

PALMERSTON NORTH CITY COUNCIL

Minutes of the Extraordinary Arts, Culture & Heritage Committee Meeting Part I Public, held in the Council Chamber, First Floor, Civic Administration Building, 32 The Square, Palmerston North on 13 April 2021, commencing at 1.01pm

Members Present: Councillor Rachel Bowen (in the Chair) and Councillors Brent Barrett, Zulfiqar Butt, Renee Dingwall, Lorna Johnson and Bruno Petrenas.

Non Members: Councillor Patrick Handcock ONZM.

Apologies: The Mayor (Grant Smith) (absent on Council business) and Councillors Vaughan Dennison, Leonie Hapeta and Karen Naylor (late arrival).

Councillor Aleisha Rutherford entered the meeting at 1.05pm during consideration of clause 8. She was not present for clauses 7 and 8.

7-21 **Apologies**

Moved Rachel Bowen, seconded Brent Barrett.

The **COMMITTEE RESOLVED**

1. That the Committee receive the apologies.

Clause 7-21 above was carried 7 votes to 0, the voting being as follows:

For:

Councillors Rachel Bowen, Brent Barrett, Zulfiqar Butt, Renee Dingwall, Lorna Johnson, Bruno Petrenas and Patrick Handcock ONZM.

8-21 **Hearing of Submissions - Section 17a Review of Caccia Birch House**

Moved Rachel Bowen, seconded Lorna Johnson.

The **COMMITTEE RESOLVED**

1. That the Arts, Culture & Heritage Committee hear submissions from presenters who indicated their wish to be heard in support of their submission.
2. That the Committee note the Procedure for Hearing of Submissions, as described in the procedure sheet.

Clause 8-21 above was carried 7 votes to 0, the voting being as follows:

For:

Councillors Rachel Bowen, Brent Barrett, Zulfiqar Butt, Renee Dingwall, Lorna Johnson, Bruno Petrenas and Patrick Handcock ONZM.

Councillor Aleisha Rutherford entered the meeting at 1.05pm.

The following persons appeared before the Committee and made oral statements in support of their submissions and replied to questions from Elected Members.

Heather Allan

Mrs Heather Allan spoke to her submission and made the following additional comments:

- When the Trust was established in 1991 there was a Council-appointed representative on the CBTB which kept both entities informed of their intentions for the building. This position in subsequent years was disestablished.
- One issue experienced by CBTB was dealing with the constant change of Council staff, institutional knowledge being lost and needing to establish new relationships to get new staff up to date. Also different departments working in silos instead of an over-arching organisational approach was noted.
- Concern was expressed over the lack of communication by Council with the Manager of CBTB, who had 30 years' experience.
- 75% of submissions received were in favour of keeping the CBTB as a separate entity with a trust board. The majority of heritage houses in New Zealand are run by independent trust boards.

John C Hornblow

Mr John Hornblow spoke to his submission and made the following additional comments:

- The analysis report has omitted to assess the cost of financial services, event promotion, governance activity and the cost of internal services to the City Council.
- If the Committee made a decision based on this report it could be legally challenged.

Paul W Rieger

Mr Paul Rieger spoke to his submission and made the following additional comments:

- Emphasis needed to be placed on the passion and skills of the volunteers who work for this type of community organisation.
- The latest profit and loss statement did not disclose how Council was going to save approximately \$23,000. He suspected that the analysis was a desk-top assessment and that the CBTB had undertaken tasks and jobs with no cost to the Council, so this created a deficiency in the calculations.
- Institutional knowledge within organisations such as Council was not being retained and this created a huge gap when trying to continue with projects. He emphasised what would be lost if the energies and skills of the types of people who serve on Trust Boards of community

facilities is lost and management transfers to those who either do not have the background knowledge of the organisation or do not have the particular interest in it that Trustees almost always have.

- He supported Option 4 – disengage from the CCO and grant a lease to the current Board of Trustees for a period of time with conditions.
- Reminded the Committee of the vast array of skills and dedication from volunteer groups of citizens that they saw each year at the Civic Awards – a resource that Council could not afford to lose. He hoped that Council's final decision included a volunteer element to Caccia Birch.

Susan Lynn McConachy

Mrs Susan McConachy spoke to her submission and made the following additional comments:

- Paid homage to all the past and current CBTB members who have worked tirelessly to bring the homestead back to its stately appearance and looking after the 100 year old avenue of oaks. They had left Palmerston North with an amazing heritage site.
- Stated that she has been a member of the Regent Theatre Trust for over thirty years. As a volunteer she is concerned that she has to convince the Committee of the worth of volunteers.
- Volunteers provide business and community expertise that the Council cannot access including funding which can be accessed from avenues other than rates.
- Concerted effort needed to be undertaken between Council and CBTB to come together to achieve the outcomes everybody is desiring.

Annette Nixon

Mrs Annette Nixon spoke to her submission and made the following additional comments:

- Background was in managing commercial and residential properties, current trust board member of two organisations and many years working with the Awapuni Community Centre.
- The review has allowed the public through submissions to acknowledge the appreciation they have for the CBTB, the dedication of the trust board, the range of competencies and the contributions they have made since it was established. Several submissions also acknowledge the work undertaken by the Manager, her dedication and her institutional knowledge concerning the running of the house.
- Excellent range of feedback received that has unearthed those elements of discontent which can simmer alongside any management structure. Sometimes it is very hard to find out what people are discontented about. It is easy to do appreciation but it takes courage to address what people are unhappy about.
- One suggestion in a submission was concerning promotion and

marketing; what is the best way to promote Caccia Birch in a way that informs the public about the available facility and the services offered? The City Council could certainly help in this area with services and funding.

- Discontent amongst staff members and negative comments about the manager have been made. Any employment matters that are not taken seriously have the possibility of escalating discontent which benefits no-one. Needs to be an employment sub-committee with clear processes so that their discontent and concerns can be dealt with.
- There is always the expectation of gold star service when there is only bronze star funding and anyone who has managed a public facility is well aware of those expectations. Workloads of staff have to be taken into consideration, especially when there is a lone staff member who cannot be available 24 hours a day, seven days a week.
- Noted that the Manager is also providing a catering service and felt that this is a conflict of interest. It does not seem to be a usual sort of business practise.
- The City Council has always seen public facilities as service provision, not profit making and the submitter has never known them to break even. It is about a service to the community that also enhances the community and its reputation. As our only historic facility of this nature it should be treasured.

Caccia Birch Trust Board – Grant O’Donnell, Chairperson

Representing the Caccia Birch Trust Board, Mr Grant O’Donnell spoke to their submission and made the following additional comments:

- The Board does not support Council’s proposal. There was an overwhelming public response to oppose the proposal; 78% oppose and 4% non-committal. They reflect a general expectation of loss of benefit to the community if the proposal is adopted.
- The Board’s analysis of the submissions follows:
 - Five submitters have issues with current management. The house has been managed for 30 years successfully with the overwhelming number of submitters supporting the current management.
 - Four submitters believe a change will help the facility reach its potential. The CBTB have spent many hours over several months crafting, in conjunction with council officers, a draft ten year plan which sets out a positive vision for the facility. One submitter promoted change to the property and the grounds which could lead to derogation from the heritage qualities of the whole property; the grounds have their own heritage status.
 - One submitter considers that Council has appropriate systems and thought Council would do a better job. Several other submitters however, felt that the property would suffer from Council in-house management. Not mentioned are the comments regarding the constant change of Council staff and the division of responsibilities

- between different departments.
- Heritage New Zealand thinks Council has sufficient capability but its view of the proposal is predicated on that being true and is a moot point. Heritage New Zealand is governed by an appointed board of suitably qualified persons and you could liken their view to one of suggesting their operation could be handed over to Housing NZ.
 - One submitter felt the proposal was in the interests of the ratepayer and community. How that conclusion was reached is not stated.
 - Two submitters considered there is currently poor marketing of the facility. The Trust agrees with this comment, however this could only be achieved with an increase in budget allocation for this from the Council. A better approach has been outlined in the CBTB 10 year plan, which is to fix Caccia Birch House in the hearts and minds of the community as the City's number one heritage facility and let the benefits, including financial returns, flow from there.
 - One submitter stated the House needs a fresh new approach. Based on the submissions a significant majority disagree. What fresh new approach can be taken for a heritage property?
 - Two submitters said that the heritage value of the property can be managed by the Council. A significant number of submitters disagreed stating there would be a likely loss of institutional knowledge and loss of focus on the facility resulting in the loss of the special characteristics of the property.
 - One anonymous submission rejects the proposal by Council but suggests the CBTB could do better. It appears to suffer from misconceptions which result in misguided criticisms of the Board's results, particularly in relation to its financial performance. Such misconceptions arise from a lack of appreciation of District Plan restrictions, and the view that the Board and management can act as producers of entertainment events and should take on financial risk. The Caccia Birch facility is a venue where the community can produce events. The Regent suffers from the same misconception.
 - Summary:
 - Council's desktop review is not a genuine cost effectiveness analysis.
 - Caccia Birch facility staff were not engaged with through this process.
 - Projected savings appear to be assumed, no analysis has been undertaken.
 - Council has never passed on any dissatisfaction to the Board on how the Caccia Birch facility was being governed.
 - If the review was undertaken to change management then the process was completely unethical. Council is the employer (to all practical intents and purposes) and is therefore obligated to act in good faith and as a good employer. The impact of this process on staff has been significant.

- Board supports the goal of bringing forward new initiatives but felt this could have been achieved with goodwill and collaboration between the parties. The Board has developed a creative ten year plan which is now with Council for consideration.
- Logical step is to undertake further consultation between the CBTB and Council to ensure alignment of their visions for the facility.
- Council needs to reach a consensus of what it requires from CBTB. Without this Council staff have no guidance comparable to what is in the Trust Deed which governs the Trust Board and protects the community.

9-21 Section 17a Review of Caccia Birch House - Summary of Submissions
Memorandum, presented by Julie Macdonald, Strategy and Policy Manager.

Moved Rachel Bowen, seconded Brent Barrett.

The **COMMITTEE RESOLVED**

1. That the memorandum titled 'Section 17a Review of Caccia Birch House - Summary of Submissions' presented to the Arts, Culture and Heritage Committee on 13 April 2021 be received.

Clause 9-21 above was carried 8 votes to 0, the voting being as follows:

For:

Councillors Rachel Bowen, Brent Barrett, Zulfiqar Butt, Renee Dingwall, Lorna Johnson, Bruno Petrenas, Patrick Handcock ONZM and Aleisha Rutherford.

The meeting finished at 2.20pm

Confirmed 5 May 2021

Chairperson