	660,231	(187,508)	861,017
Non-Current Assets							
Intangible Assets	4	19,305	12,249	27,752	21,210	(6,542)	15,777
Property Plant & Equipment	4						
Computer Hardware		30,748	20,178	75,021	49,452	(25,569)	24,170
Exhibitions		416,266	331,203	305,151	418,191	113,040	370,247
Furniture & Fittings		96,365	67,740	78,750	78,750	-	80,755
Leasehold Improvements		99,970	77,918	67,136	67,136	-	88,943
Plant & Equipment		412,997	331,377	364,421	382,421	18,000	375,903
Work in Progress		15,054	49,002	30,000	-	(30,000)	24,515
Collection Assets - Owned		8,203,225	8,325,768	8,323,404	8,276,845	(46,559)	8,276,845
Collection Assets - Custodial		8,265,209	8,265,209	8,275,211	8,275,211	-	8,265,211
Total Non-Current Assets		17,559,139	17,480,644	17,546,846	17,569,216	22,370	17,522,366
Total Assets		18,198,092	18,469,823	18,394,585	18,229,447	(165,138)	18,383,383

(Continued on next page)

Te Manawa Museums Trust
Statement of Financial Position
As at 31 December 2019

	Actual 31-Dec-18 Unaudited \$	Actual 31-Dec-19 Unaudited \$	Budget 30-Jun-20 SOI \$	Forecast 30-Jun-20 \$	Variance \$	Actual 30-Jun-19 Audited \$
Current Liabilities						
Creditors, Provisions & Payables	164,532	179,702	160,000	160,000	-	235,736
Employee Liabilities	164,895	199,084	195,619	167,000	(28,619)	199,140
Provisions	-	-	-	-	-	-
GST Payable (Receivable)	51,400	51,368	55,000	47,028	(7,972)	56,430
Income received in advance	29,912	37,798	30,000	30,000	-	35,873
Total Current Liabilities	410,739	467,952	440,619	404,028	(36,591)	527,179
Non-Current Liabilities						
Employee Benefit Liabilities	3,266	5,148	3,296	3,296	-	-
Total Non-Current Liabilities	3,266	5,148	3,296	3,296	-	5,144
Total Liabilities	414,005	473,100	443,915	407,324	(36,591)	532,322
Equity						
Trust Equity	10,597,792	10,489,258	10,544,165	10,544,165	-	10,489,260
Retained Surplus Current Year	(111,065)	145,663	109,144	43,060	(66,084)	-
Asset Revaluation Reserve	7,073,192	7,073,191	7,073,191	7,073,191	-	7,073,191
Specific Reserves	213,296	277,737	213,296	150,833	(62,463)	277,736
Endowment Funds	10,872	10,874	10,874	10,874	-	10,873
Total Equity	17,784,087	17,996,723	17,950,670	17,822,123	(128,547)	17,851,060
Total Equity & Liabilities	18,198,092	18,469,823	18,394,585	18,229,447	(165,138)	18,383,383

The accompanying notes form part of, and are to be read in conjunction with these financial statements.

For and on behalf of the Board

John Fowke
Chairman

Tyson Schmidt
Trustee

Date
27 February 2020

Te Manawa Museums Trust

Statement of Cash flows

For the 6 Months ended 31 December 2019

Description	Actual 31-Dec-18 Unaudited	Actual 31-Dec-19 Unaudited
	\$	\$
Cash Flows from Operating Activities		
Cash was provided from:		
PNCC Grants	1,565,513	1,599,955
Other Revenue	299,564	231,204
Interest	11,102	7,341
	1,876,179	1,838,500
Cash was disbursed to:		
Payroll	1,013,443	1,055,992
Suppliers	831,134	532,483
Interest	-	-
Net GST Outflow (Inflow)	(7,207)	(9,292)
	1,837,370	1,579,183
Net Cash Flows from Operating Activities	38,808	259,317
Cash Flows from Investing Activities		
Cash was provided from:		
Sale of Assets	0	0
Cash was disbursed to		
Purchase of Intangible Assets - Software	-	16,000
Purchase of Property, Plant and Equipment	191,754	23,937
Expenditure on Exhibition Work in Progress	-	9,529
Purchase of Collection Assets	22,771	49,089
Net increase of term deposit	142,803	442,270
Total	71,722	540,825
Net Cash Flows from Investing Activities	(71,722)	(540,825)
Cash Flows from Financing Activities		
Cash was provided from:		
PNCC Long-Term Exhibition Development Grant	-	-
Capital Introduced	-	-
Proceeds of Term Loans/Finance Leases	-	-
Cash was disbursed to:		
Net Cash Flows from Financing Activities	(32,914)	(281,508)
Net Increase/(Decrease) in Cash Held	353,684	582,460
Opening Cash Balances		
Closing Total Cash Balances	4	320,770
		300,952

Budget 30-Jun-20 SOI	Forecast 30-Jun-20	Variance	Actual 30-Jun-19 Audited
\$	\$	\$	\$
3,193,647	3,199,909	(1,599,955)	3,131,026
645,197	446,474	(215,270)	395,647
6,236	11,140	(3,798)	14,129
3,845,080	3,657,523	(1,819,023)	3,540,802
2,269,227	2,044,181	988,189	2,085,661
1,221,727	1,224,686	692,203	1,164,417
-	50	50	-
-	2,770	12,062	(14,793)
3,490,954	3,271,687	1,692,504	3,235,286
354,126	385,836	(126,518)	305,516
-	-	-	-
16,000	-	(16,000)	212,656
173,762	-	-	31,369
9,000	443,793	434,264	-
25,000	45,000	(4,089)	-
106,236	-	-	(167,275)
329,998	488,783	414,175	76,750
(329,998)	(488,793)	414,175	(76,750)
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
24,128	(102,957)	(154,614)	228,766
387,023	353,684	(32,914)	353,694
411,151	250,727	(187,528)	582,460

The accompanying notes form part of, and are to be read in conjunction with these financial statements.

Notes to the six monthly reports

Selected Explanatory Notes (Commentary)

1. Interest revenue

Actual interest rates of 1.9% to 2.4% capitalised on short term deposits, compared to a budgeted 2.0%.

2. Other operating revenue

Year-to-date other income is below budget by \$238k for the six month period. Year End Forecast indicates other income will be \$209k below budget. Learning Revenue is forecast downward by \$51.9k to reflect lower than expected revenue. Exhibitions income is below YTD target due to lower than expected revenue Sponsorship income has been adjusted downward reflecting a more obtainable target.

3. Employee expenses

	Actual 31-Dec-19 Unaudited \$	Budget 31-Dec-19 \$	Variance	Actual 31-Dec-18 Unaudited \$	Forecast 30-Jun-20 as at 31 Dec 2019 \$	Budget 30-Jun-20 SOI \$	Variance	Actual 30-Jun-19 Audited \$
Total Salaries and Wages	1,055,992	1,125,656	69,664	961,416	2,099,137	2,239,966	140,830	2,040,789
Employer Contribution to Kiwi Saver	26,421	32,819	6,398	21,303	63,169	65,637	2,468	45,916
Movement in Employee Entitlements	0	4,500	4,500	8,107	11,445	9,000	-2,445	4,356
Total Employee Expenses	1,082,413	1,162,975	80,562	990,826	2,173,751	2,314,603	140,853	2,091,061

The payroll for the actual year to date is less than budget, mainly because of several unfilled positions for much of the period (two technicians, a designer, a developer position (.8) , and the gallery curator).
Since the period ended a new developer has been employed. Recruitment is underway for the remaining positions.

4. Other operating expenditure

Other Operating Expenses (net of PNCC leases and Depreciation) for 2019/20

For the six months to 31 December Other Operating Expenses, amounted to \$491.6 against a budget of \$571.7k. The forecast total to 30 June 2020 is \$1,142.9k versus a Budget of \$1,191.5

- Collections costs were \$26k under budget for the period. This is a timing difference related to the work required to remove and store the stained glass windows from the Methodist Church on Broadway. Most of these costs are offset by a grant from the Lotteries Board.
- Learning is under YTD budget by \$5,275 as a result of lower costs for LEOTC and other education programmes.
- Exhibitions are \$24,865 over budget for the six months as the lack of staff has required the use of contractors. Also, when the budgets were prepared no allowance was made for travel for the developer who resides in Dunedin.
- Facilities spend is \$185k vs Budget 201k. This arises from lower than expected electricity bills and reduced cost of repairs and maintenance. These are expected to be timing differences.
- Executive – has spent \$71.8k vs Budget \$45.1k budget. Most of this has occurred because of the cost of the enquiry into workplace stress.

5. Property, plant & equipment and Intangible assets:

Asset Description	Opening Book Value 1 July 2019	Additions to 31 December 2019	Disposals	Depreciation / Amortisation	Impairment Losses	Closing Book Value 31 December 2019
Information Technology	24,171	1,235	-	5,228	-	20,178
Exhibitions	370,247	8,888	-	47,933	-	331,203
Furniture & Fittings	80,754	-	1,856	13,014	-	67,740
Leasehold Improvements	88,944	0	-	11,026	-	77,918
Plant & Equipment	375,902	4,556	-	48,814	-	331,377
Work in Progress	24,515	9,259	-	-	-	33,774
Total Property, Plant & Equipment Assets	964,533	23,937	1,856	126,013	-	862,190
Intangibles	15,777	16,000	-	3,528	-	12,249
Work in Progress	-	-	-	-	-	0
Total Intangible Assets	15,777	16,000	-	3,528	-	12,249
Total Fixed Assets	17,522,364	89,026	1,692	129,542	-	17,465,417

6. Collection Assets

Collection Assets	Opening Balance 1 July 2019	Acquisitions	Donated/ Custodial collection Assets	Revaluations	Deaccessions	Closing Balance 31 December 2019
Art						
Owned	4,442,511	39,221			-	4,481,732
Custodial	6,892,944				-	6,892,944
Total Art	11,335,455	39,221	-	-	-	11,374,676
Heritage						
Owned	3,834,333	9,868	-	-	(164)	3,844,037
Custodial	1,372,266	-	-	-	-	1,372,266
Total Heritage	5,206,599	9,868	-	-	(164)	5,216,304
Total Collection Assets	16,542,054	49,089	-	-	(164)	16,590,980
Owned Collection Assets	8,276,844	49,089	-	-	(164)	8,325,769
Custodial Collection Assets	8,265,210	-	-	-	-	8,265,211
	16,542,054	49,089	-	-	(164)	16,590,980

Valuation

Heritage Collection

The Trust's policy is to revalue the heritage collection every five years. The owned and custodial heritage collections were independently valued at 30 June 2015 at \$3,777,513 for the owned heritage collection and at \$1,376,020 for the custodial heritage collection. The revaluation was undertaken by Webb's Auckland. The collection was valued based on fair value at the date of revaluation, by reference to price in an active market.

Art Collection

The Trust's policy is to revalue the art collection assets every three years. The owned and custodial art collections were independently valued at 31 January 2018 at \$4,348,123 for the owned art collection and at \$6,892,944 for the custodial art collection. The revaluation was undertaken by Art+Object Auckland. The collection was valued based on fair value at the date of revaluation, by reference to price in an active market.

No Collection assets are pledged as security as at 31 December 2019 (2018: \$nil).

7. Specific Reserves

	Balance at 01/07/19	Transfers from Retained Earnings	Disbursements / Release of Funds	Balance as at 31 December 2019	Forecast transfers in/(out)	Year-End Forecast Balance	Comments
Specific Reserves							
Collection Development Fund - General	4,451	-	-	4,451	-	4,451	These are funds tagged for art and/or heritage collection items purchases.
Collection Development Fund - Social History Specific	16,391	-	-	16,391	-	16,391	These funds are tagged for Social History only (based on bequests terms)
Historical Building Maintenance	22,081	-	-	22,081	-	22,081	
Exhibition Revitalisation/Development Fund	234,815	-	-	234,815	15,000	219,815	At the meeting held on 27 June 2019 the Board approved a release of \$15,000 towards the refresh of Kids TM.
Total Specific Reserves	277,738	-	-	277,738	15,000	262,738	

8. Endowment Funds

	Balance at 01/07/19	Additional Endowments	Disbursements / Release of Funds	Balance as at 31 December 2019	Forecast transfers in/(out)	Year-End Forecast Balance
Endowment Fund						
*Clevely Fund	10,874	-	-	10,874	-	10,874
Total Endowment Funds	10,874	-	-	10,874	-	10,874

*Roy E Clevely Trust - 60% of net income per year for the general purposes of the Museum and in particular but without limitation for the acquisition of artefacts and materials including especially oral history recordings relating to pioneering and early development in the Manawatu-Rangitikei and neighbouring districts.

9. Cash and Cash Equivalents

Cash & Cash Equivalents	Interest Rate	31 December 2019
Westpac Cheque Account		\$16,100
Westpac Online Saver Account		\$284,165
BNZ Cheque Account		\$11
Petty Cash / Cash Floats		\$676
		\$300,952

10. Short Term Deposits

Short Term Deposits	Interest Rate	31 December 2019
Term Investment - BNZ0001 CCE	1.90%	\$133,876
	2.00%	\$178,816
Term Investment - Westpac 0023 CCE	2.40%	\$153,511
Term Investment - Westpac 0024 CCE	2.40%	\$120,802
		\$587,004

As per the Trust’s financial investment policy, the term deposits are invested with commercial banks with a Standard & Poor’s credit rating of at least A-.

1 Statement of Accounting Policies

REPORTING ENTITY

Te Manawa Museums Trust (the Trust) is a charitable trust incorporated in New Zealand under the Charitable Trusts Act 1957 and is domiciled in New Zealand. The Trust is controlled by Palmerston North City Council and is a Council Controlled Organisation as defined under section 6 of the Local Government Act 2002, by virtue of the Council's right to appoint more than 50% of the Board of Trustees.

The Trust was incorporated on 20 August 1999. From that date, the Trust assumed responsibility for art works and heritage assets transferred to its care but held on behalf of others. From 1 July 2000 the Trust commenced leasing the premises and managing the institution under agreements entered into with the Palmerston North City Council. The principal place of business is 326-336 Main Street, Palmerston North.

The primary objective of the Trust is to provide interactive experience in art, science and history through acquiring, conserving, researching, developing, communicating and exhibiting material evidence of people and their environment, rather than making a commercial return. Accordingly, the Trust has designated itself as a public sector public benefit entity for the purposes of Public Benefit Entity Accounting Standards (PBE Standards), in accordance with the Financial Reporting Act (2013).

The financial statements of the Trust are for the six months ended 31 December 2019 and were approved by the Board of Trustees on 27 February 2020.

BASIS OF PREPARATION

The financial statements have been prepared on the going concern basis, and the accounting policies have been applied consistently throughout the period.

Statement of Compliance

The financial statements of the Trust have been prepared in accordance with the requirements of the Local Government Act 2002, which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP).

The financial statements comply with Public Benefit Entity International Public Sector Accounting Standards ("PBE IPSAS") and other applicable Financial Reporting Standards, as appropriate for Tier 2 public sector public benefit entities, for which all reduced disclosure regime exemptions, have been adopted. The Trust qualifies as a Tier 2 Public Sector PBE reporting entity as it is not publicly accountable and as for the two most recent reporting periods it has had between \$2m and \$30m operating expenditure.

Measurement Base

The measurement basis applied is historical cost, modified by the revaluation of collection assets as identified in this summary of significant accounting policies. The accrual basis of accounting has been used unless otherwise stated.

Functional and Presentation Currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar. The functional currency of the Trust is New Zealand dollars (NZ\$).

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue

Revenue is measured at fair value of consideration received or receivable.

Revenue may be derived from either exchange or non-exchange transactions.

Revenue from Non-exchange transactions

Revenue from non-exchange transactions arises from transactions that are not exchange transactions. In non-exchange transactions, the Trust either receives value from or gives value to another party without directly giving or receiving approximately equal value in exchange.

Approximately equal value is considered to reflect a fair or market value, which is normally commensurate with an arm's length commercial transaction between a willing buyer and willing seller. Many of the services that the Trust provides for a fee are charged at below market value as they are subsidised by Palmerston North City Council operational grant, sponsorship, government/non-government grants. Other services operate on a cost recovery or breakeven basis and are not considered to reflect a market return. Most of the Trust's revenue is therefore categorised as non-exchange.

This includes PNCC grants, transfers from government/non-government entities, donations, donated/vested and custodial collection items, sponsorship, in kind sponsorship, revenue from services supplied at subsidised price.

Specific accounting policies for major categories of revenue from non-exchange transactions are outlined below:

Grants

Grants received from PNCC are the primary source of funding to the Trust and are restricted for the purposes of the Trust meeting its objectives as specified in the Trust's trust deed.

Revenues from non-exchange transactions with Council/other government/non-government entities are measured at fair value and recognised when the event occurs and the asset recognition criteria are met, if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Trust and can be measured reliably.

To the extent that there is a related condition attached that would give rise to a liability to repay the amount if conditions of the grant are not met, deferred income is recognised instead of revenue, and recognised as revenue when conditions of the grant are satisfied.

Rendering of services

Revenue from the rendering of services is recognised when the transaction occurs to the extent that a liability is not also recognised. For these transactions the revenue is recognised by reference to the stage of completion of the transaction at the reporting date.

All revenues from rendering of services are non-exchange, with the exception of revenue from Venue Hire which is classified as exchange transaction.

Vested or donated physical assets

Where a physical asset is gifted to or vested in the Trust for nil or nominal consideration, the fair value of the asset received is recognised as revenue. Such income is recognised when control over the asset is obtained, unless there is a use or return condition attached to the asset.

The fair value of vested or donated physical assets is determined by reference to the market value of comparable assets available.

'In Kind' Sponsorship

The Trust receives sponsorship 'in kind' by way of goods and services provided at discounted or nil charge. Where the fair value of these goods and services can be reliably measured, the income (and expense) is recognised as 'sponsorship - in kind' in the period in which the goods or services are received or there is a binding arrangement to receive the goods.

Volunteer Services

Volunteer services received are not recognised as revenue or expenditure as the Trust is unable to reliably measure the fair value of the services received.

Revenue from Exchange transactions

Sales of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to the Trust.

Interest Income

Interest income is recognised using the effective interest method.

Advertising Costs

Advertising costs are expensed when the related service has been rendered.

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Borrowing Costs

Interest expense is recognised using the effective interest rate method. All borrowing costs are expensed in the period in which they are incurred.

Depreciation and amortisation

Depreciation of property, plant and equipment and amortisation of intangible assets are charged on a straight-line basis over the estimated useful life of the associated assets.

Leases

Finance Leases

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether the Trust will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Operating Leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Lease incentives received are recognised in the surplus or deficit over the lease term as an integral part of the total lease expense.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are presented within borrowings as a current liability in the statement of financial position.

Debtors and other receivables

Debtors and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

A provision for impairment of a receivable is established when there is objective evidence that the Trust will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership or liquidation, and default in payments are considered indicators that the receivable is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. The carrying amount of an impaired receivable is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectible, it is written off against the allowance account for receivables. Overdue receivables that have been renegotiated are reclassified as current (that is, not past due).

Financial Assets

Financial assets are categorised into the following four categories: financial assets at fair value through surplus or deficit; held-to-maturity investments; loans and receivables; and financial assets at fair value through other comprehensive revenue and expense. The classification depends on the purpose for which each investment was acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

The fair value of financial instruments traded in active markets is based upon the quoted market prices at the balance sheet date. The quoted market price used is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques.

The Trust uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows are used to determine fair value for the remaining financial instruments.

a) Financial Assets at Fair Value through Surplus or Deficit

This category has two sub-categories: financial assets held for trading, and those designated at fair value through surplus or deficit at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading. After initial recognition they are measured at their fair values. Gains or losses due to change in fair value are recognised in the surplus or deficit.

Currently, the Trust does not hold any financial assets in this category.

Financial assets at fair value through other comprehensive revenue and expense

For equity investments, a significant or prolonged decline in the fair value of the investment below its cost is considered objective evidence of impairment.

For debt investments, significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payments are objective indicators that the asset is impaired.

If impairment evidence exists for investments at fair value through other comprehensive revenue and expense, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the surplus or deficit) recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit.

Equity instrument impairment losses recognised in the surplus or deficit are not reversed through the surplus or deficit.

If in a subsequent period the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised, the impairment loss is reversed in the surplus or deficit.

Inventories

Inventories held for distribution or consumption in the provision of services that are not supplied on a commercial basis are measured at cost (using the FIFO method), adjusted, when applicable, for any loss of service potential.

Inventories acquired through non-exchange transactions are measured at fair value at the date of acquisition.

Inventories held for use in the provision of goods and services on a commercial basis are valued at the lower of cost (using the FIFO method) and net realisable value.

The amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in the surplus or deficit in the period of the write-down.

Property, Plant and Equipment

Items of property, plant and equipment are stated at historical or deemed cost, less accumulated depreciation and impairment losses. Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Additions

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that service potential associated with the item will flow to the Trust and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is initially recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value when control over the asset is obtained.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are presented net in the surplus or deficit.

Work in Progress

All assets constructed by the Trust are initially recorded as work in progress. Work in progress is recognised at cost less impairment and it is not depreciated. Upon completion, these assets are transferred to their relevant asset class and depreciation commences.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that service potential associated with the item will flow to the Trust and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant, and equipment are recognised as an expense as they are incurred.

(a) Furniture, Equipment and Exhibits

Furniture, equipment and exhibits (excluding art and heritage collections) are valued at cost less accumulated depreciation and impairment losses.

Depreciation

Assets are depreciated on a straight-line basis at rates that will write off their cost less any estimated residual value over the expected useful life of the asset. The useful lives of major classes of assets have been estimated as follows:

Computer Hardware	1 to 5 years
Exhibitions	2 to 10 years
Furniture & Fittings	4 to 10 years
Leasehold Improvements	4 to 10 years
Office Equipment	4 to 10 years
Plant	4 to 20 years

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

(b) Collection Assets

As the Heritage Collection and Art Collection assets are intended to have an indefinite life, they are held in trust in perpetuity for the benefit of the public.

The Heritage Collection and Art Collection have not been depreciated, as it is the Trust's policy to maintain the collections in their current state, in accordance with the Trust's Collection Policies.

All additions to the Heritage and Art Collection are recorded at cost. These additions will be revalued in accordance with the Trust's Valuation Policy. Donated objects are recorded at fair value, or depreciated replacement cost, or nil value if considered unrealisable or irreplaceable.

Custodial Collection Assets are objects within the Heritage and Art Collections not formally owned by the Trust, where the Trust has assumed all the rights and obligations of ownership. Within the Heritage Collection this is limited to items on loan for an indefinite period, excluding works on loan from other Museums and Cultural organisations. In relation to the Art Collection, the nature of artworks and anecdotal evidence suggests that there is a high likelihood of request for return of loaned assets, irrespective of the loan period, therefore only items on loan from the Te Manawa Art Society Inc. are recognised as custodial assets. These assets are held and maintained by the Trust by agreement with the owners.

Revaluation

The Art Collection assets are revalued to fair value as determined from market-based evidence by an independent valuer. The most recent valuation was performed by *Art + Object* Auckland as at January 2018. Trust's policy is to revalue the Art Collection assets every three years.

The Heritage Collections assets are revalued to fair value as determined from market-based evidence by an independent valuer. The most recent valuation was performed by *Webb's* Auckland as at 30 June 2015. Trust's policy is to revalue the Heritage Collection assets every five years to ensure that their carrying amount does not differ materially from fair value.

All other asset classes are carried at depreciated historical cost.

Accounting for Revaluations

The results of revaluing are credited or debited to an asset revaluation reserve. Where this results in a debit balance in the asset revaluation reserve, this balance is charged to the surplus or deficit. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in a previous year surplus or deficit, will be recognised first in the surplus or deficit up to the amount previously expensed, and then credited to the revaluation reserve.

Intangible Assets

Recognition and measurement

Intangible assets are initially measured at cost, except for Intangible assets acquired through non-exchange transactions (measured at fair value).

All of the Trust's intangible assets are subsequently measured in accordance with the cost model, being cost (or fair value for items acquired through non-exchange transactions) less accumulated amortisation and impairment, except for the items which are not amortised and instead tested for impairment such as Intangible assets with indefinite useful lives, or not yet available for use. The Trust has no intangible assets with indefinite useful lives.

Software acquisition and development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Staff training costs are recognised in the surplus or deficit when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Costs associated with development and maintenance of the Trust's website are recognised as an expense when incurred.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in surplus or deficit as incurred.

Amortisation

Amortisation is recognised in surplus or deficit on a straight-line basis over the estimated useful lives of each amortisable intangible asset. Amortisation begins when the asset is available for use and ceases at the date that the asset is disposed of.

The estimated useful lives are as follows:

Software	1 to 7 years
Website	3 to 5 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Impairment of property, plant and equipment and intangible assets

For the purpose of impairment of Property, plant and equipment and intangible assets, which are carried at cost less accumulated depreciation and impairment losses, the Trust classifies its items of property plant and equipment and intangibles as non-cash generating assets, as these are not held with the primary objective of generating a commercial return, but rather for service delivery purposes and to deliver to Trust's public benefit objectives. Property, plant, and equipment and intangible assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use for non-cash-generating assets

For Trust's non-cash generating assets, value in use is determined based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

Value in use for cash-generating assets

Cash-generating assets are those assets that are held with the primary objective of generating a commercial return. The value in use for cash-generating assets is the present value of expected future cash flows. The Trust does not currently hold property plant and equipment and intangible assets in this category.

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written-down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss is recognised in the surplus or deficit.

Creditors and Other Payables

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings

Borrowings are initially recognised at their fair value plus transaction costs, if any. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Trust has an unconditional right to defer settlement of the liability for at least 12 months after balance date or if the borrowings are not expected to be settled within 12 months of balance date.

Employee Entitlements

Short-term employee entitlements

Employee benefits expected to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date and annual leave earned to, but not yet taken at balance date. Sick leave has not been included, as the amount of accumulated sick leave that is anticipated to be taken in future periods is not considered to be material.

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows.

Provisions

A provision is recognised for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in 'finance costs'.

Goods and Services Tax (GST)

All items in the financial statements are stated exclusive of Goods and Services Tax (GST), except for trade receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Income Tax

The Trust is exempt from Income Tax by virtue of its charitable status.

Equity

Equity is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components.

- Trust's contributed capital;
- Retained earnings;
- Restricted reserves;
- Collections revaluation reserve;

Restricted reserves

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by the Trust.

Restricted reserves include those subject to specific conditions accepted as binding by the Trust and which may not be revised by the Trust without reference to the Courts or a third party (i.e. endowment funds). Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Also included in restricted reserves are reserves restricted by Trust's decision. The Trust may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Trust.

Budget figures

The budget figures are derived from the Statement of Intent as approved by the Board at the beginning of the financial year. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Board of Trustees in preparing these financial statements

Critical Accounting Estimates and Assumptions

In preparing these financial statements, the Trust has made estimates and assumptions concerning the future. These estimates and assumptions may differ from subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Property, Plant and Equipment Useful Lives and Residual Values

The Trust reviews the useful lives and residual values of its property, plant and equipment annually. Assessing the appropriateness of useful life and residual value estimates of property, plant and equipment requires the Trust to consider a number of factors including the physical condition of the asset, expected period of use of the asset by the Trust, and expected disposal proceeds from the future sale of the asset.

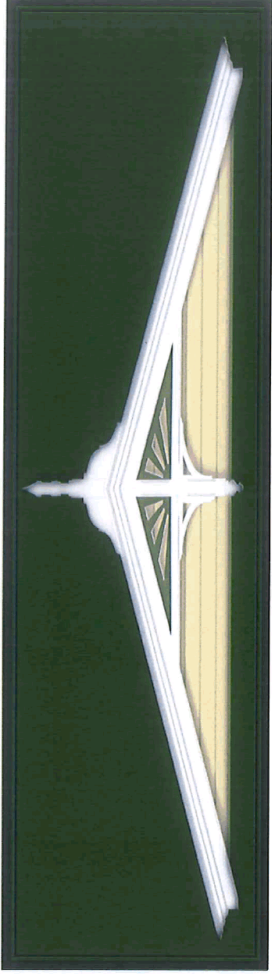
An incorrect estimate of the useful life or residual value will impact on the depreciable amount of an asset, therefore impacting on the depreciation expense recognised in the surplus or deficit and the carrying amount of the asset in the statement of financial position. The Trust minimises the risk of this estimation uncertainty by:

- physical inspection of assets;
- asset replacement programmes;
- review of second hand market prices for similar assets; and
- analysis of prior asset sales.

The Trust has not made significant changes to past assumptions concerning useful lives and residual values.

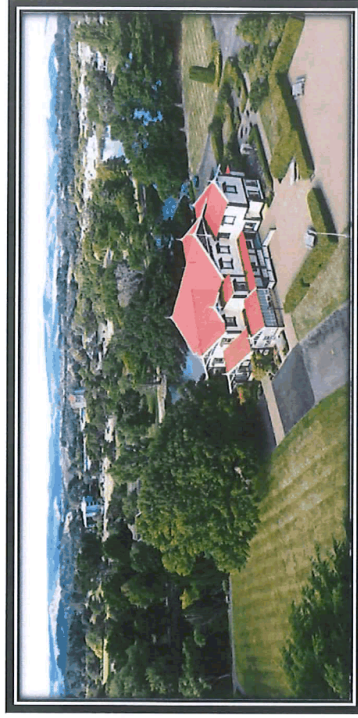
Critical Judgements in applying the Trust's accounting policies

There have been no specific areas requiring management or Trustees to exercise critical judgement in applying the Trust's accounting policies for the period ended 31 December 2019.



CACCIA BIRCH TRUST BOARD

STATEMENT OF SERVICE PERFORMANCE
FOR THE SIX MONTHS JULY TO DECEMBER 2019



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2.	CONTACT DETAILS
Registered Office:	Caccia Birch House, 130 Te Awe Awe St, Palmerston North.
Website & Email	www.caccia-birch.co.nz / manager@caccia-birch.co.nz
Phone:	06 3575363
Email:	manager@caccia-birch.co.nz
Office Contact:	Nicky Birch
Role in CCO:	Manager
Address:	As Above
Chairperson:	Grant O'Donnell
Email:	home@odonnell-law.co.nz
Phone:	06 3567754 / 0274 424395
Trustees 2019 to 2020	Grant O'Donnell, Patricia Keiller, Jireeth Soni, Cushla Scrivens and Roderick McKenzie, David Campbell.
Legal Status:	Caccia Birch Trust Board is a Council-Controlled Organisation (CCO) for the purposes of the Local Government Act 2002 and operates as a Charitable Trust under the Charitable Trust Act 1957 and Charities Act 2005.
Charities Registration Number	CC38431

3. Purpose of this Service Performance Report

In accordance with the Local Government Act 2002, a Council-Controlled Organisation (CCO) is required to produce an annual Statement of Intent which publicly states its activities and the objectives it will contribute to the City Vision.

Through the SOI reporting mechanism the Trust Board shows Council how it will apply the annual grant provided by Council in managing the maintenance, preservation and community usage of and access to Caccia Birch House and grounds.

4. About Caccia Birch Trust Board

Caccia Birch House is a listed Category 1 Heritage Status property under section 35(1)(b) of the Historic Places Act 1980 and is a Category 1 listed property under Cultural Heritage in the Palmerston North City Council District Plan. The property was gifted to the Crown who in turn gifted it to the community.

The Board guides and monitors the affairs of Caccia Birch House, in accordance with the Trustee Act 1956, the Charities Act 2005, the Local Government Act 2002, Caccia Birch Trust Deed and the PNCC Statement of Expectation.

The first objective of the Trust, as described in the Trust Deed, is:

“To develop. Promote, enhance and maintain the land and buildings described in the Schedule of Property hereto known as Caccia Birch House, in recognition of the Heritage status of the building, so that it may be utilised and enjoyed by the community.” (pg1)

The Trust Board's internal operational planning is guided by the following statement:

VISION

To provide our community with an outstanding historic property, available for everyone to use.

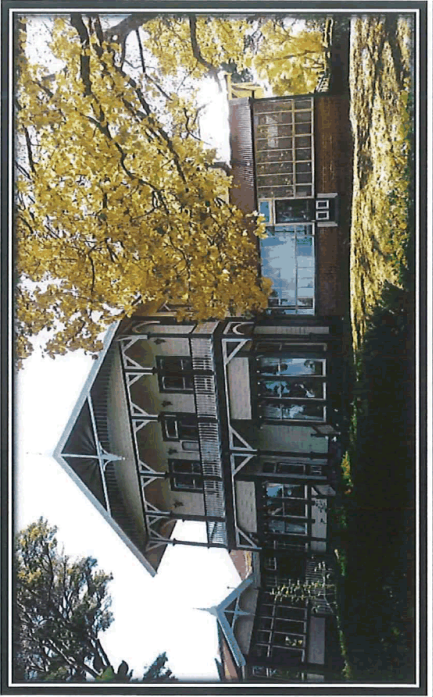
MISSION

To ensure the Caccia Birch property retains its historical, cultural and environmental significance through diligent maintenance, promotion and development.

The Board's approach to governance is to adopt good governance practices with respect to:

- ensuring a heritage preservation focus to the Board's activities;
- working with stakeholders and with interested community groups to meet objectives;
- maintaining a constructive and proactive relationship with Palmerston North City Council.

5. Strategic objectives	
HERITAGE RESPONSIBILITY:	
a.	Heritage Buildings Palmerston North's Category 1 listed heritage property of Caccia Birch House and CoachHouse are to be preserved and protected for future generations. These Heritage buildings will only be developed in keeping with the heritage status.
b.	Heritage – Natural The grounds and flora of Caccia Birch House are to be managed and preserved and only developed in-keeping with the heritage character.
c.	Heritage - Cultural The local history and heritage value of the Caccia Birch property will be preserved, presented and promoted in an educational and entertaining way. Property access and use of the buildings by the local community and visitors from elsewhere, will be developed in a variety of ways.
d.	Heritage – Governance The Board will manage the balance between maintenance of heritage integrity and the development of the property to meet evolving Council and community demands.



6. What we have achieved at the half year mark:

A. Heritage Buildings

i	<p><u>Work to keep this heritage property exceptionally well maintained and secure.</u></p> <p>The annual exterior clean was completed by Program Property Services mid to late December. No major issues were noted by the contractor with the exterior cladding or roofing, with exception of the deteriorating rear entrance overhang which is about to be replaced. The structure was added during the restoration in the early 90's.</p> <p>Our contractors, Property Broker Compliance, perform system checks monthly and undertake any remedial work on the sprinkler system, smoke detection system and alarms. This is completed and compliant with up to date with Building Warrant of Fitness and Health and Safety requirements for this period.</p>
ii	<p><u>Work to make Caccia Birch House environmentally responsible and eco-friendly.</u></p> <p>The plans to build a new waste recycling area and waste storage space are almost completed. This replaces the overhang at the rear of the house with an in-keeping styled facility. The Historic Places NZ architect has approved the concept plans for the building consent and quotes being requested with an anticipated completion by June 2020.</p> <p>The downlights were replaced with LED fittings this year and appropriate LED lights are being sourced and implemented into existing chandeliers. The new light tracks in the CoachHouse archive are all LED light fittings. A reduction in power and some bulb costs is being achieved. The goal of reducing the power use is being achieved.</p> <p>Visitors from the local community like to cycle to the property and safe and secure bicycle parking facilities are required, especially with a greater use of e-cycles. Implementation is planned for the next financial year.</p> <p>Visitors from the neighbourhood make use of the garden and paths regularly, especially as the pedestrian gates are open 24/7. We are planning to encourage pedestrian access by building a safe access separating vehicle and pedestrian thoroughfare along the main driveway. This is currently being investigated for implementation within two years.</p>
iii	<p><u>Develop the venue facilities.</u></p> <p>The Board's strategic plan incorporates a number of worthy projects that will keep us busy both fund raising and implementing the proposals during the next 10 years. This plan was revised in December with priorities being reviewed to meet the users' needs.</p> <p>Investigate provision of a covered pergola linking the carpark to the courtyard for an all-weather access towards the front of the house. Deferred to 2021 due to the need to complete large works this year.</p> <p>Investigating the replacement of old gas heaters with an efficient central heating system and restoring the old fireplaces will commence in 2021.</p>

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B. Heritage – Natural

i	<p><u>The listed notable trees are preserved and maintained.</u></p> <p>Work was undertaken on the group of notable trees encompassing the elm, chestnut and oak trees by the main gate. This was due to storm damage and they appear to be recovering well.</p> <p>Substantial tree work was undertaken in 2019, including removal of an old poplar and macrocarpa on the boundary of neighbouring properties. General tree maintenance is on-going.</p>
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ii. Enhancement of the grounds.

	<p>Plans are underway, in conjunction with Council, to clear and develop the Lagoon embankment to improve the visual link between Caccia Birch House, Hokowhitu Lagoon, the Manawatu River and restore the outlook towards Te Motu-O-Poutoa Pa.</p> <p>The Board has tried unsuccessfully to secure the services of a couple of local landscape designers to create a map / plan that will incorporate the strategic plan grounds development items including new focal points, signage and the footpath network to enhance the visitor experience. Securing funding to employ a designer will be investigated in the next financial year.</p>
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C. Heritage – Cultural

i We will make the community more aware of the heritage value of Caccia Birch House.

	<p>The CoachHouse Archive and Gardens are promoted to the local visitor and tourism industry via the open afternoons, publicized via social media and on free community noticeboards. The CoachHouse archive is accessible each weekday during normal business hours and by appointment outside of these times. As we do not have hosting staff in the CoachHouse, we have implemented a sign in clipboard which asks visitors to record their name, number in group and hometown and comments. Unfortunately, we note that not every visitor signs in, however most international visitors do and its pleasing to note that google and the tourism sign have increased our visibility! We are currently working with CEDA to provide a great range of tour offerings and investigating becoming a Qualmark rated experience for the Tourism industry.</p> <p>The planning of new history information displays in the CoachHouse is underway. Using modern technology for information sharing to engage the younger community is planned for 2021 year.</p> <p>Plans to enhance the visitor engagement and manage the anticipated increase in visitors will require well trained and knowledgeable staff or volunteers and options are being investigated including securing volunteers and / or charging for tours on set days / times.</p>
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C Heritage – Cultural & Business.

i The occupancy statistic shows that the house was well utilised during this period and achieved the forecast of 72%

Monthly Occupancy Rates & Use of Caccia Birch House 2019-2020									
Month.	% Use Per month	Total Days USED	People Number	Corporate Meetings	Private Functions	Community Discounted	Public Events		
July to Dec 2018	70.63	130	4796	151	27	18	10		
July to Dec 2019	71.80	133	5171	170	33	19	14		

The number of people using and hiring the facility has increased marginally for the same period as last year.

We have engaged with 2 external event organisers to investigate hosting 'shared-risk' events and will continue to seek interested groups.

Our client base and visitors include a large proportion ethnic and multi-cultural people from around the world. They tell us how much they love the house and appreciate the opportunity to visit or utilising the venue, providing us with a 100% satisfaction from respondents.

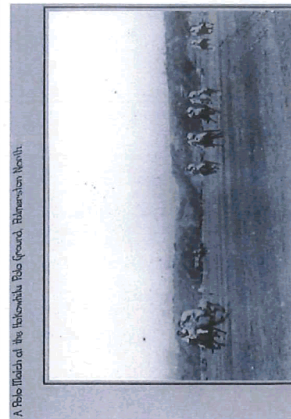
Our venue hire fees are too costly for many non-profit community groups even with the discount offered, however we have four regular hirers who fit this category and our free events provide an opportunity to experience this heritage facility.

Securing good quality experience staff for part time or casual work is increasingly difficult and whilst we are planning to increase the visitor experience and engage more customers, ensuring that the operation is appropriately staffed to meet the changing outcomes remains challenging in the shorter term.

D Heritage – Governance

i The Board will manage the balance between maintenance of heritage integrity and the development of the property to meet evolving Council and community demands.

The Trust will continue to review all of its Governance Policies.



7. How We Performed.

Objective	Performance Measure	Actual	Target		
		July to Dec 2019	2019/20 FORECAST	2020/21	2021/22
A) Palmerston North's Category 1 listed heritage property of Caccia Birch House and CoachHouse are to be preserved and protected for future generations. These Heritage buildings will only be developed in keeping with the heritage status.	i. The main house and CoachHouse buildings have scheduled exterior maintenance – completed annually.	Completed 100%	100%	100%	100%
	ii. Scheduled internal maintenance – completed annually.	In progress	100%	100%	100%
	iii. Environmentally Eco friendly development.	In progress	Build Waste recycle and storage unit	Install Central Heating.	Fireplace restoration.
B) The grounds are preserved and developed, enhancing Palmerston North's natural heritage.	i. Notable Heritage Trees receive maintenance.	Completed	2 trees	4 trees	2 trees
	ii. New features installed in grounds.	In Progress	Embankment footpath.	Signage for Notable and memorial trees.	Covered access and seating in grounds.
C) Palmerston North residents and visitors can access and appreciate the heritage value of Caccia Birch. Caccia Birch House is available for the residential and business community to utilise.	i. Free public open days for whole property.	14 (new)	15	16	17
	ii. Number of visitors to Open days.	459 (new)	560	750	960
	iii. Accessible days for CoachHouse archive and grounds.	131 (new)	120	140	160
	iv. Number of casual visitors to CoachHouse & grounds.	459 (new)	720	840	960
	v. Number of Trust / Council and stakeholder operated publicly accessible events.	1	4	5	6

D) The Board will manage the balance between maintenance of heritage integrity and the development of the property to meet evolving Council and community demands.	vi. Percentage of respondents satisfied with visitor experience.	100%	100%	100%	100%
	vii. Number of Conference / Meeting hires.	360	370	380	390
	viii. Number of Social Function Hires.	52	53	54	55
	ix. Percentage occupancy based on daily usage.	72% (as forecast)	73%	74%	75%
	x. Website / Social Media engagements. (annual).	6186 (New)	5500	6000	6500
	i. Review Governance policies. (32 Policies at the time of writing)	In Progress	10 policies	11 policies	11 policies.

8. How we operated during the six-month period.

The Board:

- The Trust Board meets at least once a month and members are in regular email or phone contact. There are three working committees comprising Building and Grounds, Governance, Finance with meetings held as required. The marketing committee lacked members and the Manager reports on these initiatives at full Board meetings.
- The Board completed its annual review of the strategic work plan in December 2019.
- The Board has operated within the budget, meeting and exceeding targets for the first six months of this financial year. The Board takes responsibility in its budget for the day-to-day grounds maintenance and development costs totalling at least \$27,000 annually of the operational grant.
- Providing free access to the Heritage property for local tourism and visitors whilst operating a "venue hire business" that struggles to be competitive due to the well-documented curfew and arduous noise constraints will provide fiscal challenges. The year to date financial statements show we have managed this very successfully and aim to meet budget by year end.
- The Board works to fully embrace the visitor / tourism industry for the benefit of Palmerston North and we are currently working with CEDA to contribute by providing tours and visitor experiences to promote the regions rich history.

Operations:

- a) The Board plans to enhance its business operation model with the aim of increasing the full potential of its activities and revenue.
- b) The Trust Board employs only one full time person - the Manager. This role currently includes; overseeing the day-to-day facility operation including the bookings and co-ordination of all events, taking tours, the coordination of maintenance work and planning of property development work, the business administration and some governance-associated tasks.
- c) The Board employs a part time gardener, mowing contractor, a secretarial contractor, a part time housekeeper and four part-time after-hours venue / function staff, working as required to keep costs to a minimum.
- d) For the growth of new activities and visitor experiences and property enhancements to succeed, investment in more staff will be required. The Board are looking at developing a volunteer group to assist with the non-income generating visitor related activities.

Six Month Financial Statements 1st July to 31st December 2019

- Attached are the un-audited half-yearly financial statements incorporating a statement of financial performance, statement of financial position, statement of changes in equity and statement of cashflows.

CACCIA BIRCH TRUST BOARD

CHAIRPERSON

GRANT O'DONNELL

DATE: 25th February 2020

Profit and Loss

Caccia Birch Trust Board

For the 6 months ended 31 December 2019

	DEC 2019	BUDGET	YTD ACTUAL	YTD BUDGET	TOTAL ANNUAL BUDGET
Trading Income					
Catering Revenue	9,589.14	7,803.00	51,035.11	46,818.00	93,636.00
Event Income	-	525.00	-	3,150.00	6,300.00
Facilities Hireage	6,282.18	7,333.00	45,499.10	43,998.00	88,000.00
Function Servicing	-	-	259.14	-	-
Interest Received	-	46.00	70.76	270.00	546.00
PNCC Operations Grant	8,412.33	8,412.00	50,473.98	50,472.00	100,948.00
Recoveries from Hire	316.00	521.00	3,923.98	3,124.00	6,250.00
PNCC - Meeting Grant	510.00	510.00	3,060.00	3,060.00	6,120.00
PNCC - Audit Grant	-	406.00	-	2,436.00	4,875.00
Total Trading Income	25,109.65	25,556.00	154,322.07	153,328.00	306,675.00
Cost of Sales					
Catering Expense	9,109.69	7,383.00	48,483.37	44,296.00	88,594.00
Conference Expenses	26.00	-	354.80	-	-
Total Cost of Sales	9,135.69	7,383.00	48,838.17	44,296.00	88,594.00
Gross Profit	15,973.96	18,173.00	105,483.90	109,032.00	218,081.00
Operating Expenses					
Accountancy Fees	141.67	143.00	850.02	858.00	1,720.00
Acct - Bookkeeping	550.00	600.00	3,300.00	3,600.00	7,200.00
Audit Fees	677.00	812.00	4,062.00	4,872.00	9,750.00
Licences & Registrations	-	-	44.44	-	-
Payroll Administration Fees	86.32	51.00	390.38	306.00	615.00
Xero Fees	45.00	52.00	270.00	308.00	620.00
Cleaning					
Cleaning - Consumables	161.05	175.00	1,076.57	1,050.00	2,100.00
Cleaning - Waste Disposal	161.39	171.00	868.87	1,026.00	2,052.00
Total Cleaning	322.44	346.00	1,945.44	2,076.00	4,152.00
Employee Costs					
Accident Compensation Levy	55.49	62.00	332.94	402.00	804.00
Employer Kiwisaver Contribution	46.64	84.00	290.80	546.00	1,092.00
Salary - Manager	5,010.54	5,252.00	31,203.67	34,137.00	68,274.00
Staff Training & Expenses	-	50.00	388.89	300.00	600.00
Wages - Admin	113.33	-	2,106.88	-	-
Wages - Cleaner	1,989.25	1,803.00	10,421.04	11,720.00	23,440.00
Wages - Functions	1,041.67	198.00	1,339.93	1,287.00	2,574.00
Wages - Supervisor	1,268.15	1,593.00	8,197.13	10,355.00	20,695.00
Total Employee Costs	9,525.07	9,042.00	54,281.28	58,747.00	117,479.00
Financing Costs					
ANZ Visa fees	-	10.00	-	50.00	110.00

Profit and Loss - Monthly with full year budget Caccia Birch Trust Board

Profit and Loss

	DEC 2019	BUDGET	YTD ACTUAL	YTD BUDGET	TOTAL ANNUAL BUDGET
Bank Charges	-	6.00	65.00	36.00	72.00
Directlink Fees	10.00	31.00	60.00	186.00	372.00
FastPay Bank Charges	11.50	10.00	69.00	60.00	120.00
Total Financing Costs	21.50	57.00	194.00	332.00	674.00
Office, Administration & Governance Expenses					
Advertising / Marketing	95.56	475.00	962.05	2,850.00	5,700.00
Governance Expense	269.56	92.00	365.21	548.00	1,100.00
Secretarial Costs	200.00	292.00	1,230.00	1,752.00	3,500.00
Trustee Remuneration	425.00	510.00	2,125.00	3,060.00	6,120.00
Office & Printing Expenses	345.61	350.00	1,871.85	2,100.00	4,200.00
Subscriptions	43.48	-	103.48	-	-
Telephone, Tolls & Internet	194.75	183.00	1,424.89	1,098.00	2,200.00
Total Office, Administration & Governance Expenses	1,573.96	1,902.00	8,082.48	11,408.00	22,820.00
Property Expenses					
Building - R&M	240.00	292.00	1,011.82	1,752.00	3,504.00
Grounds - Lawn Mowing	650.43	680.00	3,902.58	4,080.00	8,160.00
Equipment under \$500	-	225.00	739.30	1,350.00	2,700.00
Insurance	314.42	325.00	1,806.87	1,950.00	3,900.00
Kitchen & Chattel Expenses	-	179.00	215.00	1,074.00	2,150.00
Electricity & Gas	666.66	842.00	5,364.27	5,048.00	10,100.00
Rental Plants	58.50	75.00	351.00	450.00	900.00
R&M - Furniture & Fittings	-	167.00	1,415.02	1,002.00	2,004.00
Security	355.36	513.00	2,552.59	3,073.00	6,150.00
Total Property Expenses	2,285.37	3,298.00	17,358.45	19,779.00	39,568.00
Repairs & Maintenance					
R&M - Equipment	170.61	-	463.99	-	-
R&M - Grounds	-	242.00	1,142.03	1,452.00	2,904.00
Wages - Grounds	1,640.08	933.00	6,200.81	6,064.00	12,128.00
Total Repairs & Maintenance	1,810.69	1,175.00	7,806.83	7,516.00	15,032.00
Total Operating Expenses	17,039.02	17,478.00	98,585.32	109,802.00	219,630.00
Net Profit before Depreciation Adjustments	(1,065.06)	695.00	6,898.58	(770.00)	(1,549.00)
Depreciation					
Depreciation	1,794.96	1,433.00	10,874.51	8,598.00	17,200.00
Total Depreciation	1,794.96	1,433.00	10,874.51	8,598.00	17,200.00
Net Profit After Depreciation	(2,860.02)	(738.00)	(3,975.93)	(9,368.00)	(18,749.00)
Project Funds					
Donations Received Coach House	(37.00)	-	(48.00)	-	-
Total Project Funds	(37.00)	-	(48.00)	-	-
Net Profit After Depreciation and Project Funds	(2,823.02)	(738.00)	(3,927.93)	(9,368.00)	(18,749.00)

Profit and Loss - Monthly with full year budget Caccia Birch Trust Board

Balance Sheet

Caccia Birch Trust Board
As at 31 December 2019

	31 DEC 2019	30 JUN 2019
Assets		
Bank		
Bank - Cheque Account	27,531.71	41,691.84
Total Bank	27,531.71	41,691.84
Current Assets		
Accounts Receivable	90,064.85	21,212.51
Term Deposit	14,400.17	14,354.75
GST	(11,048.04)	(1,566.12)
Prepayments	2,817.73	923.34
Total Current Assets	96,234.71	34,924.48
Fixed Assets	89,982.26	98,415.52
Total Assets	213,748.68	175,031.84
Liabilities		
Current Liabilities		
Accounts Payable	13,369.45	21,190.16
Accrued Expenses	5,165.02	10,762.98
Accrued Wages & Salary	-	2,425.16
Annual Leave	8,752.83	9,539.55
Income in Advance - PNCC	53,534.02	-
Secure Event Fees	6,886.94	1,145.64
Total Current Liabilities	87,708.26	45,063.49
Total Liabilities	87,708.26	45,063.49
Net Assets	126,040.42	129,968.35
Equity		
Current Year Earnings	(3,927.93)	(8,673.12)
Retained Earnings	129,968.35	138,641.47
Total Equity	126,040.42	129,968.35



REGENT THEATRE TRUST BOARD
HALF YEAR REPORT ENDED
31 DEC 2019

Regent Theatre Trust Board

Report for the half year ended 31 December 2019

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Executive summary

Another successful half year period which began with the Youth Scouting movement's production "Gang Show". This show was staged for 5 performances and although not hugely patronised it is a production that over the years has produced some of the outstanding young talent that we see in other more popular local shows. The Regent Theatre is the venue of choice for Gang Show due to the considerable technical requirements needed to stage the show which is not available in any other city venue. The Regent Theatre supports productions such as Gang Show as it has traditionally been, and still is, an excellent educational vehicle for budding performers and enthusiastic young people wishing to be involved in back stage production work.

Following the Gang Show was a wonderful range and variety of theatre productions, many of which demonstrating the diversity and talent of our local community, from the Manukorero Maori Speech competitions to the Chinese Students Association "Moon Festival" and the Bhutanese Society of New Zealand's Cultural Festival in December.

Highlights for this period were:

- The locally produced Bruce Springsteen tribute show "The Boss" which has gone on to play in other New Zealand regional and main centre theatres.
- The Abbey Musical Theatre production "Les Miserables". The production was staged in August for 12 brilliant performances and would have to be the theatre's major highlight for this reporting period.
- The Royal New Zealand Ballet once again enthralled a capacity audience with their outstanding, slightly contemporary production "Bold Moves" and the imaginative and creative production "Hansel and Gretel".
- The Manawatu Sinfonia's "Last Night of the Proms".
- New Zealand's own Stan Walker returned to the Regent on Broadway in September to promote his latest EP following his period of serious ill health.
- The famous star of stage and screen Kris Kristofferson and his band entertained a full house in October with his timeless hits "Me and Bobby McGee" and "Help Me Make it Through the Night" as well as many more of his now classic songs.
- Also in October was a brilliant production of "Swan Lake" performed by the Imperial Russian Ballet.
- As "The Frontm3n", Peter Howarth, Mick Wilson and Pete Lincoln are sequentially the lead singers of The Hollies, 10CC & The Sweet, and sang the hits from all three bands. An outstanding concert from three very talented and very professional performers.

A brief glance at the list below indicates that for this half year period there were an excellent variety of shows for the young to the young at heart and in between, plus good use of the theatre from our local community for end of year awards ceremonies, concerts, and Dance School productions:

JULY

Manawatu Scouting Association - Gang Show
Hypnotize Belly Dance: Mid winter Hafila
Abbey Musical Theatre presents: The musical "Les Miserables" (set up and rehearsal)

The Boss: Bruce Springsteen Tribute Show
Urzila Carlson

AUGUST

Abbey Musical Theatre presents: The Musical "Les Miserables" 12 performances.
DanceNZmade. Solo's competition

DanceNZmade. Regional 1 dance competition
Royal NZ Ballet – Bold Moves

SEPTEMBER

DanceNZmade. Regional 2 competition
St Mary's School Annual Concert
Manukorero Maori Speech Competitions
A Taste of Ireland
Stan Walker
Russell St School Annual Concert
DanceNZmade. National competition
Ashhurst School Annual Concert

Roslyn School Annual Concert
Manawatu Sinfonia – Last Night of the Proms
Chinese Students Assoc: Moon Festival
Newbury School Annual Concert
Northern Cluster Schools Performing Arts Festival
DanceNZmade. Duos and Trios competition
DanceNZmade. Wake up and Dance workshops
Turitea School Annual Concert

Ross Intermediate School Annual Concert

Palmerston North Dance Assoc Competitions

OCTOBER

Kris Kristoffersen and the Strangers
PACANZ National Competitions
Footnote Dance Company – The Clearing

Post Modern Jukebox
PN Girls High School Sports Awards
Manawatu Sports awards

NOVEMBER

Dean McKerras School Dance “Come to the Ball “
Awatapu College Academic Awards
Royal NZ Ballet – Hansel and Gretel
Anomaly Dance Studio – Screen Time
The Bee Gees Tribute Show
7 Days Live
Massey University Graduations

PN Girls High School Academic Awards
Imperial Russian Ballet Company – Swan Lake
The Frontm3n
Nanogirl Labs – Bring on the Noise
Sheba Williams Variety Show
Winchester School Prize-Giving
Palmerston North Choral Society – The Messiah

DECEMBER

Maureen Ax School of Dance- Dance Showcase
St Peters College Academic Awards
PN Intermediate Normal School Awards
Ross Intermediate School Awards
Bhutanese Society New Zealand – Cultural Festival

Freyberg High School Academic Awards
Danceworks - Cinderella – Journey Through Time
Whakarongo School Prize-Giving
St Mary's School Prize-Giving

As demonstrated in the above list, the theatre is being well utilised with a good balance of shows and events. We have experienced considerable use from our local hirers with over 90% of all events held in the theatre coming from the local community.

Our local dance schools are an important community user who have presented nine productions so far this period and are responsible for just under 17% of all attendances for this half year.

This reporting year we are pleased to be hosting two major productions from Abbey Musical Theatre. As already mentioned, the theatre hosted “Les Miserables in August 2019 and is also supporting the production of “Sister Act” in April 2020. Both of these productions have been supported and brought to the Regent on Broadway through the assistance of Regent on Broadway Promotions, an entrepreneurial venture of the Regent Theatre Trust which was established to financially support productions that may not, through financial issues, be able to be performed on the Regent stage and subsequently may not be seen by the city's theatre patrons.

Working with our Friends

Contributions made by the Friends of the Regent over the years have provided the theatre with equipment and resources which have supported the theatre by giving excellent service to its hirers. Contributions to the Theatre in this reporting period have once again been significant with a commitment of \$40,000.00 towards the audio system upgrade project. It is also planned to provide an additional \$25,000.00 budgeted for the replacement of the function room chairs. After this year's contributions, the total financial support provided by the Friends will stand at \$905,127.00.

The Friends are very much an integral part of theatre operations, providing skilled ushering and front of house services. Patrons and hirers of the Regent on Broadway are able to enjoy a well-resourced theatre thanks to the generosity of the Friends of the Regent. We are indebted to the Friends for their valuable support.

Co-operation with community events.

The Board's commitment to ensure that the theatre remains accessible to our community hirers continues. This is achieved primarily through the theatre's supportive community pricing rates. Community use remains strong and excellent relations continue with our local hirers and promoters. The standard of events being presented by our community hirers is extremely innovative and professional, largely due to the state-of-the-art equipment the venue is able to provide and the high level of skill, advice and assistance given by Regent theatre staff. The Regent on Broadway Management and Trust Board sees this support as a key investment in the development and the future of the performing arts in our city.

Although it is reported that over 90% of all events held for this half year period are from our community hirers, there has been no attrition of commercial shows or available dates for commercial shows due to community use.

Theatre use and patronage.

Following are statistical trends for this half year reporting period and the last 4 years.

Summary of patronage (monitors number of people coming to the Theatre):

Half year ended 31 December	Total
This half year (31 December 2019)	60,040
Last half year (31 December 2018)	58,361
Prior half year (31 December 2017)	53,999
Three years ago (31 December 2016)	59,670
Four years ago (31 December 2015)	54,919

Summary of live nights (monitors use of the auditorium):

Half year ended 31 December	Total
This half year (31 December 2019)	96
Last half year (31 December 2018)	94
Prior half year (31 December 2017)	89
Three years ago (31 December 2016)	120
Four years ago (31 December 2015)	104

Summary of events (monitors total use of the theatre):

Half year ended 31 December	Total
This half year (31 December 2019)	223
Last half year (31 December 2018)	212
Prior half year (31 December 2017)	195
Three years ago (31 December 2016)	219
Four years ago (31 December 2015)	223

Regent Theatre Trust Board 2019 to 2020 reporting year - Half Year Report**December 2019 Half year report.****Regent on Broadway Auditorium Occupancy Statistics - by total days**

Based upon 308 operational days per year

(Approximately 57 dark days for annual leave, maintenance and the traditional seasonal dark days)

2018 - 2019 Year Statistics**Half Year totals**

Total days auditorium is used			89	Total days auditorium is available			154		
Professional events	19	21.3%	Professional events	19	12.3%	0.81	Events per week	3.51	Events per month
Community events	75	84.3%	Community events	75	48.7%	3.18	Events per week	13.84	Events per month
Remaining days the Auditorium is available				60	39.0%			17.34	Total Events per month

Full Year totals

Total days auditorium is used			158	Total days auditorium is available			308		
Professional events	37	23.4%	Professional events	37	12.0%	0.78	Events per week	3.41	Events per month
Community events	116	73.4%	Community events	116	37.7%	2.46	Events per week	10.69	Events per month
Remaining days the Auditorium is available				155	50.3%			14.10	Total Events per month

2019 - 2020 Year Statistics**Half Year totals - THIS REPORTING YEAR. (From July to Dec 2019)**

Total days auditorium is used			94		Total days auditorium is available			154	
Professional events	14	14.9%	Professional events	14	9.1%	0.59	Events per week	2.58	Events per month
Community events	82	87.2%	Community events	82	53.2%	3.48	Events per week	15.13	Events per month
Remaining days the Auditorium is available				58	37.7%			17.71	Total Events per month

Full Year totals - THIS REPORTING YEAR (From Jan to June 2020)

Total days auditorium is used		153	Total days auditorium is available		308				
Professional events	0	0.0%	Professional events	0	0.0%	0.00	Events per week	0.00	Events per month
Community events	0	0.0%	Community events	0	0.0%	0.00	Events per week	0.00	Events per month
Remaining days the Auditorium is available				308	100.0%			0.00	Total Events per month

Financial Position.

The financial performance for this half year period is positive with an overall surplus before depreciation of \$32,896. A reasonable surplus prior to the end of the calendar year is required so as to cover expenses during the periods of least income, being the months of January, February and the beginning of March. Average monthly expenses to cover basic operational costs over the year are approximately \$35,000 per month and still continue during these low income months which necessitates this financial buffer. The reduced income for January and February is largely due to the traditional festive and holiday season shut down period. There is also a reduction in ticket sales during those months which we believe is largely due to the impact the festive season has on the discretionary household budget, this also being a key reason for the low numbers of professional shows at the theatre during this time.

There is also very little community use during this period due to the year just beginning for local organisations and performing arts groups, and the planning for the academic/business year only just beginning.

Bookings for commercial/professional events in the latter half of the calendar year are positive. Bookings from our local community hirers remain constant. The budget forecast for year end is a surplus for theatre operations of \$10,810 before depreciation.

The following table summarises our financial position for this half year period:

	2019-20 Half year Budget	2019-20 Half year Actual	2018-19 Half year Actual
Income from hire and cost recoveries	319,968	342,353	353,158
Expenses	415,017	427,454	423,530
Surplus (Deficit) before Council grant	(95,049)	(85,101)	(70,372)
Operating Grant from Council	117,094	117,993	115,519
Surplus/(deficit) after Council Grant	\$22,045	\$32,892	\$45,147

The above summary is exclusive of depreciation. Depreciation for this half year period is budgeted at \$40,000

Future resourcing

As has been previously mentioned, it is the vision of the Regent Theatre Trust to maintain the Regent on Broadway as a state of the art facility and keep abreast of new technology. We are proud we have once again achieved this vision with one of the most significant upgrades since the theatre's refurbishment in the late 1990's with the refurbishment of the theatre's sound system. The installation of the new audio system at the revised cost of \$541,846 will provide another dimension to all performances held, especially to our community hirers who have often struggled with the additional costs sometimes needed to source additional audio equipment required to support their productions due to the inadequacies of the current sound system. The new audio system will also make the venue more attractive to our commercial users. This new system will future proof the theatre's front of house audio capability for at least the next 15 years and beyond, and will greatly enhance all performances held. It will also allow for other opportunities to grow the performing arts within our community.

A cost breakdown is as follows:

Cost.

d&b audiotechnik series V line array FOH audio system.	\$509,358.00
Rigging motors and hardware	<u>\$ 32,488.00</u>
	\$541,846.00

Which is financed through funds from:

Community Facilities Fund (Lotto)	\$308,784.00
PNCC Capital Grants Funding	\$154,445.00
Friends of the Regent	\$ 40,000.00
Regent Theatre Trust Maintenance Reserve Fund	<u>\$ 38,617.00</u>
	\$541,846.00

The Regent Theatre Trust, on behalf of the many users of the Regent on Broadway, wish to acknowledge the huge support provided by Lotto New Zealand, Palmerston North City Council and the Friends of the Regent. Without their financial contribution this project would not have been possible.

The vision by the Trust to maintain the theatre as state of the art as well as its magnificence as a world class heritage theatre and building continues. A stage 2 of the audio system upgrade is planned in 2020/21 to replace the theatre's aging audio mixing equipment, cost \$43,600.00. A stage 3 is planned in 2022/23 for the upgrade of the back of stage audio monitoring and fold back systems, budgeted cost \$50,000.00. Foyer carpet replacement to be undertaken 2020/21, budget cost \$80,000.00.

Looking forward.

Forward bookings for the remainder of this reporting year are positive with an excellent range of events being proposed. The Regent Theatre Trust Board and Management continue to invest in future shows through Regent on Broadway Promotions. We are working closely with all New Zealand promoters and theatre companies as well as maintaining good relations with many international promotional companies. The number and quality of shows for the remainder of the year looks to be excellent with variety that will appeal to all sections of our community and audiences.

Regent Theatre Trust Inc Performance outcomes for Key Performance Indicators.

Reporting period 2018/2019: Half year results.

The outcome that the Regent Theatre Trust Board is seeking to achieve:

To develop, promote, enhance and maintain the Regent on Broadway as an active civic amenity for use by the community, community groups and as a world-class 1400 seat heritage auditorium as a venue for live performances, community events, graduations and the performing arts, attracting international, national and local performances.

Performance against strategic priorities for the 2019-20 half year.

Summary of Key Performance Outcomes for 2019/20 Half Year reporting.

1. Support a vibrant creative and exciting city. By programming and presenting the best possible live performances from all over the region, the nation and the world	Key objective for 2019/20	Outcome for this half year reporting period
Work alongside existing arts/community partner organisations to bring to the theatre key productions that would otherwise not be performed at the Regent on Broadway.	At least 1 major music/theatre production and at least 2 smaller national/international events.	Already achieved in this half year period with the production of "Les Misérables" in August, the "Stan Walker" concert in September and the "Post Modern Juke Box" concert in October.
To maintain and nurture relationships with key national cultural icons such as Royal New Zealand Ballet and the New Zealand Symphony Orchestra	That at least 3 season of a major ballet production and at least 1 major classical music concert by a full symphonic orchestra.	Partially achieved with the two Royal New Zealand Ballet productions "Bold Moves" and "Hansel and Gretel". The Manawatu Sinfonia performed "Last Night of the Proms" in September.
To communicate and liaise on a regular basis with national and international commercial event providers and promoters.	Not less than 58% of the auditorium hireage revenue from commercial use	Yet to be achieved: 38.84% of revenue has been received from commercial use.
To develop relationships with national/international promoters and producers on the basis of bringing new shows to the Regent on Broadway.	Total number of live nights not less than 180	On target for year end with 96 live night achieved in this half year period.

	<p>Total audience numbers not less than 98,600</p> <p>Not less than 40 commercial live nights in the auditorium</p> <p>32% of total audience numbers are attending commercial shows</p>	<p>On target for year end with 60,040 patrons attending events in this half year period.</p> <p>Yet to be achieved. (14)</p> <p>Yet to be achieved (16.13%)</p>
<p>2. Support an innovative and growing city</p> <p>Secure the future of New Zealand's most valued historic regional theatre.</p>	<p>Key objective for 2019/20</p>	<p>Outcome for this half year reporting period</p>
<p>To provide a well-resourced and well equipped amenity so as to attract a wide range of performances and events to the city.</p>	<p>Source the funding required to replace the failing theatre sound system.</p> <p>That at least \$40,000 of additional capex funding is obtained</p> <p>Initiate one event that celebrates the theatre's historical significance</p>	<p>Achieved: \$503,229 of funding has been raised for this project</p> <p>As this KPI is more relevant to the full year outcomes it will be reported at year end.</p> <p>As this KPI is more relevant to the full year outcomes it will be reported at year end.</p>
<p>3. Support the development of connected and safe Communities</p> <p>Fostering local sustainable practice within the performing arts sector; aiding the production of excellent theatre and the work of local performers; and through our community engagement activities and local events.</p>	<p>Key objective for 2019/20</p>	<p>Outcome for this half year reporting period</p>
<p>To encourage local primary, intermediate and secondary schools, also theatre educators and theatrical groups to take advantage of the theatre's significant resources as a performance and learning space in respect to all aspects of the performing arts.</p> <p>To recognise the increase in the city's migrant community and to embrace the cultural diversity of this community and also the increase in cultural performances of Maoritanga and Pasifika.</p> <p>Support all events held and be well recognised throughout the region by having an excellent web based profile and up to the moment social media activities, Support and advise hirers with the venue's promotional opportunities and use the venues local advertisers and promotions resource portfolio to assist all events where able.</p> <p>Maintain and operate an entrepreneurial fund to enable financial assistance to be provided where considered appropriate to support major music/theatre productions from local theatre groups which will be performed at the Regent on Broadway.</p>	<p>To assist 10 school or educator programme productions.</p> <p>To assist with 2 iconic community events.</p> <p>10% increase in social media engagement.</p> <p>95% visitor satisfaction rating obtained from the communitrak survey.</p> <p>Investigate/assist with acquiring 2 significant community events.</p>	<p>Yet to be achieved: the theatre has assisted 8 school productions in this half year period.</p> <p>As this KPI is more relevant to the full year outcomes it will be reported at year end.</p> <p>As this KPI is more relevant to the full year outcomes it will be reported at year end.</p> <p>As this KPI is more relevant to the full year outcomes it will be reported at year end.</p> <p>As this KPI is more relevant to the full year outcomes it will be reported at year end.</p>
<p>4. An ECO City</p> <p>Support environmental sustainability.</p>	<p>Key objective for 2019/20</p>	<p>Outcome for this half year reporting period</p>
<p>Develop relationships with contractors and suppliers that have strong environmental sustainability policies.</p> <p>Introduce processes that support good environmental practice.</p> <p>Introduce segregated waste collection so as to recycle and minimise the impact on landfill waste.</p> <p>Introduce the use of reusable/recyclable serving (glassware) containers.</p>	<p>To investigate suppliers of services and products that are able to support the Regent on Broadway's environmental sustainability policy.</p> <p>Work with the venue volunteers and Friends of the Regent so as to achieve support and to put into practice the Regent on Broadway's environmental sustainability policy.</p>	<p>As this KPI is more relevant to the full year outcomes it will be reported at year end.</p>

Regent Theatre Trust								
Financial performance against forecast budget for 2019 - 2020 financial year.								
Report for half year performance to 31st December 2019								
	Forecast Budget for year ending June 2020		Forecast Budget for half year to December 2019		Actual Outcome for half year to December 2019		Actual Outcome for half year to December 2018	
<u>Income: Theatre Operations</u>								
Theatre Operations								
Commissions	4,500		2,455		1,472		1,283	
Advertising recoveries	20,000		10,909		5,039		1,389	
Interest	8,000		4,000		4,511		2,069	
Other room hire	15,000		8,182		8,038		5,575	
Other Recoveries and Hireage	234,000		127,636		131,339		144,236	
Sundry	300		150		0		30	
Theatre hireage	190,000	471,800	103,636	256,968	122,333	272,732	127,207	281,788
EventTicketingCentre		126,000		63,000		69,621		71,370
Operating Grant from PNCC		234,188		117,094		117,993		115,519
Total Income		831,988		437,062		460,346		468,677
<u>Expenditure: Theatre Operations</u>								
Theatre Operations								
Total Audit	21,500		12,160		12,160		12,731	
Total Accounting	11,000		6,673		6,673		10,922	
Total Insurance	10,000		0		0		0	
Total general operating costs	99,500		49,750		42,625		50,322	
Total Recoverables	150,600		82,145		95,106		99,354	
Total marketing	37,500		18,750		35,134		15,099	
Total office expenses	8,200		4,100		2,555		3,485	
Total personnel costs incl FOH Casuals	383,871	722,171	191,935	365,514	185,373	379,626	186,688	378,601
EventTicketingCentre								
Operating Costs	18,800		9,400		9,857		9,660	
Marketing	10,000		5,000		2,242		1,460	
Personnel (salaries)	64,207		32,103		31,787		33,599	
Retail/Admin premises lease and rates	0	93,007	0	46,503	0	43,885	0	44,718
Audience Development								
Personnel	0		0		0		0	
Promotion and Marketing	5,000		2,500		2,333		0	
Website upgrade - Stage 2	1,000		500		1,610		210	
Showroom premises lease and rates	0	6,000	0	3,000	0	3,943	0	210
Total Expenditure		821,178		415,017		427,454		423,530
Operations Surplus (Deficit)		10,810		22,045		32,892		45,147
Depreciation (principally donated assets)		80,000		40,000		40,000		40,000
Surplus (Deficit) after depreciation for Theatre Operations		-69,190		-17,955		-7,108		5,147
<u>Other Income/Expense (Not included in annual budget)</u>								
Donations: Friends of the Regent (Donated Assets)						3,588		11,640
Regent on Broadway Promotions:						10,679		-2,072
TOTAL Surplus (Deficit) Regent Theatre Trust						7,159		14,716

Regent Theatre Trust

Financial performance for 2019 - 2020 financial year.

Financial Position for the half year to 31st December 2019

	Financial position for half year to 31st December 2019 This year	Financial position for half year to 31st December 2018 Previous year
ASSETS		
Current Assets		
Chequing/Savings		
Total Chequing/Savings	729,299.12	403,456.21
Accounts Receivable		
Accounts Receivable	51,048.77	11,495.79
Total Accounts Receivable	51,048.77	11,495.79
Other Current Assets		
Seeding funding for PNOS		38,332.85
Accrued Revenue	6,712.00	
Accounts Receivable - Other	66.1	66.10
Accrued Interest	2,610.13	1,770.59
Prepayments	7,180.15	7,859.30
Total Other Current Assets	16,568.38	48,028.84
Total Current Assets	796,916.27	462,980.84
Fixed Assets		
Fixed Assets		
51 Broadway	154,747.59	153,297.37
Accumulated Depreciation	-1,638,013.08	-1,566,135.35
Assets at cost	972,824.90	972,824.90
CentrePort Bar ventilation	1,443.23	1,443.23
Other	3,923.00	3,923.00
Purchase of Assets		
Friends purchases	244,080.61	239,132.04
Purchase of Assets - Other	321,898.81	312,920.71
Total Purchase of Assets	565,979.42	552,052.75
Reg Rm tech upgrade	1,609.19	1,609.19
Retail Development		
Data Installation	5,774.43	5,774.43
Electrical	2,085.23	2,085.23
Security	56.97	56.97
Retail Development - Other	94,458.98	94,458.98
Total Retail Development	102,375.61	102,375.61
Sale of Fixed Assets	-6,896.40	-6,896.40
Stage Sound upgrade	1,150.31	1,150.31
Understairs storage	2,125.57	2,125.57
Fixed Assets - Other	69,918.86	69,918.86
Total Fixed Assets	231,188.20	287,689.04
Total Fixed Assets	231,188.20	287,689.04
TOTAL ASSETS	1,028,104.47	750,669.88
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts Payable		
Accounts Payable	30,059.02	22,295.09
Total Accounts Payable	30,059.02	22,295.09
Other Current Liabilities		
Audit and Accounting Accrual	16,829.00	17,450.00
GST Tax Payable	10,275.56	14,593.73
Holiday Pay Accrual	42,972.08	29,995.09
Income in Advance	23,199.57	11,400.00
Payable	15,679.59	16,235.45
Ticketek funds	74	
Wages Payable	23,471.38	23,246.76
Total Other Current Liabilities	132,501.18	112,921.03
Total Current Liabilities	162,560.20	135,216.12
TOTAL LIABILITIES	162,560.20	135,216.12
NET ASSETS	865,544.27	615,453.76
EQUITY		
Maintenance Reserve	150,000.00	150,000.00
Piano Fund Equity	46,623.89	46,623.89
Regent on Broadway Promotions	91,405.00	91,405.00
Retained Earnings	301,848.52	312,709.53
Net Income	275,666.86	14,715.34
TOTAL LIABILITIES AND EQUITY	1,028,104.47	750,669.88

MEMORANDUM

TO: Council

MEETING DATE: 29 April 2020

TITLE: Deadline for preparation of cultural CCOs Statements of Intent

PRESENTED BY: Julie Macdonald, Strategy & Policy Manager

APPROVED BY: Sheryl Bryant, General Manager - Strategy & Planning

RECOMMENDATION(S) TO COUNCIL

1. That, pursuant to cl 4, sch 8 of the Local Government Act 2002, the deadline for shareholder comments on the draft Statements of Intent of Globe Theatre Trust Board, Te Manawa Museums Trust, Caccia Birch Trust Board and Regent Theatre Trust be extended by one month to 1 June 2020.
2. That, pursuant to cl 4, sch 8 of the Local Government Act 2002, the deadline for delivery of final Statements of Intent of Globe Theatre Trust Board, Te Manawa Museums Trust, Caccia Birch Trust Board and Regent Theatre Trust be extended by one month to 31 July 2020.

1. ISSUE

To seek an extension of time for two steps in the Statement of Intent (SOI) development process:

Action	Legislative deadline	Proposed new deadline
Council provides comments on the draft SOI	1 May	1 June
CCO delivers the final SOI to Council	30 June	31 July

2. BACKGROUND

Globe Theatre Trust Board, Te Manawa Museums Trust, Caccia Birch Trust Board and Regent Theatre Trust (the cultural CCOs) are in the process of developing their SOIs for the period 1 July 2020 – 30 June 2023. An extension will provide more opportunity to consider the impact of the COVID-19 pandemic on their current operations and aspirations for the future.

PALMERSTON NORTH CITY COUNCIL

The Local Government Act 2002 enables the Council to extend the time for each step in the SOI development process. Clause 4, schedule 8 of the LGA states:

“The shareholders of a council-controlled organisation may, by written notice, extend a deadline specified in clause 1(2), 2, or 3 for a period or periods not exceeding in total 1 calendar month.”

The referenced clauses are the deadlines for the draft SOI, Council comments, and the final SOI.

3. NEXT STEPS

Once Council approves an extension of time, written notice will be provided to the cultural CCOs.

4. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?		Yes
If Yes quote relevant clause(s) from Delegations Manual <Enter text>		
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?		Yes
Are the recommendations inconsistent with any of Council's policies or plans?		No
The recommendations contribute to Goal 5: A Driven and Enabling Council		
The recommendations contribute to the outcomes of the Driven and Enabling Council Strategy		
Contribution to strategic direction and to social, economic, environmental and cultural well-being	The action enables Council to use a legislative power under the Local Government Act 2002 to extend time limits. This contributes to its priority for good governance.	

ATTACHMENTS

Nil

MEMORANDUM

TO: Council

MEETING DATE: 29 April 2020

TITLE: Approval of the Local Governance Statement 2019-2022

PRESENTED BY: Hannah White, Democracy & Governance Manager

APPROVED BY: Sheryl Bryant, General Manager - Strategy & Planning

RECOMMENDATIONS TO COUNCIL

1. That the memorandum titled “Approval of the Local Governance Statement 2019-2022” be received.
2. That the Local Governance Statement 2019-2022 (Appendix 1) be approved.
3. That delegated authority be given to the Chief Executive to amend the Local Governance Statement 2019-2022 to keep it up to date.

1. ISSUE

The Local Government Act 2002 s.40 requires the Territorial Authority to publish a Local Governance Statement within 6 months of the triennial election. To meet this requirement the Chief Executive approved the publication of Palmerston North City’s Local Governance Statement 2019-2022 on the Council’s website on 8 April 2020.

Although not a requirement of the LGA, under Council’s Delegations Manual clause 203(e), Council retains the power to approve the Local Governance Statement. As a consequence of the Covid-19 lockdown, this report seeks retrospective approval from the Council to approve the Local Governance Statement 2019-2022.

2. BACKGROUND

Section 40 of the LGA requires all local authorities to prepare and make publicly available a local governance statement that includes information on:

(1)A local authority must prepare and make publicly available, following the triennial general election of members, a local governance statement that includes information on—

- a) the functions, responsibilities, and activities of the local authority; and

- b) any local legislation that confers powers on the local authority; and
- ba) the bylaws of the local authority, including for each bylaw, its title, a general description of it, when it was made, and, if applicable, the date of its last review under section 158 or 159; and
- c) the electoral system and the opportunity to change it; and
- d) representation arrangements, including the option of establishing Māori wards or constituencies, and the opportunity to change them; and
- e) members' roles and conduct (with specific reference to the applicable statutory requirements and code of conduct); and
- f) governance structures and processes, membership, and delegations; and
- g) meeting processes (with specific reference to the applicable provisions of the Local Government Official Information and Meetings Act 1987 and standing orders); and
- h) consultation policies; and
- i) policies for liaising with, and memoranda or agreements with, Māori; and
- j) the management structure and the relationship between management and elected members; and
- ja) the remuneration and employment policy, if adopted; and
- k) equal employment opportunities policy; and
- l) key approved planning and policy documents and the process for their development and review; and
- m) systems for public access to it and its elected members; and
- n) processes for requests for official information.

(2) A local authority must comply with subsection (1) within 6 months after each triennial general election of members of the local authority.

(3) A local authority must update its governance statement as it considers appropriate.

The attached Local Governance Statement complies with the above requirements as it was published on the Council's website on 8 April 2020. The Local Governance Statement must be prepared and made publicly available within six months after each triennial general election of members of the local authority. For this term of Council, the last date for compliance is 12 April 2020.

3. NEXT STEPS

Pursuant to section 40(3) of the LGA, Council is required to keep its governance statement up to date. Authorisation is therefore sought for the Chief Executive to make amendments to the Local Governance Statement as appropriate, to ensure the publicly available version of the document is as up-to-date as possible, incorporating, for example, any changes in Council policy, structure, personnel, and elected members' contact details.

4. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide? If Yes quote relevant clause(s) from Delegations Manual 203(e)	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 5: A Driven and Enabling Council	
The recommendations contribute to the outcomes of the Driven and Enabling Council Strategy	
The recommendations contribute to the achievement of action/actions in The action is: <Enter text>	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	The Local Governance Statement collates information for the public on how to engage with Council processes.

ATTACHMENTS

1. Local Governance Statement 2019-2022 [↓](#) 



PALMERSTON NORTH CITY COUNCIL

LOCAL GOVERNANCE STATEMENT

2019 - 2022

GUIDE FOR THE COMMUNITY
ON COUNCIL PROCESSES



What is a local Governance Statement?

Palmerston North City Council's Local Governance Statement describes the processes of local government in Palmerston North City. The focus of the Statement is to provide residents with an explanation of the legislative framework of local government in New Zealand and specific information on how your Council makes decisions and how residents can engage with Palmerston North City Council.

The purpose of local government in New Zealand, as set out in section 10 of the Local Government Act 2002, is to:

- Enable democratic local decision-making and action by, and on behalf of, communities; and
- Promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.

To this end, the Local Governance Statement covers:

- The functions, responsibilities and activities of Palmerston North City Council
- Local legislation and bylaws
- Electoral and representation arrangements
- Governance structure and processes, including meetings
- The way elected members make decisions and relate to each other, to the management of the local authority and to local Iwi
- Key policies of Palmerston North City Council, including consultation
- How to contact your Councillors
- Processes for accessing official information

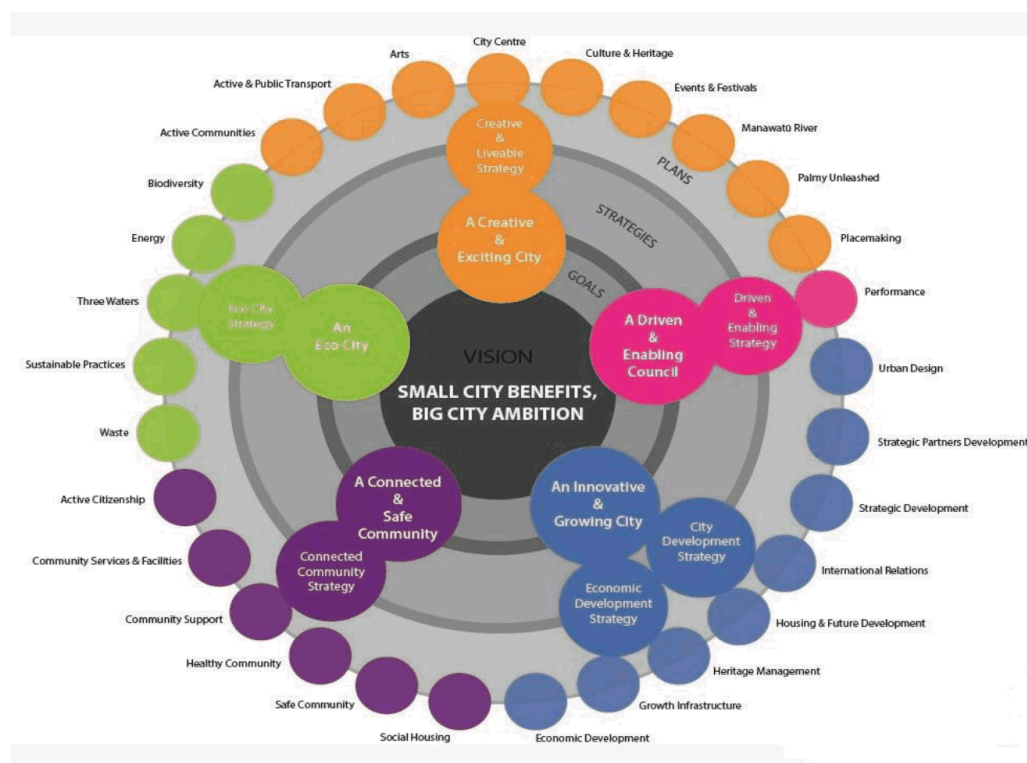
The Council must publish a Local Governance Statement under section 40 of the Local Government Act 2002 within six months of a triennial election. As the statement links to information on our website it will be updated frequently.

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1. FUNCTIONS, RESPONSIBILITIES AND ACTIVITIES

The purpose of Palmerston North City Council is to enable democratic local decision making by and on behalf of the community. Council's vision for Palmerston North is for every resident to be able to enjoy the benefits of living in a small city, with the advantages of a big city He iti rā, he iti Pounamu. Our desire is for Palmerston North to be recognised for its great quality of life while at the same time offering the lifestyle, education and business opportunities available in much larger cities. We have five goals that contribute to our vision: Each of these goals informs our strategies and activity plans. This is depicted below.



To achieve the strategic vision, Palmerston North City Council undertakes the following activities, as found in the Long Term Plan:

- City Development
- Strategic Transport (Roothing)
- Economic Development
- Active Public Space
- Arts, Culture & Heritage
- Active Community
- Active & Public Transport
- Connected Communities
- Safe Communities

- Rubbish and Recycling
- Biodiversity and Sustainable Practices
- Stormwater
- Waste Water
- Water Supply
- Leadership
- Corporate Support
- Commercial and Strategic Investment

2. LOCAL LEGISLATION

Local Legislation

In addition to the legislation that applies to all local authorities, Palmerston North City Council is bound by some local legislation (Acts that apply specifically to it). These Acts enable past actions of the Council, which were not provided for by the legislation governing the Council at that time. (see Appendix One)

Bylaws

Bylaws are rules or regulations made by the Council by virtue of powers contained in legislation. The Local Government Act 2002 provides for a general bylaw making power used by the Council. More specific bylaw making powers are also found in certain other legislation; for example the Health Act 1956 and the Dog Control Act 1996.

The Local Government Act 2002 sets out the responsibilities of councils in making and retaining bylaws. Councils must consider a range of options available to solve an identified problem before deciding if a bylaw is the most appropriate method of addressing the problem. If Council decides that a bylaw is appropriate, then a bylaw is drafted and made available for consultation with the public, particularly those most affected by the proposed bylaw.

Once passed, bylaws can only be retained if they are reviewed periodically. Failure to do so will result in bylaws ceasing to have effect after a further two years. Bylaws made after 1 July 2003 must be reviewed within five years of the date they were made. After the first review all bylaws must be reviewed every ten years.

The bylaws in force for Palmerston North City as at December 2019 are listed below with the date by which the next review must be completed¹. All bylaws are available on the Council's website www.pncc.govt.nz and a copy is available for inspection at the Council's Customer Service Centre.

Alcohol Control Bylaw 2015

Purpose: reducing the potential for public nuisance and offensive behaviour by people drinking and becoming intoxicated in a public place.

Last reviewed/adopted: 24 August 2015

Review due date: 24 August 2025

¹ A bylaw which is not reviewed by this date is automatically revoked two years after the date the review should have been completed, unless it is replaced earlier by a new bylaw.

Animals and Bees Bylaw 2018

Purpose: to specify the requirements for the keeping of animals in the Palmerston North district and to protect the public from general nuisances related to the keeping of animals.

Last reviewed/adopted: 30 April 2018

Review due date: 30 April 2023

Cemeteries and Crematorium Bylaw 2018

Purpose: to regulate cemetery and crematorium activities.

Last reviewed/adopted: 27 November 2017

Review due date: 27 November 2027

Dog Control Bylaw 2018

Purpose: to give effect to the Palmerston North Dog Control Policy 2018 by specifying requirements for the keeping of dogs.

Last reviewed/adopted: 13 August 2018

Review due date: 13 August 2023

Signs and Use of Public Places Bylaw 2015

Purpose: to regulate the use of footpaths and other public places, including the display of signs.

Last reviewed/adopted: 25 August 2014

Review due date: 25 August 2024

Speed Limits Bylaw 2013

Purpose: to set speed limits in areas within the Palmerston North City Council jurisdiction.

Last reviewed/adopted: 25 September 2013

Review due date: 25 September 2018

Stormwater Drainage Bylaw 2015

Purpose: to manage the stormwater system to promote a sustainable urban drainage system, safeguarding public health, property, and the environment.

Last reviewed/adopted: 29 May 2015

Review due date: 29 May 2020

Trade Waste Bylaw 2015

Purpose: to regulate the discharge of trade waste to the sewerage system and discharges to the stormwater system.

Last reviewed/adopted: 29 May 2015

Review due date: 29 May 2020

Traffic and Parking Bylaw 2018

Purpose: to regulate parking and traffic safety matters.

Last reviewed/adopted: 28 May 2018

Review due date: 28 May 2028

Waste Management and Minimisation Bylaw 2016

Purpose: to protect, promote and maintain public health and safety by regulating the collection and disposal of waste.

Last reviewed/adopted: 26 September 2016

Review due date: 26 September 2021

Wastewater Bylaw 2019

Purpose: to ensure that wastewater is removed from both domestic and trade premises in an efficient manner that safeguards public health.

Last reviewed/adopted: 5 November 2018

Review due date: 5 November 2028

Water Supply Bylaw 2015

Purpose: to provide for the management of the supply of water to customers of Palmerston North City Council.

Last reviewed/adopted: 29 May 2015

Review due date: 29 May 2020

3. ELECTORAL SYSTEMS AND THE OPPORTUNITY TO CHANGE IT

Palmerston North City Council currently operates its elections under the Single Transferable Voting (STV) Electoral System. This system is also used in district health board elections. Electors rank candidates in order of preference. The number of votes required for a candidate to be elected (called the quota) depends on the number of positions to be filled and the number of valid votes. The necessary number of candidates to fill all vacancies is achieved first by the counting of first preferences then by a transfer of a proportion of votes received by any candidate where the number of votes for that candidate is in excess of the quota, and then by the exclusion of the lowest polling candidates and the transfer of these votes in accordance with voters' next preferences.

The other option permitted under the Local Electoral Act 2001 is the First Past the Post (FPP) Electoral System.

Under the Local Electoral Act 2001 the Council can resolve to change the electoral system to be used at the following elections or conduct a binding poll on the question, alternatively, electors can demand a binding poll. A poll can be initiated by a signed petition of at least 5 per cent of electors demanding that a poll be held. Results are binding for the two subsequent elections.

Before 2013, Palmerston North City Council used the FPP electoral system. In 2011, after consulting with the public, Council resolved to change the electoral system to STV. This decision was not challenged by a public poll, which meant the electoral system was changed to STV for the 2013 election. All Council elections since 2013 have been held using STV.

Council resolved in 2018 to retain the STV electoral system, this resolution was not challenged by a poll and so under the Local Electoral Act 2001 the electoral system cannot change for the subsequent two elections. Council will have the option of reviewing the electoral system again in 2023 for the 2025 election.

(Local Electoral Act 2001; Local Electoral Regulations 2001; LGA 2002)

4. REPRESENTATION ARRANGEMENTS

Present Arrangements

The Council currently comprises of a Mayor and fifteen Councillors. Both the Mayor and Councillors are elected on a city-wide vote. There are no community boards in Palmerston North.

The Council's current arrangements were agreed by the Local Government Commission after a representation review in 2018. Before 2018, Councillors were elected on a ward-based system. The Council will review its representation arrangements in late 2024.

Review of Representation Arrangements

The Council is required to review its representation arrangements at least once every six years. This review must include the following:

- The number of elected members (within the legal requirement to have a minimum of six and a maximum of 30 members, including the Mayor).
- Whether the elected members (other than the Mayor) shall be elected by the entire City, or whether the City will be divided into wards for electoral purposes, or whether there will be a mix of 'city-wide' and 'ward' representation.
- If election by wards is preferred, then the boundaries and names of those wards and the number of members that will represent each ward.
- Whether to have community boards and if so, how many, their boundaries and membership and whether to subdivide a community for electoral purposes.

The Council must follow the procedure set out in the Local Electoral Act 2001 when conducting this review and should also follow guidelines published by the Local Government Commission. The Act gives the public the right to make a written submission to the Council and to be heard if desired.

Members of the public have the right to appeal any decisions made to the Local Government Commission, which will make a binding decision on the appeal. Further details on the matters that the Council must consider in reviewing its membership and basis of election can be found in the Local Electoral Act 2001.

Maori Wards

The Local Electoral Act 2001 gives the Council the ability to establish separate wards for Māori electors. The Council may resolve to create a separate Māori ward or wards or conduct a poll on the matter, or the community may demand a poll.

Following public consultation in October 2017, Palmerston North City Council voted to establish a Māori ward(s) for the 2019 election. On 21 February 2018, Council received a valid public petition calling for a poll to determine whether the Council should establish one or more Māori wards. The poll was held by postal vote, with voting closing on 19 May 2018. 68.76% voted against establishing a Māori ward or wards. As the poll result is binding for the following two Council triennium elections, the Council is unable to re-consider establishing a Māori ward or wards until after the triennial council election in 2022.

The Re-organisation Process

A re-organisation application is separate to a representation review which as described above looks at governance arrangements within the Council.

Schedule 3 of the Local Government Act 2002 sets out procedures which must be followed for local government re-organisation proposals to do any or all of the following:

- amalgamate districts or regions
- create a new district or region
- dissolve a district or region
- make changes to the boundaries of a district or region
- transfer a particular function or functions to another council
- create a unitary authority.

The process begins with an application to the Chief Executive of the Local Government Commission from any person, body or group including one or more affected local authorities or the Minister of Local Government. If the application is from a group of electors, it must include evidence of support for the proposal from at least 10% of electors in the affected area. Any proposals for reorganisation are listed on the Local Government Commission website.

Once the Local Government Commission has completed its process of consultation and issued a final proposal, a poll of electors on the re-organisation plan must be held in the affected area if the re-organisation plan relates to one of the following:

- the union of districts or regions
- the creation of a new district or region including a new local authority for that district or region
- the abolition of a district or region including the local authority for that district or region
- the assumption by a territorial authority of the powers of a regional council as a unitary authority
- the transfer from one local authority to another of:
 - responsibilities in relation to water services or transport services
 - responsibilities, duties and powers under the Resource Management Act 1991

A poll of electors will not be held on re-organisation plans solely involving boundary alterations; the establishment of joint committees or the establishment, abolition or alterations to local board areas and local boards.

Further information on these requirements can be found in the Local Government Act 2002. The Local Government Commission has also prepared guidelines on procedures for local government reorganisation.

(Local Electoral Act 2001; Local Electoral Regulations 2001; LGA 2002 amendment act 2019)

5. MEMBERS' ROLES AND CONDUCT

The Mayor

Following enactment of the Local Government Act 2002 Amendment Act 2012, the Mayor has been granted certain powers and assigned certain duties in relation to the Council and the City.

The Mayor is to provide leadership to the members of the Council and the people of the City. It is the role of the Mayor to lead the development of the Council's plans (including long term plan and annual plan), policies, and budgets for consideration by the members of the Council.

The Mayor has the power to appoint the Deputy Mayor, establish committees of the Council and appoint the chairperson of each committee.

The Mayor is responsible for the following roles:

- Ensuring the orderly conduct of business during meetings (as determined in Standing Orders).
- Advocating on behalf of the community. This role may involve promoting the community and representing its interests. Such advocacy will be most effective where it is carried out with the knowledge and support of the Council.
- Ceremonial head of the Council.
- Providing leadership and feedback to other elected members on teamwork and chairing committees.
- Declaring a state of civil defence emergency in the City if the need arises.

Deputy Mayor

The Deputy Mayor is appointed by the Mayor. The Deputy Mayor exercises the same roles as other elected members. However, if the Mayor is absent or incapacitated, or if the office of the Mayor is vacant, then the Deputy Mayor must perform all mayoral responsibilities and duties; and may exercise the powers of the Mayor (as summarised above). The Deputy Mayor may be removed from office by a resolution of the Council.

Committee Chair

A Committee chair is appointed by the Mayor unless the Mayor declines to exercise this power, in which case it defaults to the Council. They are responsible for presiding over meetings of the committee and ensuring that the committee acts within the powers delegated by the Council. A committee chair may be removed from office by resolution of the Council.

All Councillors

The Mayor and Councillors have the following roles:

- Setting the policy direction of the Council.
- Monitoring the performance of the Council.
- Prudent management of council resources.
- Representing the interests of the district (on election all members must make a declaration that they will perform their duties faithfully and impartially, and according to their best skill and judgment in the best interests of the City).
- Employing the Chief Executive (under the Local Government Act the local authority employs the Chief Executive, who in turn employs all other staff on its behalf).

Elected members have specific obligations as to their conduct in the following legislation:

- Schedule 7 of the Local Government Act 2002, which includes obligations to act as a good employer in respect of the Chief Executive, and to abide by the current Code of Conduct and Standing Orders.
- The Local Authorities (Members' Interests) Act 1968 which regulates the conduct of elected members in situations where there is, or could be, a conflict of interest between their duties as an elected member and their financial interests (either direct or indirect).
- The Secret Commissions Act 1910, which prohibits elected members from accepting gifts or rewards that could be seen to sway them to perform their duties in a particular way.
- The Crimes Act 1961 regarding the acceptance of gifts for acting in a certain way and the use of official information for private profit.

All elected members are required to adhere to the [Code of Conduct](#). The code sets out the Council's understanding and expectations of how the Mayor and Councillors will relate to one another, to staff, to the media and to the general public in the course of their duties. It also covers disclosure of information that is received by or is in possession of elected members, and contains details of the sanctions that the Council may impose if a Councillor breaches the code.

6. GOVERNANCE STRUCTURES, DELEGATIONS AND COUNCIL RELATED ORGANISATIONS

Governance Structures

Council

The Council comprises the Mayor and 15 Councillors. The Council is elected every three years. The Council retains the sole power to perform a number of functions and is responsible for approving all Council plans, policies and strategies.

Standing Committees

The Council reviewed the structure of its committees following the 2019 election. It is the responsibility of the Mayor (as required by section 41A of the Local Government Act 2002) to lead this process but the Council retains the power to revisit the structure. Committees scrutinise the progress of Council projects and strategies and make recommendations to Council on new policies. The committee structure is reviewed every three years after each election.

All Council and committees meetings are on Wednesdays at 9am in the [Council Chambers](#). An annual calendar of meetings is produced each year and up-to-date information can be found on the Council's [website](#). All Council and committee meetings for the forthcoming month are published in the local newspaper.

The [terms of reference](#) of the Council and committees can be found on our website and is attached as Appendix Two.

Iwi Representatives on Council Committees

In 2019, Council agreed to appoint iwi representation onto four committees: Economic Development, Environmental Sustainability, Community Development and the Rangitāne o Manawatū Committee. These appointed members have full voting and participation rights.

Public Participation at Committee meetings

There are several ways members of the public can speak at committee meetings:

- The **Public Comment** section enables members of the public to speak for up to three minutes each at committee meetings; on any topic listed on the agenda, or if time permits, on other matters related to that committee. Each committee has set aside up to 30 minutes for public comment and for Members' questions of the speaker. To take up this opportunity, please advise the Chair or Committee Administrator either before the meeting or at the start of the public comment period.
- Arrange a **deputation**
This is a formal mechanism through which members of the public can speak to Council or committees on a particular matter of concern. Up to two people may speak for five minutes each. The deputation can be about anything and does not need to be linked to an item on the agenda.

To request a deputation please contact the Democracy & Governance Manager democraticservices@pncc.govt.nz

- Present a **petition**

If you have organised a petition and wish to present it to Council, please send it in to:

Democracy & Governance Manager
Palmerston North City Council
Private Bag 11-034
Palmerston North

Petitions should not exceed 500 words, and any petition with disrespectful content may be rejected. You will be given an opportunity to present your petition in person.

For further information on how to participate at Council please contact the Democracy and Governance Manager democraticservices@pncc.govt.nz

Delegations

The Council believes that it is essential, in the interests of good management and effective administration, to encourage the delegation of decision making to the lowest competent level. To achieve the best use of the abilities of elected members and officers, minimises the cost of material, technical and financial resources, promotes the development of effective managers and minimises bureaucratic interference in the daily affairs of the City's residents.

The Council's [Delegations Manual](#) contains the Council powers that have been delegated to Council committees and officers. The Council reviews its Delegations Manual regularly.

Council Controlled Organisations

In order to achieve its objectives for Palmerston North, the Council has established several Council-controlled organisations (CCOs).

CCOs are organisations in which Palmerston North City Council controls 50% or more of the voting rights or has the right to appoint 50% or more of the directors or members. They have a legal obligation to regularly report to Council and must prepare and adopt a statement of intent which is agreed by Council. Council (as shareholder) may also ask CCOs to develop long term, thematic and asset management plans.

These organisations were set up to independently manage Council facilities, or to deliver significant services and undertake significant developments on behalf of the residents of Palmerston North. Where necessary, the Council funds the organisations.

Organisation	What it does/Why it exists
Central Economic Development Agency (CEDA) (50/50 shareholding with Manawātū District Council)	To: <ul style="list-style-type: none"> • Drive and facilitate the creation and growth of economic wealth for Manawātū and beyond. • Attract, retain and develop talent in the region. • Attract, retain and develop business and investment in the region. • Profile the region to attract people, business and investment. • Lead inclusive and sustainable economic development for the Region.
Globe Theatre Trust Board	To: <ul style="list-style-type: none"> • Ensure the theatre remains available as a community theatre and, particularly, as the home of Manawātū Theatre Society Incorporated. • Increase the number of art performances and activities at the Globe. • Support the local performing arts community to showcase their diverse talents at the Globe. • Maintain and develop facilities that enable communities to produce and enjoy the very best performing arts that can be offered.
Regent Theatre Trust Board	To: <ul style="list-style-type: none"> • Maintain the Regent Theatre so that it may be utilised and enjoyed by the inhabitants of the Manawātū area. • Programme and present the best live performances from all over the region, the nation and the world. • Secure the future of New Zealand's most valued historic regional venue. • Foster local sustainable practice within the performing arts sector.
Te Manawa Museums Trust Board	To: <ul style="list-style-type: none"> • Provide educational and enjoyment opportunities through exhibiting material evidence of people and their environment. • Maintain collections and keep them relevant to the people of the Manawātū and New Zealand. • Recognise and act in accordance with the principles of the Treaty of Waitangi and to involve and give special attention to the history of the Tangata Whenua in the Region. • Ensure that the facility functions as an education resource and community asset for the citizens of Palmerston North and the Manawātū Region.

Council Controlled Trading Organisations

The Palmerston North Airport Limited is a council controlled trading organisation, this means it operates as a business for the purpose of making a profit:

Organisation	What it does/Why it exists
Palmerston North Airport Limited	To operate an airport located in Palmerston North for commercial aviation users providing both scheduled and chartered passenger services and airfreight services.

Exempted Council Controlled Organisations

Council has approved to exempt the following organisations from the obligations of council-controlled organisations. They are exempted for 3 yearly periods upon resolution from Council:

Organisation	What it does/Why it exists
Caccia Birch Trust Board (exempted Aug 2017- Aug 2020)	To: <ul style="list-style-type: none"> • Maintain and protect the category 1 listed heritage property and grounds for future generations. • Provide a high-class venue for functions and events. • Maintain an archive to teach the public about the heritage value of Caccia Birch.
Manawatū Wanganui Disaster Relief Fund Trust (exempted Aug 2018- Aug 2021)	To: <ul style="list-style-type: none"> • Provide financial and any other assistance to meet the needs of people who have suffered any damage or loss following a significant natural or man-made disaster in the Manawatū-Wanganui Region or elsewhere in New Zealand. • Seek public donations and raise funds
Palmerston North Performing Arts Trust (exempted June 2019- June 2022)	To: <ul style="list-style-type: none"> • Provide educational opportunities for the development of talented emerging performing artists in the Palmerston North region. • Run two funding schemes annually.

Further information on any of the above organisations can be obtained from the Council's [website](#).

7. MEETING PROCESSES

The legal requirements for Council meetings are set down in the Local Government Act 2002 (LGA) and the Local Government Official Information and Meetings Act 1987 (LGOIMA).

All Council and committee meetings are open to the public unless there is reason to consider some items with the public excluded. Although meetings are open to the public, members of the public do not generally have speaking rights. Council and its committees have set aside a part of their meeting for the public to comment on items listed on the agenda paper and with prior approval to the Chief Executive, members of the public can give a 10-minute deputation to Council and committees.

LGOIMA contains a list of the circumstances where councils may consider items with the public excluded. These circumstances generally relate to protection of personal privacy, professionally privileged or commercially sensitive information, and the maintenance of public health, safety and order. The council agenda is a public document, although parts may be withheld if the above circumstances apply.

The Mayor or committee chair is responsible for maintaining order at meetings and may, at his or her discretion, order the removal of any member of the public for disorderly conduct, or remove any member of the Council who does not comply with Standing Orders.

Minutes of meetings must be kept as evidence of the proceedings of the meeting. These must be made publicly available, subject to the provisions of the LGOIMA.

For an ordinary meeting, of the Council at least 14 days' notice of the time and place of the meeting must be given. Extraordinary meetings generally can be called on three working days' notice.

During meetings the Mayor and Councillors must follow [Standing Orders](#) (a set of procedures for conducting meetings). The Council may suspend Standing Orders by a vote of 75% of the members present.

8. CONSULTATION POLICIES

Community engagement is important to enable participation in decision making and for Council to understand the views and preferences of people who are likely to be affected by or interested in an issue, proposal or decision.

The Council's [Significance and Engagement Policy](#) describes the principles Council will use to determine how to engage with the community during the Council's decision-making processes.

The Policy sets out the Council's approach to significance. The Local Government Act requires Council to take into consideration the significance of a decision when designing a community engagement process. The Act defines significance in terms of:

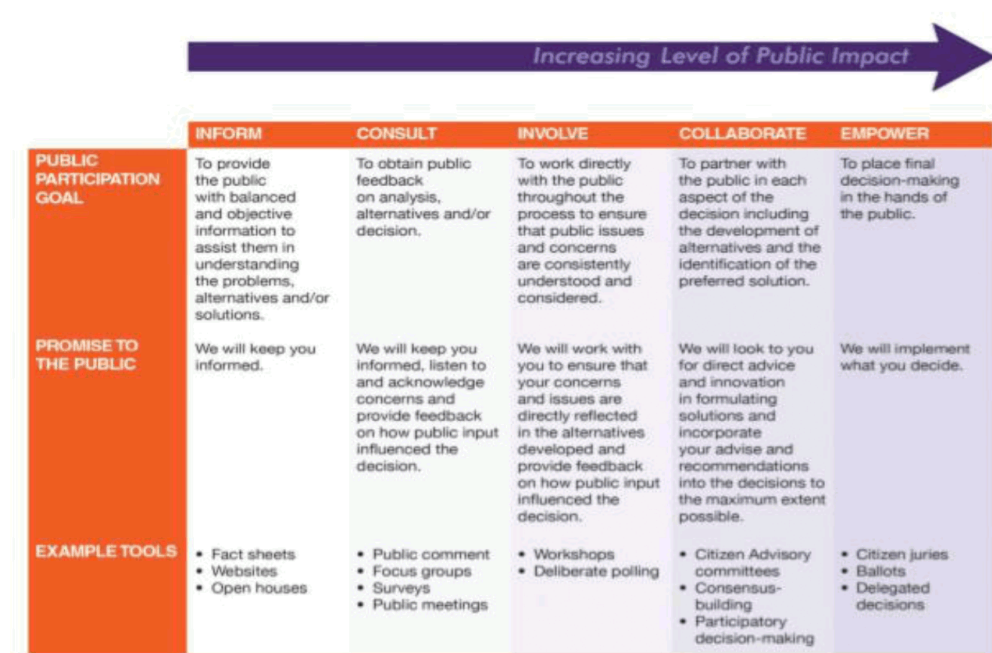
- a) the current and future social, economic, environmental, or cultural well-being of the district or region;
- b) any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter;
- c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.

Hence Council defines Significance as an assessment of how important a decision is in terms of its impact on:

- achieving the Council's Long Term Plan;
- its impact on those persons who are particularly affected by or interested in the decision; and
- its impact on Council resources and capacity to perform its role.

In general, the higher the impact a decision has on these three criteria, the more significant a decision is. The level of significance a decision has will determine the level of community engagement. However, the Council will ensure that its community engagement is always appropriate to the significance of the decision.

The Council uses the following model to guide its engagement level:



The IAP2 model is at <http://www.iap2.org.au/documents/item/84>

The nature of Community engagement will differ depending on the issue. In some cases the Council will use engagement techniques from a mix of levels and it may use different levels at different points of the engagement. Council's approach is to select appropriate techniques based on the issue it is engaging on and the communities it is engaging with, within appropriate levels of resource.

Council documents that are currently out for consultation and information about making a submission are listed on the [Have your Say](#) page on the Council website.

Council also has an [Active Citizenship Plan](#) that shows how it will engage residents and organisations in its decision making and elections.

9. ENGAGEMENT WITH IWI AND MĀORI

Palmerston North City Council engages with Māori formally and informally in its day to day operations and has many commitments at a strategic level which support the development of Māori capacity to participate more fully and effectively in the Council's decision-making processes.

Staff Resources

Underpinning Council's commitment to the effective engagement of Māori in decision-making is the Māori Advisory Team, who work closely with our mana whenua partners Rangitāne o Manawatū to build relationships and identify how Council can more effectively engage and respond to iwi and wider Māori interests.

The Advisers provide advice and support to staff to ensure broader Māori community perspectives are reflected across the organisation in everything we do. This includes helping staff navigate through iwi and Māori relationships, and building confidence around working in tikanga and te reo Māori environments.

Management of Reserves

In 2019, Palmerston North City Council signed the Kawenata Te Motu o Poutoa Agreement with local iwi, Rangitāne o Manawātū. This agreement builds on the strong relationships Council has with Rangitāne to work together to develop the reserve Te Motu o Poutoa (Anzac Park).

The Rangitāne o Manawātū committee has been formed to administer Te Motu o Poutoa under the Reserves Act 1977 and to recommend other Council reserves which are wāhi tūpuna to Rangitāne that will come under the Kawenata arrangement.

Engagement with Rangitāne o Manawātū

The Council engages directly with Rangitāne o Manawātū as a part of its statutory responsibilities and as a means of giving expression to the Council's commitment to bicultural development and responsiveness. Rangitāne also provide a significant cultural leadership role for the City. There is active engagement with Rangitāne in relation to a wide range of issues including matters related to resource management, environmental health, cultural heritage, Māori social and economic development and issues related to indigenous custom or tikanga. Rangitāne also have a key role in promoting and supporting major events in the City, including cultural leadership on many significant occasions.

The Council has an active working relationship with Rangitāne and continues to be committed to improving the organisation's responsiveness to the priorities and aspirations of the local iwi. The recent partnership arrangements negotiated between the Council and Rangitāne acknowledge an accelerated pathway for Rangitāne development and greater participation in local decision-making, including formal representation on four standing committees. The Council is working collaboratively with iwi representatives to ensure every opportunity for Rangitāne to maximise the potential of their key role in City and regional development for the benefit of their own people and the wider Manawātū community.

Palmerston North City Council has a Funding Partnership Agreement with Rangitāne. The Funding Agreement sets out the relationship between Council and Rangitāne, specifying areas of operations where partnership is critical to successful delivery and delineating how the contributions of Rangitāne will be recognised.

Wider Māori community

Engagement, including formal consultation, is a strategic priority, undertaken as a matter of course in the following key, but not exclusive areas: long-term plan, district plan, annual plan, roading, heritage, walkways, and reserves. Consultations use a range of approaches including focusing on community organisations who work closely with Māori, marae, Māori health providers and community groups. This engagement uses a range of approaches including targeted communication and use of te reo Māori, sometimes face-to-face with key staff alongside community development staff or Māori responsiveness staff.

10. EQUAL EMPLOYMENT OPPORTUNITIES

Palmerston North City Council is committed to equal employment opportunity for all employees and regards the elimination of discrimination, the implementation of the Treaty of Waitangi, and the

provision of equal opportunities as essential components in its relationships with its employees. In all employment matters the Council will uphold the requirements of the Human Rights Act 1993 and Employment Relations Act 2000.

11. APPROVED PLANNING AND POLICY DOCUMENTS

A summary of Council's key strategies are listed below. More details on the Council's [policies](#) and plans are available on the council website.

Long Term Plan (LTP)

The LTP is the Council's 10-year plan which outlines what the Council intends to do to help contribute to the community's desired social, economic, leisure and environmental outcomes.

It identifies:

- The Council's Vision and Goals
- What services the Council intends to provide to work towards the Vision and Goals.
- What these services are expected to cost.
- How they will be funded.
- How Council's success will be judged.

The Council has to prepare a LTP every three years. This includes a proposed LTP for public consultation (in about March of the year in which it is adopted).

The current [LTP 2018-2028](#) was adopted in June 2018. It sets out the Council's Vision and Goals and how we plan to achieve them.

Vision: Palmerston North: Small city benefits, big city ambition. He iti rā, he iti Pounamu.

City Goals:

1. An innovative and growing city
2. A creative and exciting city
3. A connected and safe community
4. An eco-city
5. A driven and enabling city

Strategies

Palmerston North City Council has adopted five strategies to help achieve its vision and goals. The first four strategies are community focussed and reflect how the Council wants to improve Palmerston North city. The fifth one – A driven and enabling city focuses on how the Council can transform its own processes to become more efficient and enabling.

The strategies are:

City Development Strategy 2018

To drive entrepreneurship and innovation by providing the support, infrastructure, opportunities and conditions to enable traditional sectors to diversify and expand, and new industries and new economies to grow to create the employment opportunities that sustain and expand our city's future.

To achieve: Goal 1: An innovative and growing city.

Economic Development Strategy 2018

To drive entrepreneurship and innovation by providing the support, infrastructure, opportunities and conditions to enable traditional sectors to diversify and expand, and new industries and new economies to grow to create the employment opportunities that sustain and expand our city's future.

To achieve: Goal 1: An innovative and growing city.

Creative and Liveable Strategy 2018

To build Palmerston North's reputation as a creative and exciting place to live, work and study, that has great places for people, and the attractions, recreation options and experiences of a big city without the hassle and cost.

To achieve: Goal 2: A creative and exciting city.

Connected Community Strategy 2018

To make it easy for Palmerston North citizens to connect with each other and to the services, infrastructure, facilities, drinking water quality and opportunities that support individual development, health, prosperity and wellbeing, for the greater good of our community.

To achieve: Goal 3: A connected and safe community.

Eco-City Strategy 2018

Palmerston North will have a sustainable future and a reduced ecological footprint through effective planning of infrastructure and the protection, maintenance and enhancement of our natural and built environment. We are working towards our city becoming a low carbon economy.

To achieve: Goal 4: An eco-city.

Driven and Enabling Council

A series of strategies that outline how Palmerston North City Council will make its services more efficient through the use of digital transformation, strengthen partnerships and become more customer focussed.

To achieve Goal 5: A driven and enabling Council

More information on the [strategies](#) is available on the council website

Annual Report

The Council produces an Annual Report that shows how well the Council performed against what it said it would do in the Long-Term Plan or Annual Budget. The Annual Report is adopted by Council 4 months after the end of the financial year.

Palmerston North City Council adopted the [Annual Report 2018-19](#) on 23 September 2019.

Annual Budget²

The Council produces an Annual Budget which sets out what it plans to do in the current financial year and shows how this will impact rates and Council's debt. Every three years the Annual Budget forms part of the 10 Year Plan.

² Palmerston North City Council's Annual Budget is the Annual Plan under s95 Local Government Act 2002

Palmerston North City Council adopted the [Annual Budget 2019-20](#) on 24 June 2019.

Funding and Financial Strategies and Policies

The Council is required to adopt a number of funding and financial strategies and policies. These include the following:

- [Treasury Policy](#) – outlines the framework within which the Council will prudently plan and manage its borrowings and investments.
- [Development Contributions Policy](#) – outlines the nature and level of charges the Council will charge developers to fund infrastructure required due to growth. Charges in the Developments Contributions Policy are updated annually.

The following form part of the Long Term Plan and are reviewed three yearly in conjunction with it:

- **Financial Strategy** – provides a framework which guides the Council to make decisions in a financially responsible and transparent way, and is used in the formulation of the budgets for the 10 Year Plan.
- **Infrastructure Strategy** – identifies the keys issues, options and implications of them over a period of at least 30 years for the Council's core activities of Roading and Footpaths, Stormwater Drainage, Wastewater Collection and Treatment and Water Supply.
- **Rating Policies** – outline Council's rating objectives and the key elements of the rating system together with policies on the remission or postponement of rates in certain circumstances.
- **Revenue and Financing Policy** – sets out how the Council will fund its services.

District Plan

The [District Plan](#) is a statutory requirement under Section 73 of the Resource Management Act. Its purpose is to control the effects of the use, development and protection of land within the context of promoting sustainable management. It is a living document that is regularly reviewed and updated.

The full District Plan is reviewed every ten years, the last full review was completed in 2019. The plan can be reviewed in sections and the Council will make incremental changes as required.

Asset Management Plans

Asset Management Plans provide a framework for the efficient stewardship of Council's infrastructural assets.

They show how the Council will meet current and future levels of service required by the community through the creation, operation, maintenance, renewal, and disposal of infrastructural assets in the most cost-effective way.

The Council has [Asset Management Plans](#) for:

- Recreation and Community Facilities
- Stormwater
- Wastewater
- Water Supply
- Rubbish and Recycling
- Roading and Parking
- Property

The Plans are constantly refined and are reviewed every three years as part of the LTP review.

12. MANAGEMENT STRUCTURES AND RELATIONSHIPS

The Chief Executive is appointed by the Council in accordance with section 42 and clauses 33 and 34 of Schedule 7 of the Local Government Act 2002. The Chief Executive implements and manages the Council's policies and objectives within the budgetary constraints established by the Council. Under section 42 of the Local Government Act 2002 the responsibilities of the Chief Executive are:

- Implementing the decisions of the Council.
- Providing advice to the Council.
- Ensuring that all responsibilities, duties and powers delegated to the Chief Executive or to any person employed by the Chief Executive, or imposed or conferred by any Act, regulation or bylaw are properly performed or exercised.
- Managing the activities of the Council effectively and efficiently.
- Maintaining systems to enable effective planning and accurate reporting of the financial and service performance of the Council.
- Providing leadership for the staff of the Council.
- Employing staff (including negotiation of the terms of employment for the staff).

The Chief Executive is responsible for employing other staff on behalf of the Council and is the only person who may lawfully give instructions to a staff member. Any complaint about individual staff members should therefore be directed to the Chief Executive, rather than the Mayor or Councillors.

Council operations are managed by the Chief Executive and the Executive Leadership Team which consists of the Chief Executive, Personal Assistant, Executive Officer and the Managers of each of the Council's units.

The Executive Leadership Team consist of:

Chief Executive: Heather Shotter
Personal Assistant to Chief Executive: Dominica Pikimaui
Executive Officer: Sandra King
Chief Customer Officer: Chris Dyhrberg
Chief Financial Officer: Stuart McKinnon
Chief Infrastructure Officer: Tom Williams
Chief People Officer (Acting): Gina Cole
General Manager Marketing and Communication: Sacha Haskell
General Manager Strategy and Planning: Sheryl Bryant

The Units of Council as of March 2020 are:

Headquarters
 Office of the Chief Executive
 Heather Shotter, Chief Executive
 Contacted 06 356 8199 email: heather.shotter@pncc.govt.nz

Dominica Pikimaui, Personal Assistant to Chief Executive
 Contact 06 356 8199 email: dominica.pikimaui@pncc.govt.nz

Sandra King, Executive Officer
Contacted 06 356 8199 email: sandra.king@pncc.govt.nz

Responsibilities: Co-ordinating cross organisation initiatives, Managing special projects, Policy advice to Chief Executive in respect of cross organisation matters, Research/briefing notes for Chief Executive, Expert advice to Chief Executive and Executive Leadership Team

Customer

Managed by: Chris Dyhrberg, Chief Customer Officer
Contact 06 351 4537 email: chris.dyhrberg@pncc.govt.nz

Responsibilities: Business Support, Building Services, Planning Services, Environmental Protection Services, Contact Centre Services, Library Services, Community Development, Housing Tenancy, Wildbase Recovery Centre, Risk & Resilience

Finance

Managed by: Stuart McKinnon, Chief Financial Officer
Contact 06 356 8199 email: stuart.mckinnon@pncc.govt.nz

Responsibilities: Finance, Commercial Advisory, Procurement, Financial Strategy, Treasury

Infrastructure

Managed by Tom Williams, Chief Infrastructure Officer
Contact 06 351 4418 email: tom.williams@pncc.govt.nz

Responsibilities: Property, Parks and Reserves, Transport and Infrastructure, Waste Management, Water Operations, Logistics and Support, Asset Planning, Project Management Office

Marketing and Communications

Managed by: Sacha Haskell, General Manager Marketing and Communications
Contact: 06 356 8199 email: sacha.haskell@pncc.govt.nz

Responsibilities: Venues, Communications and Content, Brand and Marketing, Events and Partnership

People and Performance

Managed by: Gina Cole, Acting Chief People Officer
contact 06 356 8199 email: gina.cole@pncc.govt.nz

Responsibilities: Organisational Development, Strategic HR, Health, Safety & Wellbeing, Business Partners, HR Services, Transformation, Information Management

Strategy and Planning

Managed by: Sheryl Bryant, General Manager Strategy and Planning
Contact: 06 356 8199 email: sheryl.bryant@pncc.govt.nz

Responsibilities: Legal and Governance, Strategy and Policy, Community Planning, City Planning, International Relations, Advocacy, Business Assurance, Maori Advisory, External relations.

13. REQUESTS FOR OFFICIAL INFORMATION

Under the Local Government Official Information and Meetings Act 1987 (LGOIMA) any person may request information from the Council. Any request for information is a request made under LGOIMA. You do not have to say you are making a request under LGOIMA.



Once a request is made the Council must supply the information unless reason exists for withholding it. LGOIMA says that information may be withheld if release of the information would:







- Endanger the safety of any person.
- Prejudice maintenance of the law.
- Compromise the privacy of any person.
- Reveal confidential or commercially sensitive information.
- Cause offence to tikanga Maori or would disclose the location of waahi tapu.
- Prejudice public health or safety.
- Compromise legal professional privilege.
- Disadvantage the local authority while carrying out negotiations or commercial activities.
- Allow information to be used for improper gain or advantage.

The Council must provide an answer within 20 working days (although there are certain circumstances where this timeframe may be extended). The Council may charge for official information under guidelines set down by the Ministry of Justice.




In the first instance you should address requests for official information to the Democracy and Governance Manager, on 06 356-8199 or democraticservices@pncc.govt.nz

14. ELECTED MEMBERS' CONTACT DETAILS 2019-2022 TERM OF OFFICE

NAME	PUBLIC ADDRESS	CONTACT DETAILS				Portfolio
		home	business	mobile	email	
 Grant Smith Mayor JP	Palmerston North City Council Private Bag 11-034 Palmerston North 4442		06 356 8199		mavor@pncc.govt.nz	n/a
 Tangi Utikere JP Deputy Mayor	c/-Palmerston North City Council Private Bag 11-034 Palmerston North 4442	06 355 1515		021 251 1307	tangi.utikere@pncc.govt.nz	n/a
 Brent Barrett	c/-Palmerston North City Council Private Bag 11-034 Palmerston North 4442			022 014 1749	brent.barrett@pncc.govt.nz	Portfolio: Science, Technology & Innovation Transportation Support Portfolio: Safe City Climate Change
 Susan Baty	69 Balrickard Way Palmerston North 4414	06 356 4007		027 453 3274	susan.baty@pncc.govt.nz	Portfolio: Housing
 Rachel Bowen	c/- Palmerston North City Council Private Bag 11-034 Palmerston North 4442			021 167 2267	rachel.bowen@pncc.govt.nz	Portfolio: Education & Students Support Portfolio: People & Community Health & Wellbeing Science, Technology & Innovation Inner City/CBD Defence

NAME	PUBLIC ADDRESS	CONTACT DETAILS				Portfolio
		home	business	mobile	email	
 Zulfiqar Butt JP	c/- Palmerston North City Council Private Bag 11-034 Palmerston North 4442			021 107 4737	zulfiqar.butt@pncc.govt.nz	Portfolio: Climate Change Support Portfolio: Education & Students Inner City/CBD People & Community
 Vaughan Dennison	c/- Palmerston North City Council Private Bag 11-034 Palmerston North 4442			027 601 1428	vaughan.dennison@pncc.govt.nz	Portfolio: Neighbourhoods, Villages & Rural Safe City
 Renee Dingwall	c/- Palmerston North City Council Private Bag 11-034 Palmerston North 4442			021 324 689	renee.dingwall@pncc.govt.nz	Support Portfolio: People & Community Climate Change Housing
 Lew Findlay QSM	44 Catlins Crescent Palmerston North 4414	06 357 8700	06 356 3337 Ext 1	021 615 245	lew.findlay@pncc.govt.nz	Portfolio: Defence Support Portfolio: People & Community
 Patrick Handcock ONZM	c/- Palmerston North City Council Private Bag 11-034 Palmerston North 4442			027 978 9313	pat.handcock@pncc.govt.nz	Portfolio: Safe City Support Portfolio: People & Community Neighbourhoods, Villages & Rural Inner City/CBD Housing Defence
 Leonie Hapeta JP	c/- Palmerston North City Council Private Bag 11-034 Palmerston North 4442			027 5307 207	leonie.hapeta@pncc.govt.nz	Portfolio: Inner City/CBD Support Portfolio: Health & Wellbeing Science, Technology & Innovation Transportation Education & Students

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NAME	PUBLIC ADDRESS	CONTACT DETAILS				Portfolio
		home	business	mobile	email	
 Lorna Johnson	93 Monrad Street, Highbury Palmerston North 4412			021 246 0668	lorna.johnson@pncc.govt.nz	Portfolio: People & Community Support Portfolio: Climate Change Housing
 Billy Meehan	53 Miro Street, Takaro Palmerston North 4410			021 197 2513	billy.meehan@pncc.govt.nz	Portfolio: Health & Wellbeing Support Portfolio: People & Community Neighbourhoods, Villages & Rural
 Karen Naylor	c/- Palmerston North City Council Private Bag 11-034 Palmerston North 4442	06 354 4820		027 562 0470	karen.naylor@pncc.govt.nz	Support Portfolio: Health & Wellbeing Transportation
 Bruno Petrenas	c/- Palmerston North City Council Private Bag 11-034 Palmerston North 4442	06 213 8959	021 454 366		bruno.petrenas@pncc.govt.nz	Portfolio: Neighbourhoods, Villages & Rural Support Portfolio: Health & Wellbeing Inner City/CBD Transportation
 Aleisha Rutherford JP	c/- Palmerston North City Council Private Bag 11-034 Palmerston North 4442			027 404 8551	aleisha.rutherford@pncc.govt.nz	Support Portfolio: People & Community Neighbourhoods, Villages & Rural Transportation

APPENDIX ONE: LOCAL LEGISLATION

TITLE OF ACT	REFERENCE NO.
Local Legislation Act 1926	1926 section 26
Local Legislation Act 1927	1927 sections 20, 21
Local Legislation Act 1935	1935 section 14
Local Legislation Act 1936	1936 section 36
Local Legislation Act 1938	1938 section 26
Local Legislation Act 1939	1939 sections 14, 16
Local Legislation Act 1943	1943 section 16
Local Legislation Act 1947	1947 sections 3, 4
Local Legislation Act 1950	1950 section 21
Local Legislation Act 1956	1956 sections 17, 18, 19
Local Legislation Act 1957	1957 section 28
Local Legislation Act 1958	1958 section 10
Local Legislation Act 1959	1959 section 20
Local Legislation Act 1969	1969 section 3
Palmerston North City Council Empowering Act 1938	
Palmerston North City Council Empowering Act 1995	
Palmerston North Insurance Funds Act Repeal Act 1998	
Palmerston North Library Empowering Act 1927	
Palmerston North Reserves Act 1922	
Palmerston North Reserves Empowering Act 1966	
Palmerston North Reserves Empowering Amendment Act 1988	
Palmerston North Reserves Empowering Amendment Act 2003	
Palmerston North Showgrounds Act Repeal Act 2009	
Palmerston North Town Planning Empowering Act 1951	
Reserves and Other Lands Disposal Act 1930	1930 section 9
Reserves and Other Lands Disposal Act 1939	1939 section 26
Reserves and Other Lands Disposal Act 1946	1946 section 23
Reserves and Other Lands Disposal Act 1947	1947 section 11
Reserves and Other Lands Disposal and Public Bodies Empowering Act 1912	1912 sections 40, 41, 71

TITLE OF ACT	REFERENCE NO.
Reserves and Other Lands Disposal and Public Bodies Empowering Act 1912	1915 sections 54, 117;
Reserves and Other Lands Disposal and Public Bodies Empowering Act 1912	1916 sections 41, 42, 45, 48;
Reserves and Other Lands Disposal and Public Bodies Empowering Act 1912	1917 section 60;
Reserves and Other Lands Disposal and Public Bodies Empowering Act 1912	1919 section 51;
Reserves and Other Lands Disposal and Public Bodies Empowering Act 1912	1920 sections 46, 108;
Reserves and Other Lands Disposal and Public Bodies Empowering Act 1912	1922 section 151;
Reserves and Other Lands Disposal and Public Bodies Empowering Act 1912	1923 section 70;
Reserves and Other Lands Disposal and Public Bodies Empowering Act 1924	1924 section 123
Special Powers and Contracts Act 1882	1882 clause 23 of the Schedule;
Special Powers and Contracts Act 1884	1884 clauses 31 of the Schedule
Special Powers and Contracts Act 1885	1885 clauses 29 of the Schedule
Wellington College Reserves Confirmation Act 1884	

APPENDIX TWO: TERMS OF REFERENCE FOR COUNCIL AND COMMITTEES**Council**

Chair	Mayor Grant Smith
Deputy Chairperson	Deputy Mayor Tangi Utikere
Members	Mayor and all Councillors
Meeting frequency	Monthly
Quorum	8

Terms of Reference:

1. To consider all matters under clause 32 schedule 7 of the Local Government Act 2002 and
 - Governance Policy, including delegations
 - Civil Defence
2. Submission to select Committee
3. To consider and adopt the recommendations of the Standing Committees
4. To exercise any powers that cannot be delegated to Committee or officers.

Committees**MONTHLY****Finance and Audit Committee**

Chair	Councillor Susan Baty
Deputy Chair	Councillor Karen Naylor
Members	Councillors: Vaughan Dennison, Renee Dingwall, Lew Findlay, Leonie Hapeta, Patrick Handcock, Lorna Johnson, Bruno Petrenas and Tangi Utikere
Appointed Member	Vacancy
Meeting frequency	Monthly
Quorum	5

Terms of Reference

1. To have oversight of Council's finances and investments, including quarterly performance reports and the Annual Report.
2. To monitor the performance of the Council's CCTO, Palmerston North Airport Limited, including Statement of Expectation, Statement of Intent, six-monthly and annual reporting.
3. To have oversight of the Council's business assurance activities, such as the Business Assurance Charter, External Audit Management issues, the Internal Business Assurance Programme, and the resulting audits.
4. To have oversight of Council's risk management activities (including health and safety), such as risk management policy and risk register reporting.
5. To consider matters covering:
 - Rates remissions and postponement
 - Contracts
 - Property leases, sales, purchases, and exchanges

- Fees and charges

Infrastructure Committee

Chair	Councillor Vaughan Dennison
Deputy Chair	Councillor Susan Baty
Members	Councillors: Brent Barrett, Rachel Bowen, Zulfiqar Butt, Lew Findlay, Billy Meehan, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere
Meeting frequency	Monthly
Quorum	6

Terms of Reference

1. To have oversight of progress of design and build projects, such as, but not limited to:
 - Waste Water Treatment Plant
 - Streets for People project implementation
 - Central Energy Trust Arena Masterplan implementation
 - Development of major facilities, for example, the Library and Te Manawa, dog pound
 - Water storage and drainage for growth
 - Infrastructure provision for growth
 - Victoria Esplanade Masterplan implementation
 - Major transportation projects
2. To exercise any powers as delegated by the Council.

Planning and Strategy Committee

Chair	Councillor Aleisha Rutherford
Deputy Chair	Councillor Patrick Hancock
Members	Councillors: Brent Barrett, Rachel Bowen, Zulfiqar Butt, Renee Dingwall, Lorna Johnson, Karen Naylor, Bruno Petrenas and Tangi Utikere
Meeting frequency	Monthly
Quorum	5

Terms of Reference

1. To have oversight of:
 - Council's strategic direction, outside of the Long-Term planning process, such as any amendments to strategies and plans, and performance monitoring of the strategic direction.
 - The development of Council's bylaws.
 - Council's policy development aligned to the strategic direction.
 - District Plan reviews and any associated plan changes.
 - RMA matters (excluding hearings)
 - City growth and development.
 - Master planning of strategic facilities and spaces.
 - Strategic infrastructure planning.

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- Submissions to Select Committee
2. To receive reports from the lead portfolio councillor for:
 - Transport.
 3. To exercise any powers as delegated by the Council.

QUARTERLY**Arts, Culture and Heritage Committee**

Chair	Councillor Rachel Bowen
Deputy Chairperson	Councillor Brent Barrett
Members	Councillors: Zulfiqar Butt, Renee Dingwall, Lorna Johnson, Karen Naylor, Bruno Petrenas and Tangi Utikere
Meeting frequency	Quarterly
Quorum	4

Terms of Reference:

1. To encourage engagement with arts, culture and heritage organisations within the sector.
2. To monitor the performance of the Arts and Culture Council Controlled Organisations, including Statements of Expectation, Statements of Intent, six-monthly and annual reporting.
3. To receive regular updates on council events within the sector.
4. To consider policy relevant to the Committee.
5. To consider matters covering:
 - Arts & Culture
 - Heritage
6. To receive reports as required from the CCNZ/Arts and Culture Fund Committee.
7. To receive portfolio reports as may be appropriate.
8. To exercise any powers as delegated by the Council.

Community Development Committee

Chair	Councillor Lorna Johnson
Deputy Chair	Councillor Rachel Bowen
Members	Councillors: Brent Barrett, Susan Baty, Zulfiqar Butt, Renee Dingwall, Lew Findlay, Leonie Hapeta, Patrick Handcock, Billy Meehan, Karen Naylor, Bruno Petrenas and Aleisha Rutherford,
Appointed Member	Danielle Harris (Rangitāne)
Meeting frequency	Quarterly
Quorum	7

Terms of Reference

1. To encourage engagement with community organisations within the sector.
2. To consider matters covering:
 - Libraries

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- Community grants
 - Community centres
 - Social housing
 - Community safety
3. To consider policy relevant to the Committee.
 4. To receive regular updates on council events within the sector.
 5. To receive reports from the lead portfolio councillors for:
 - Neighbourhoods, Villages & Rural
 - People & Community
 - Health & Wellbeing
 - Safe City
 6. To exercise any powers as delegated by the Council

Economic Development Committee

Chair	Deputy Mayor Tangi Utikere
Deputy Chairperson	Councillor Leonie Hapeta
Members	Councillors: Brent Barrett, Susan Baty, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay and Aleisha Rutherford
Appointed Member	Ruma Karaitiana (Rangitāne)
Meeting frequency	Quarterly
Quorum	6

Terms of Reference

1. To encourage engagement with the business community, economic agencies, and major economic sectors.
2. To monitor the economic environment with regular Quarterly reporting.
3. To monitor the economic contribution of major sectors to the local and regional economy through sector profiles e.g. Defence, Education, Agri-business, Tourism, Health, Science and Research, Logistics and Distribution.
4. To receive updates on Council's international relations activity with regular six-monthly reporting.
5. To receive regular updates of economic projects and activities undertaken by CEDA.
6. To consider policy relevant to the Committee.
7. To receive reports from the lead portfolio councillors for:
 - Inner City/ CBD
 - Education & Students
 - Defence
 - Science, Technology & Innovation
 - Housing
8. To exercise any powers as delegated by the Council.

Environmental Sustainability Committee

Chair	Councillor Brent Barrett
Deputy Chair	Councillor Aleisha Rutherford
Members	Councillors: Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lorna Johnson, Billy Meehan and Karen Naylor
Appointed Member	Christopher Whaiapu (Rangitāne)
Meeting frequency	Quarterly
Quorum	5

Terms of Reference

1. To encourage engagement with organisations within the sector.
2. To consider environmental matters including:
 - Climate change response, both mitigation and adaptation
 - Biodiversity
3. Waste minimisation
4. Environmentally Sustainable practices
5. Environmental aspects of energy, transport, and water
6. To monitor environmental wellbeing, including through the City's annual environmental sustainability report.
7. To consider policy relevant to the Committee.
8. To receive reports from the lead portfolio councillor for:
 - Climate Change.
9. To exercise any powers as delegated by the Council.

Play, Recreation and Sport Committee

Chair	Councillor: Leonie Hapeta
Deputy Chairperson	Councillor Billy Meehan
Members	Councillors: Brent Barrett, Zulfiqar Butt, Vaughan Dennison, Lew Findlay, Patrick Handcock, Karen Naylor, and Bruno Petrenas
Meeting frequency	Quarterly
Quorum	5

Terms of Reference

1. To encourage engagement with play, recreation and sport organisations within the sector.
2. To consider matters covering:
 - Playgrounds
 - Parks & reserves
 - Active recreation

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- Sports fields
 - Recreation & sports facilities
3. To monitor the performance of Sport Manawatū with six-monthly reporting.
 4. To consider policy relevant to the Committee.
 5. To consider reserve management plans.
 6. To exercise any powers as delegated by the Council.

Rangitāne o Manawatū

Chair	To Be Confirmed
Deputy Chairperson	To Be Confirmed
Members	Mayor Grant Smith, Councillors: Vaughan Dennison and Karen Naylor
Appointed Members	Wiremu Te Awe Awe, Danielle Harris, and Ruma Karaitiana (Rangitāne)
Meeting frequency	Six Monthly
Quorum	3

Terms of Reference

1. To have oversight of and operate in accordance with the “Kawenata in Relation to Te Motu o Poutoa Agreement signed between Rangitāne o Manawatū and Palmerston North City Council.
2. To propose the name of the Committee.
3. To carry out the functions of the administering body of Te Motu o Poutoa under the Reserves Act 1977, in accordance with any powers that may be delegated by the Council.
4. To recommend Council reserves which are wāhi tūpuna to Rangitāne that will come under the Kawenata arrangement.
5. To recommend modifications to Standing Orders or meeting procedures to enable the Committee to operate in the spirit of the Agreement.
6. To exercise any powers as delegated by the Council

MEETS AS REQUIRED:**Committee of Council**

Chair	Mayor Grant Smith
Deputy Chairperson	Deputy Mayor Tangi Utikere
Members	Mayor and all Councillors
Meeting frequency	Meets as required
Quorum	8

Terms of Reference:

1. To consider matters covering:
 - Council’s strategic direction, including vision and goals, strategies and plans as part of the long-term planning process.
 - Council’s Long-term plan.

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- All policies associated with the Long-Term Plan.
- Asset Management Plans in association with the Long-Term Plan.
- Council's Annual Plans (budgets).
- Section 17A reviews.

2.To exercise any powers as delegated by the Council.

Chief Executive's Performance Review Panel

Chair	Deputy Mayor Tangi Utikere
Deputy Chairperson	Mayor Grant Smith
Members	Councillors: Susan Baty, Vaughan Dennison, Pat Hancock, Leonie Hapeta and Aleisha Rutherford
Meeting frequency	Meets as required

Terms of Reference:

The primary purpose of the Chief Executive's Performance Review Panel is to ensure Council carries out responsibilities of a Good Employer as the employer of the Chief Executive.

- To recommend to the Council a process for appraising the Chief Executive's performance
- To provide the Chief Executive with regular feedback, mentoring and support through informal monthly meetings
- To ensure the Chief Executive receives relevant training and development opportunities
- To carry out an annual review of the Chief Executive's performance and report the results to the Council
- To negotiate a process for reviewing the Chief Executive's remuneration
- To carry out an annual review of the Chief Executive's remuneration and make recommendations to the Council on the application of the review
- To manage the provisions of the Chief Executive's Employment Agreement
- Appointment of an independent HR Contractor to assist with the Performance Review Process
- To negotiate any variation to the Employment Agreement and make recommendations to the Council
- To undertake the appraisal of the Chief Executive's performance.
- To exercise any powers as delegated by the Council.

REGULATORY**District Licensing Committee**

Chair	Councillor Susan Baty
Deputy Chairperson	Deputy Mayor Tangi Utikere

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Appointed Members	Graham Rossiter, Rod Titcombe and Vicki Beagley
Meeting frequency	Meets as required
Quorum	2 (1 must be a Councillor)

Terms of Reference:

Council operates a District Licencing Committee established under the Sale and Supply of Alcohol Act 2012. The purpose of this committee is to decide applications relating to licencing of premises and certification of individuals in relation to the sale and supply of alcohol.

Hearings Committee

Chair	Deputy Mayor Tangi Utikere
Deputy Chairperson	Councillor Aleisha Rutherford
Members	Councillors: Brent Barrett, Susan Baty, Rachel Bowen, Leonie Hapeta, Lorna Johnson, Karen Naylor and Bruno Petrenas
Meeting frequency	Meets as required
Quorum	2

Terms of Reference

- Hearings conducted pursuant to any enactment to consider and determine any such matter such as hearings or related discussions under these acts:
 - Resource Management Act 1991
 - Dog Control Act 1996
- To conduct hearings on other issues where a full formal hearing is required by law or considered desirable by the Council; and,
- To exercise any powers as delegated by the Council.

Note: that Resource Management Act 1991 hearings include plan changes and variations other than those associated with the Sectional District Plan review; requirements, designations and heritage orders; applications for notified resource consents; applications for review of conditions under Sections 357, 357A, 357B, 357C and 357D of the Resource Management Act 1991.

JOINT COMMITTEE**Manawatū District and Palmerston North City Joint Strategic Planning Committee**

Chair	Mayor Helen Worboys (Manawatū District)
Deputy Chairperson	Mayor Grant Smith (Palmerston North City)
PNCC Members	Councillors: Susan Baty, Leonie Hapeta, Aleisha Rutherford and Tangi Utikere
MDC Members	Councillors: Steve Bielski, Michelle Ford, Grant Hadfield and Phil Marsh
Meeting frequency	Meets as required
Quorum	4

Terms of Reference

1. To address strategic planning issues that impact both Manawatū District and Palmerston North City, in particular, issues relating to but not restricted to infrastructure, land use planning and economic development.
2. To consider community planning and community outcomes implications. For the purpose of the Joint Committee's Terms of Reference, "Strategic Planning Issues" mean those that are referred to the Joint Committee by either MDC and/or PNCC and take an inter-regional perspective.
3. To consider and promote the creation and growth of economic wealth for Manawatū and beyond, with particular reference to the activities of the Central Economic Development Agency Limited.

COMMITTEE WORK SCHEDULE

TO: Council


MEETING DATE: 29 April 2020

TITLE: Work Schedule

RECOMMENDATION(S) TO COUNCIL

1. That the Council receive its Work Schedule dated April 2020.

ATTACHMENTS

1. Work Schedule - April 2020 [↓](#) 

COUNCIL

WORK SCHEDULE – APRIL 2020

Item No.	Estimated Report Date	Subject	Officer Responsible	Current Position	Date of Instruction/ Point of Origin
1.	May 2020	Finance & Audit Committee Independent Appointee	General Manager – Strategy and Planning	Panel has met and shortlisted candidates	Council 13 November 2019 Clause 147.9
2.	May 2020	Jaycee Trust Travelling Fellowship - membership appointments	General Manager – Strategy and Planning		Council 26 February 2020 Clause 8.6

Oasis # 13924077