



PALMERSTON NORTH CITY COUNCIL

AGENDA
EXTRAORDINARY ARTS, CULTURE
& HERITAGE COMMITTEE

1PM, WEDNESDAY 5 MAY 2021

COUNCIL CHAMBER, FIRST FLOOR,
CIVIC ADMINISTRATION BUILDING,
32 THE SQUARE, PALMERSTON NORTH



MEMBERSHIP

Rachel Bowen (Chairperson)

Brent Barrett (Deputy Chairperson)

Grant Smith (The Mayor)

Zulfiqar Butt

Renee Dingwall

Lorna Johnson

Karen Naylor

Bruno Petrenas

Aleisha Rutherford

Orphée Mickalad

Agenda items, if not attached, can be viewed at:

pncc.govt.nz | Civic Administration Building, 32 The Square
City Library | Ashhurst Community Library | Linton Library

Heather Shotter

Chief Executive, Palmerston North City Council

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EXTRAORDINARY ARTS, CULTURE & HERITAGE COMMITTEE MEETING

5 May 2021

MEETING NOTICE

Pursuant to Clause 21 of Schedule 7 of the Local Government Act 2002, I hereby requisition an extraordinary meeting of the Council to be held at 9.00am on Wednesday, 5 May 2021 in the Council Chamber, first floor, Civic Administration Building, 32 The Square, Palmerston North, to consider the business stated below.



MAYOR

ORDER OF BUSINESS

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. Public Comment

To receive comments from members of the public on matters specified on this Agenda or, if time permits, on other Committee matters.

(NOTE: If the Committee wishes to consider or discuss any issue raised that is not specified on the Agenda, other than to receive the comment made or refer it to the Chief Executive, then a resolution will need to be made in accordance with clause 2 above.)

5. Deliberations report on Section 17A Review of Caccia Birch House

Page 7

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

6. 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 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
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PALMERSTON NORTH CITY COUNCIL

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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].

REPORT

TO: Arts, Culture & Heritage Committee

MEETING DATE: 5 May 2021

TITLE: Deliberations report on Section 17A Review of Caccia Birch House

PRESENTED BY: Julie Macdonald, Strategy & Policy Manager

APPROVED BY: David Murphy, Acting General Manager - Strategy and Planning

RECOMMENDATIONS TO COUNCIL

1. That Council endorse Option 2, Service delivery by the Council, of the report titled 'Deliberations report on Section 17A Review of Caccia Birch House', presented to the Arts, Culture & Heritage Committee on 5 May 2021, as the preferred option for the day-to-day management of Caccia Birch House, grounds and Coach House.
2. That Council resolve to bring the Caccia Birch service delivery in-house by July 2022.
3. That the Chief Executive is requested to develop an operational model for in-house service delivery of Caccia Birch House, to be implemented by July 2022.
- 4 That the Chief Executive works with the Trust Board to develop a process for the management of Caccia Birch House to transition from a Council Controlled Organisation (CCO) to in-house delivery, including a process for the establishment and support for a Friends of Caccia Birch group.
5. That the development of a heritage plan for Caccia Birch is costed and included in the deliberations report on the 10-year plan and considered in June 2021.

SUMMARY OF OPTIONS ANALYSIS FOR DELIBERATIONS ON THE SECTION 17A REVIEW OF CACCIA BIRCH HOUSE

ITEM 5

Problem or Opportunity	To determine the most cost-effective way to deliver the day-to-day management of Caccia Birch House, grounds and Coach House.
OPTION 1:	Retain the status quo CCO model of service delivery for Caccia Birch House
Community Views	Community views were sought in a consultation process summarised in a report to the Arts, Culture and Heritage Committee on 13 April 2021. Submissions predominantly supported this option.
Benefits	Promotes community engagement through a volunteer trust board. Dedicated focus on preserving and maintaining the heritage of the property.
Risks	CCO compliance costs are disproportionate to a trust of its size. Opportunities to increase revenue are limited without more Council investment. The nature of the service provides limited opportunities to fully utilise the skills of a CCO board at a strategic level. Model makes it difficult to address any performance issues that arise. This is the highest-cost option.
Financial	This option currently costs Council \$210,852 per year.
OPTION 2:	Confirm the proposal for the Council to deliver the management of Caccia Birch House in-house as consulted on
Community Views	Community views were sought in a consultation process summarised in a report to the Arts, Culture and Heritage Committee on 13 April 2021. Submissions predominantly supported the retention of the CCO model of service delivery (Option 1).
Benefits	Council can access operational efficiencies and economies of scale to increase financial sustainability. Council would have more direct influence over the service. The skills and experience of the current Board may contribute more to community and heritage objectives if redirected from onerous management responsibilities.
Risks	Loss of CCO Board's specialist skills and experience. Reputational risk to Council of going against the views of those with the most experience of Caccia Birch House.
Financial	This option would cost Council \$187,098 per year, saving \$23,754 per year.

RATIONALE FOR THE RECOMMENDATIONS

1. OVERVIEW OF THE PROBLEM OR OPPORTUNITY

- 1.1 Council is undertaking a review of Caccia Birch House under section 17A of the Local Government Act 2002 (LGA). Section 17A reviews are to determine the most efficient, effective and appropriate means for delivering a Council service.
- 1.2 The service under review is defined as:

The day-to-day management of Caccia Birch House, grounds and Coach House as a venue for hire in a manner that preserves the property's heritage value, promotes public access, and is financially sustainable.
- 1.3 This review considers the best way to govern, fund and deliver this service. For the purposes of this review, it is assumed that both options will result in Caccia Birch House continuing to be a Council-owned venue available for public and private functions and casual access, and that the heritage of the property will be retained for future generations.

2. BACKGROUND AND PREVIOUS COUNCIL DECISIONS

- 2.1 Background information about the property known as Caccia Birch House was included in the Section 17A Review of Caccia Birch House report to the Arts, Culture and Heritage Committee in November 2020.
- 2.2 Caccia Birch Trust Board (CBTB) is a Council-Controlled Organisation (CCO). Council appoints the members of CBTB and provides it with an annual operating grant. The first objective of CBTB is:

To develop, promote, enhance and maintain the land and buildings described in the schedule 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.
- 2.3 Under section 17A the Council is required to 'review the cost-effectiveness of current arrangements for meeting the needs of communities within its district or region for good-quality local infrastructure, local public services, and performance of regulatory functions'. A review is required at least every six years.
- 2.4 Council undertook a review of Caccia Birch House, alongside its other arts and cultural facilities managed by CCOs, in 2019. The review was concluded in September 2019 with a Council resolution that the status quo remains for all facilities, and that staff work closely with each CCO on suggested improvements raised during the review.

- 2.5 During discussions on the Statement of Expectation 2020, Elected Members requested that another section 17A review be undertaken on Caccia Birch House. That request was formalised at the Council meeting on 26 August 2020.
- 2.6 The background and foundation for this review is contained in the report to Council through the Arts, Culture and Heritage Committee in November 2020. That report outlined the rationale for the Council remaining responsible for governance and funding of Caccia Birch (rather than a shared governance arrangement, for example with another local authority)
- 2.7 The Council decided in November 2020 to consult on a proposal to deliver the management of Caccia Birch House in-house. This consultation was carried out earlier this year and a summary of submissions was provided to the Arts, Culture and Heritage Committee on 13 April 2021.

3. DESCRIPTION OF OPTIONS

- 3.1 The options are summarised in Table 1 below, and the responsibilities of each party under each option are outlined in Attachment 1. This table only contains details of the two options considered here, and not all options considered in November.
- 3.2 Because the Council has now completed consultation on a proposal for change, the two options available for consideration in this report are Option 1: Status quo (service delivery through a CCO) and Option 2: Service delivery by the Council. Other options described in the November 2020 report are available to the Council, but further consultation would be required if the Council wished to pursue them.

Table 1: Summary of options

Option	Description	Cost to Council
1. Service delivery by a CCO (status quo)	This is the current delivery model. CBTB manages the property at an arm’s length from Council and employs venue staff.	This option currently costs Council \$210,852 per year. This figure includes CBTB grants and property maintenance costs.
2. Service delivery by the Council	Caccia Birch House would be a heritage venue for hire managed by a unit of Council.	This option would cost Council \$187,098 per year, a saving of \$23,754 per year when compared with the status quo. This figure includes depreciation, staff, operating costs and increased maintenance costs, offset by venue hire and catering income.

4. ANALYSIS OF OPTIONS

- 4.1 A great deal of feedback was received in response to the proposal to bring Caccia Birch House under direct Council management. Most of this feedback was in opposition to the proposal. The summary of submissions noted that staff experienced some difficulty in ensuring consultation materials were received by all interested parties. Despite these difficulties, staff are confident that all the relevant issues have been canvassed.
- 4.2 Most of the feedback received in response to the proposal for change, both positive and negative, did not centre on the principal matters of the consultation. For example, submitters raised issues about the current management and the competence of Council staff, but neither of these matters is under primary consideration here (although see comments under 4.3). A section 17A review requires the Council to consider the most efficient, effective and appropriate way of delivering a service; this is not a management review or a review of the Board.
- 4.3 The tenor of some of the verbal submissions suggests that the distinction between the current management and the model of delivery may have become somewhat lost during the consultation process. Staff acknowledge that feelings are running high on this issue, and this report attempts to focus on the central point of the review and not on other matters raised. That said, how the service is delivered is inextricably linked to the model within which it is delivered. For example, criticisms of how the service is delivered may bring to light issues with how the Council interacts with the CCO or how the Board carries out its responsibilities. The purpose of a section 17A review is to consider how a service should be delivered, but also to consider how a service could be improved. For this reason, some broader matters arising from the review are considered alongside the consideration of the agreed criteria.
- 4.4 The following sections (4.5 to 4.35) contain a detailed analysis of the issues raised in submissions which pertain to the central question; the most efficient, effective and appropriate model for the delivery of Caccia Birch House. This service is defined as:

The day-to-day management of Caccia Birch House, grounds and Coach House as a venue for hire in a manner that preserves the property's heritage.

The framework for this analysis is the criteria for the review agreed by the Council in consultation with the Board:

- Financial sustainability
- Community and civic engagement
- Commercial vs. community outcomes
- Skills and expertise

- Service quality
- Partnership with mana whenua
- Heritage value
- Decision-making and stewardship
- Transparency and accountability
- Strategic alignment
- Feasibility

Any previous analysis referred to is in the report to Council through the Arts, Culture and Heritage Committee in November 2020.

Financial sustainability

- 4.5 The analysis of options suggested that the proposal (Option 2) would mean reduced compliance costs; there are significant resources spent by CCOs and by the Council in complying with CCO requirements. Caccia Birch House is a very small CCO, and the analysis suggested that compliance costs place a disproportionate burden on the Board and staff. Further, it was suggested that Council could centralise some services without further expenditure (beyond that which is currently allocated to the CBTB).
- 4.6 Some submitters stated that they did not believe or trust the financial analysis provided, and further claimed that the financial criterion was being prioritised over other criteria. No submission provided evidence for this view. Submitters did not challenge the assertion that economies of scale available under the proposed model could assist in making Caccia Birch more financially viable. Submitters instead argued that the proposed saving to Council (of around \$23,754 annually, or more than 10%) was not sufficient reason to change the delivery model.

Comment:

- 4.7 It remains the case that for a small organisation the legislatively driven compliance requirements for a CCO are significant. Staff agree that the proposed saving to Council is not sufficient reason to change the delivery model, although we note that a 10% saving is not insignificant. The Act requires Council to consider whether the current model is the most cost-effective, which means 'effective in relation to its cost'. Staff consider that providing the service in-house would be a more financially sustainable delivery model.

Community and civic engagement

- 4.8 One of the most frequently expressed views through the consultation was that the current arrangement enables a strong community connection with Caccia Birch House, although submitters also noted that stronger community ties would be beneficial. The Board noted that it would like to implement more community-connected activities but does not currently have the capacity to establish a Friends of Caccia Birch group (as one example of a new initiative).

- 4.9 The analysis of the proposal noted that a Friends of Caccia Birch group could reinforce the community's 'ownership' of, and involvement in, the management of the House under the proposed model. Some submitters expressed concern that a Friends group would have insufficient influence over Council if the service was brought in-house, and generally submitters saw such an idea as a downgrade of community involvement rather than a rechanneling of current community efforts.

Comment:

- 4.10 This criterion contributes to the assessment of whether the current service model is the most effective and appropriate. Given the scale of the activity under consideration, it does seem that the time and expertise of the Board members could potentially be better directed towards providing more informal support rather than on accountability requirements or employment matters.
- 4.11 Any expectations of Council for increased community involvement in Caccia Birch could be established through either in-house delivery or the current model. For example, a Friends structure could be included in the new Statement of Expectation for the Board or it could be included in any new in-house management arrangements made by the Chief Executive. In either case, further resourcing may be necessary to support this.
- 4.12 Staff note that the Council does not have a Friends (or similar) structure operating elsewhere alongside in-house service delivery. Implementation of a Friends structure (or similar model) would therefore require Council staff to work differently with Caccia Birch House than with any other venue. The viability of a Friends group to replace the current CCO arrangement would also depend on the goodwill of potential volunteers and the effectiveness of Council structures to support it. Given the negative views expressed about Council staff during the hearing, it is unclear whether those people currently involved with Caccia Birch would choose to remain part of a new structure.

Commercial vs community outcomes

- 4.13 A condition of the Crown's gift of the property to Council was that it was used for 'civic purposes'. This has been interpreted to require community utilisation of the property, as is enshrined in CBTB's trust deed.
- 4.14 Submitters made little comment about the balance between commercial and community outcomes, although there was general agreement (amongst those who commented on this) that more community connection would be positive.

Comment:

The tension between community access and the need for the property to generate additional revenue is present for both models of delivery under consideration. The Council establishes this balance through its Revenue and Finance Policy (in both

cases). The level of resourcing of Caccia Birch House has been a topic of discussion between the Trust and the Council for some time. More specific expectations for an increased community (rather than commercial) focus could be negotiated through the Statement of Expectation under the current model. However, the arms-length nature of the relationship between the Council and the CCO means that the influence would be greatest if the service delivered was brought in-house.

Skills and expertise and Heritage value

- 4.15 The feedback through submissions about the ability of the proposed model to access the right skills and expertise to deliver the service focused on passion and enthusiasm as well as expertise. Some submitters were dismissive of Council staff's commitment and considered that Caccia Birch would become "just another" venue to the Council if the service was brought in-house. Much of the feedback received also focused on the skills and experience of the current manager which, viewed positively or negatively, are not relevant to this review.
- 4.16 Many submitters focused on the potential for the heritage value of Caccia Birch to be compromised or lost if the proposal goes ahead. The main argument in support of this position was the significant knowledge of the property currently held by the Board and staff.

Comment:

- 4.17 It can be difficult for small CCOs to provide the level of expertise required to manage a property such as Caccia Birch House. As the Board pointed out, the skills required to manage the property are broad, but the relatively small scale of the service means they are delivered by just a few people. There are significant risks for any small CCO in a small number of people having a large span of responsibility.
- 4.18 The ongoing management of Caccia Birch House is not a restoration project but rather a heritage venue for primarily community use. It is certainly acknowledged that there are specific skills required to operate a community venue in a heritage property, but no evidence has been provided through submissions that these skills are only available in a CCO service delivery model.
- 4.19 Staff acknowledge that any change of delivery to an in-house model would certainly be the poorer if the transition, and perhaps ongoing service delivery, did not benefit from the knowledge and experience of those who have greatest understanding of the property's history. This view is supported by the submission made by Heritage New Zealand.

Service quality

- 4.20 As mentioned earlier in this report, most of the comments made by submitters about the quality of the current service focused on the knowledge and expertise of

the current manager. The Board has also stated in its various reports (over some years, and as recently as April of this year) that staff work long hours (the Board chair recently noted that the Manager “works seven days a week, and often much more than an eight hour day”) and that the requirements for running the House are extremely onerous.

- 4.21 Few submitters commented on the opportunity the proposed model would offer to co-ordinate and benefit from ‘economies of scale’ - for example through grounds services or the co-ordination of bookings. The Board’s submission suggested that such co-ordination could be provided now but did not offer any view about what benefit a CCO structure would then offer if such arrangements were put in place.

Comment:

- 4.22 There is some contradiction offered by the Board in arguing that staff and Board are subject to unreasonably onerous expectations while also suggesting that the current model provides the best opportunity to deliver a good service. The earlier request for further funding could explain this apparent contradiction, but this was not explicitly canvassed in the Board’s submission.
- 4.23 In terms of a delivery model, the small scale of the Caccia Birch service delivery means that efficiencies could be achieved that could improve the quality of the service.
- 4.24 Staff agree that specialist knowledge of Caccia Birch would be required to deliver a quality service and note that this is true for any venue. Staff also agree that specialist knowledge is required to operate and protect a heritage venue, however we do not agree that this knowledge must reside within a CCO. In its submission Heritage New Zealand proposed that a conservation plan would assist the ongoing management of the House, whether it is managed by a CCO or the Council. This matter is addressed in the discussion and recommendations.

Partnership with mana whenua

- 4.25 No submission directly addressed the ability of either the CCO or in-house model to ensure the cultural significance of the site to Rangitāne o Manawatū is acknowledged and protected. It is noted that Rangitāne o Manawatū representatives stated informally that they have no position on the future model.

Comment:

- 4.26 Both models under consideration provide opportunity for the cultural significance of the site to be acknowledged and protected. The mechanism for this to be achieved in the current model is through the Statement of Expectation.

Decision-making and stewardship

- 4.27 The Council currently has arms-length influence in the delivery of service through the negotiation of the Statements of Expectation and Intent. The Council appoints the Trust members and holds the Board to account through the CCO reporting framework. A common theme amongst submitters was that the Council already has mechanisms available to address any issues that may arise, and that a change in delivery model is not required to achieve any changes needed.

Comment:

- 4.28 The analysis provided in November stated:

Generally, a CCO model is useful when a service would benefit from a degree of independence from political direction. This is usually because the service requires fast decision-making, innovative thinking and the application of relevant commercial disciplines.

CBTB's role in managing an existing venue means there is limited ability to benefit from being nimble and agile at a strategic level. The Board has no financial scope to undertake significant new business, and most day-to-day decisions can be made by staff.

- 4.29 The scale and nature of the service being provided is relevant here. Whereas some New Zealand CCOs and Council Controlled Trading Organisations (CCTOs) are engaged in activities outside the scope of usual Council activities (eg. the running of an airport, a port, or a theatre) Caccia Birch House is primarily a community venue delivered through a heritage property. Neither of those aspects of the service delivery are outside the scope of this Council's other activities.
- 4.30 It is difficult to see how a CCO Board structure adds to the strategic functioning of the House in ways that couldn't equally be achieved through a Friends structure. The Board itself has stated that its responsibilities are burdensome and are focused significantly on compliance. The expertise and responsibility for running a small service like Caccia Birch House must necessarily reside primarily with staff.
- 4.31 That said, it is a fair criticism to note that the Council may not have taken all available opportunities to address issues which may have been identified through the reporting process. Among these is the seemingly poor relationship between the Council and the Board. This is discussed in a later section of this report.

Transparency and accountability

- 4.32 There was little feedback that directly addressed this topic. Some submitters expressed dissatisfaction with the service as it is run, suggesting that it was unclear

how to address difficulties that have arisen (either as an employee or as a service user).

Comment:

- 4.33 The CCO model offers frequent opportunities for transparency and accountability through public Council Committee meetings. The level of accountability available depends entirely on the reporting required by the Council through the negotiation of the Statement of Expectation. If the Council is aware of any issues then there are mechanisms in place to ask questions and seek resolution. However, this might not be feasible unless very detailed information is provided and may be a slow process. If the service was provided in-house then reporting to Council could include key performance indicators and discussion of matters arising through levels of service discussions.

Strategic alignment

Comment:

- 4.34 Submissions did not make specific comments on the strategic alignment of the service. Both the proposed models allow the Council's strategic direction to inform the delivery of the service.

Feasibility

Comment:

- 4.35 Submissions did not make specific comments on the feasibility of the proposed model. If the proposed model is implemented, then there would need to be consideration of an appropriate timeframe and how a transition could be achieved without a loss of service. If Council wishes to proceed with the proposed option, then the first step would be to terminate the lease with the Board (which requires three-months' notice). Council could choose to delay implementation of this option until a later time, although we note this would require the co-operation of the Board to ensure the service was continued during this time. The funding to allow either option to proceed will be considered as part of the 10-year plan deliberations.

5. DISCUSSION

- 5.1 The consultation process revealed, as expected, that the management model of Caccia Birch House is primarily of interest to Board and staff (current and former), and some users. As with many Council-owned or delivered services, most members of the wider community may not even be aware of the legal structure of the service delivery, nor the history or changes to legislation that influence it. However, the 17A review of Caccia Birch House has revealed some strongly held views amongst the small group who are most connected to the service. The predominant view of submitters is that they support the Board and Manager and are concerned that the

proposed change will create an undesirable level of risk that service delivery will be changed.

5.2 The purpose of a section 17A review is to determine the most efficient, effective and appropriate way to deliver a service. Any review is undertaken within the context of the current service delivery, and this review has identified some matters for further consideration. These are:

- That staff may not have adequate health and safety protections - including hours of work and appropriate mechanisms for dealing with employment matters through the Board;
- The perceived and potentially actual conflict of interest the Board has agreed to through its catering contract with the Manager (independent from the Manager's role as an employee) (as noted in the last full audited accounts);
- The dependence of the Board on the knowledge and skills of a single employee (the Manager);
- The apparent ill-feeling of Caccia Birch House representatives towards the Council, as evidenced by the generally uncooperative behaviour of the Board throughout the consultation process.
- The lack of clarity of the various roles Council staff play in supporting the current service delivery.
- The lack of a heritage plan to ensure the property is protected and preserved appropriately;
- The tension between the Board's need to manage its budget and the Council's requirement that the House and grounds are accessible to the community.
- The strongly held view of those most connected to Caccia Birch House that the status quo option provides the best opportunity to deliver the service.

5.3 These matters may not be consequences of the current model, but now identified, should be taken into account in any consideration by the Council of future service delivery. According to Taituarā — Local Government Professionals Aotearoa (formerly SOLGM) one of the objectives lying behind section 17A is an encouragement for councils to seek efficiencies, and that some internal improvements might be an appropriate means of doing so. Staff have therefore identified several opportunities for improvement, regardless of the future delivery model. These are addressed in the recommendations.

6. CONCLUSION

6.1 The primary recommendation of this report is that Caccia Birch House is brought into the Council and delivered in-house. While most submitters opposed this proposal, the arguments in favour of the status quo do not sufficiently address the arguments

for change. Most of the arguments made by submitters against change focus on the attributes of current staff rather than the criteria for the review agreed by the Council in consultation with the Board.

- 6.2 However, there are two main arguments against the proposed change that warrant further consideration and response:

Heritage values

- 6.3 The first outstanding issue is the risk that in-house delivery would not benefit from the knowledge and expertise of those who have cared for Caccia Birch over the last few decades. Submitters in favour of the status quo have emphasised the heritage value of the property. The Council would need to ensure that this knowledge and experience of Caccia Birch informed the future service delivery. The development of a heritage plan is therefore recommended to guide the future management of the property (see recommendations section below).

Value of community involvement

- 6.4 The second outstanding issue is the expectation of Council for increased community involvement in Caccia Birch House. It is noted above that the interest, expertise and enthusiasm of the community (including the Board) could perhaps be more profitably directed into more informal support rather than compliance and management activities. The development and support of a Friends of Caccia Birch group is recommended (see recommendations section below). If the service is brought into Council then there will need to be appropriate systems developed to ensure that this relationship is a positive and productive one.
- 6.5 As noted above, the primary recommendation is for the proposed model to be adopted.
- 6.6 If Council does not move and adopt the recommendation to bring the service delivery of Caccia Birch House into Council, then staff propose that the following recommendations are considered for adoption instead:
1. That Council agree that a CCO model is the most efficient, effective and appropriate model of service delivery for Caccia Birch House;
 2. That the following requirements are included in the next Statement of Expectation:
 - That the Board provides assurance that there is no perceived or actual conflict of interest between its catering contract with the Manager and the Manager's employment agreement;

- That the Board works with Council staff to develop and provide appropriate mechanisms to measure customer satisfaction with the service provided, and that these measures are included in all reporting;
 - That the Board provides assurance of its health and safety compliance, including a mechanism to ensure all staff have ways to seek assistance with any employment matters which may arise;
 - That the Board demonstrates its delivery of increased community access to the Caccia Birch grounds and House.
3. That the development of a heritage plan for Caccia Birch is costed and included in the deliberations report on the 10-year plan in June 2021.

7. NEXT ACTIONS


- 7.1 If the recommendations are adopted then the Chief Executive will work with the CBTB to develop a plan for the transition of Caccia Birch House from management by a CCO to in-house management by Council.

COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide? If Yes quote relevant clause(s) from Delegations Manual	No
Are the decisions significant?	Yes
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?	Yes
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	
The recommendations contribute to the achievement of action/actions in a plan under the Driven and Enabling Council Strategy The action is: Not Applicable.	
Contribution to strategic direction and to social, economic,	The review of Caccia Birch House under section 17A of the Local Government Act 2002 will ensure the city is getting the maximum benefit from this community asset.

environmental and cultural well- being	
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ATTACHMENTS

1. Description of options - responsibilities [↓](#) 

ITEM 5

DESCRIPTION OF OPTIONS

Responsibilities of each party

Activity	Option 1 – CCO		Option 2 – Council
	Council	CCO	Council
Appoint members of CCO Board	✓		N/A
Communicate Council expectations to the Board via Statement of Expectation	✓		N/A
Monitor the CCO Board by reviewing annual Statements of Intent and six-monthly reports	✓		N/A
Provide operational funding to the CCO	✓		N/A
Maintain a relationship with the CCO Board at an operational and governance level	✓		N/A
Set and achieve the objectives of the CCO Board's trust deed and Statement of Intent		✓	N/A
Prepare and present annual Statements of Intent and six-monthly reports to Council		✓	N/A
Maintain the property's fixed assets and those that are part of the building fabric ¹	✓		✓
Carry out the balance of property maintenance ²		✓	✓
Ensure maintenance of Caccia Birch House meets or exceeds current standards	✓		✓
Manage the day-to-day business of the property as a heritage venue for hire including bookings, invoicing, events, promotion, catering contracts, security and administration		✓	✓
Meet the operational compliance requirements of a venue for hire		✓	✓
Make the property available for the public to access		✓	✓
Ensure the public can access information about the history of the property		✓	✓
Carry out asset management planning for the property	✓		✓

¹ Including external cladding and roof work; structural issues; toilets and bathrooms; carpet replacement; all painting – internal and external; air-conditioning replacement, servicing and maintenance; major reconfigurations of layout; compliance matters; lighting and electrical wiring; and footpaths, carparks and driveways.

² Including curtains and blinds; furniture; security systems; sound and audio-visual systems; cosmetic non-fixed items; signage; exterior sculptures and feature items; gardens and grounds maintenance; and operational items.

Activity	Option 1 – CCO		Option 2 – Council
	Council	CCO	Council
Ensure Council's asset management programme and any improvements to the property enhance and preserve the heritage value		✓	✓
Build and maintain relationships with Council, other commercial and cultural venues, customers and the wider public		✓	✓
Obtain and care for heritage items to furnish the property and maintain the archives		✓	✓
Apply for grants to enhance the property or support operations		✓	✓