



PAPAIOEA
PALMERSTON
NORTH
CITY

PALMERSTON NORTH CITY COUNCIL

AGENDA

CULTURE & SPORT COMMITTEE

9:00 AM, WEDNESDAY 27 MARCH 2024

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

MEMBERS

Rachel Bowen (Chair)
Billy Meehan (Deputy Chair)
Grant Smith (The Mayor)

Mark Arnott
Vaughan Dennison
Lew Findlay (QSM)
Roly Fitzgerald
Patrick Handcock
(ONZM)

Leonie Hapeta
Debi Marshall-Lobb
William Wood
Kaydee Zabelin

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

Waid Crockett

Chief Executive | PALMERSTON NORTH CITY COUNCIL

CULTURE & SPORT COMMITTEE MEETING

27 March 2024

ORDER OF BUSINESS

1. Karakia Timatanga

2. Apologies

3. 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.

4. 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.

5. 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.)

6. Confirmation of Minutes

Page 7

"That the minutes of the Culture & Sport Committee meeting of 7 February 2024 Part I Public be confirmed as a true and correct record."

REPORTS

7. Presentation - Manawatū Summer Shakespeare

Page 11

8. Annual Sector Lead Report: Creative Sounds Society Incorporated (The Stomach)

Page 13

Memorandum, presented by Gillian Tasker, Community Development Advisor.

9. Annual Sector Lead Report: Community Arts Palmerston North Incorporated (Square Edge Community Arts)

Page 23

Memorandum, presented by Gillian Tasker, Community Development Advisor.

10. The Regent Theatre Trust: Six-Month Report 1 July - 31 December 2023 and Draft Statement of Intent 2024-27

Page 31

Memorandum, presented by Sarah Claridge, Democracy & Governance Advisor.

11. The Globe Theatre Trust: Six-Month Report 1 July - 31 December 2023 and Draft Statement of Intent 2024-27

Page 41

Memorandum, presented by Sarah Claridge, Democracy & Governance Advisor.

- 12. Te Manawa Museums Trust: Six-Month Report 1 July - 31 December 2023** Page 51

Memorandum, presented by Sarah Claridge, Democracy & Governance Advisor.

- 13. Sport Manawatū Charitable Trust - Six-Month Progress Report to Palmerston North City Council for July to December 2023** Page 57

Memorandum, presented by Ann-Marie Mori, Policy Analyst.

- 14. Covered Bowling Green Progress** Page 61

Memorandum, presented by Aaron Phillips, Activities Manager - Parks.

- 15. Manawatū Community Athletics Track 2023 Annual Report** Page 67

Memorandum, presented by Aaron Phillips, Activities Manager - Parks.

- 16. Manawatū Arts Festival Feasibility Study** Page 71

Memorandum, presented by Luke McIndoe, Head of Events.

- 17. Committee Work Schedule** Page 75

- 18. Karakia Whakamutunga**

- 19. 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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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 Culture & Sport Committee Meeting Part I Public, held in the Council Chamber, First Floor, Civic Administration Building, 32 The Square, Palmerston North on 07 February 2024, commencing at 1.15pm

Members Present: Councillors Rachel Bowen (in the Chair), Billy Meehan, Mark Arnott, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Debi Marshall-Lobb, William Wood and Kaydee Zabelin.

Non Members: Councillors Brent Barrett, Lorna Johnson, Orphée Mickalad and Karen Naylor.

Apologies: Councillor Leonie Hapeta.

The Mayor (Grant Smith) entered the meeting at 1.21pm during consideration of clause 3. He was not present for clauses 1 and 2.

Councillor Vaughan Dennison left the meeting at 2.11pm during consideration of clause 4. He was not present for clauses 4 and 5.

Karakia Timatanga

Councillor Debi Marshall-Lobb opened the meeting with karakia.

1-24 Apologies

Moved Rachel Bowen, seconded Billy Meehan.

The COMMITTEE RESOLVED

1. That the Committee receive the apologies.

Clause 1-24 above was carried 14 votes to 0, the voting being as follows:

For:

Councillors Rachel Bowen, Billy Meehan, Mark Arnott, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Debi Marshall-Lobb, William Wood, Kaydee Zabelin, Brent Barrett, Lorna Johnson, Orphée Mickalad and Karen Naylor.

2-24 Confirmation of Minutes

Moved Rachel Bowen, seconded Billy Meehan.

The COMMITTEE RESOLVED

1. That the minutes of the Culture & Sport Committee meeting of 8

November 2023 Part I Public be confirmed as a true and correct record.

Clause 2-24 above was carried 13 votes to 0, with 1 abstention, the voting being as follows:

For:

Councillors Rachel Bowen, Billy Meehan, Mark Arnott, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Debi Marshall-Lobb, William Wood, Kaydee Zabelin, Brent Barrett, Orphée Mickalad and Karen Naylor.

Abstained:

Councillor Lorna Johnson.

3-24

Presentation - Manawatū Youth Theatre

Presentation, by Graham Johnston and Kane Parsons, Manawatū Youth Theatre.

Graham and Kane provided an update on the purpose of Manawatū Youth Theatre, recent productions and future plans, as attached to these minutes.

The Mayor (Grant Smith) entered the meeting at 1.21pm.

Moved Rachel Bowen, seconded Billy Meehan.

The **COMMITTEE RESOLVED**

1. That the Culture & Sport Committee receive the presentation for information.

Clause 3-24 above was carried 15 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Rachel Bowen, Billy Meehan, Mark Arnott, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Debi Marshall-Lobb, William Wood, Kaydee Zabelin, Brent Barrett, Lorna Johnson, Orphée Mickalad and Karen Naylor.

4-24

Te Manawa Museums Trust: Draft Statement of Intent 2024-27

Memorandum, presented by Susanna Shadbolt, Chief Executive, Catherine Parsons, Finance Manager and Caroline Tate, Chair, Te Manawa Museums Trust.

Councillor Vaughan Dennison left the meeting at 2.11pm.

Moved Rachel Bowen, seconded Billy Meehan.

The **COMMITTEE RECOMMENDS**

1. That Council increase Te Manawa's operational grant funding in the draft Long-Term Plan 2024-34 to be:

2024/25	2025/26	2026/27
\$3,833,599	\$4,024,056	\$4,217,826

The **COMMITTEE RESOLVED**

2. To receive the draft Statement of Intent 2024-27 (Attachment 1) submitted by Te Manawa Museums Trust, subject to Council agreement of Recommendation 1.
3. To agree that the recommended comments on the draft Statement of Intent 2024–27 outlined in Table 1 be advised to Te Manawa Museums Trust.

Clause 4-24 above was carried 11 votes to 3, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Rachel Bowen, Billy Meehan, Roly Fitzgerald, Patrick Handcock, Debi Marshall-Lobb, William Wood, Kaydee Zabelin, Brent Barrett, Lorna Johnson and Orphée Mickalad.

Against:

Councillors Mark Arnott, Lew Findlay and Karen Naylor.

5-24 Committee Work Schedule

Moved Rachel Bowen, seconded Billy Meehan.

The **COMMITTEE RESOLVED**

1. That the Culture & Sport Committee receive its Work Schedule dated February 2024.

Clause 5-24 above was carried 14 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Rachel Bowen, Billy Meehan, Mark Arnott, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Debi Marshall-Lobb, William Wood, Kaydee Zabelin, Brent Barrett, Lorna Johnson, Orphée Mickalad and Karen Naylor.

Karakia Whakamutunga

Councillor Rachel Bowen closed the meeting with karakia.

The meeting finished at 2.37pm.

Confirmed 27 March 2024

Chair

PRESENTATION

TO: Culture & Sport Committee

MEETING DATE: 27 March 2024

TITLE: Presentation - Manawatū Summer Shakespeare

RECOMMENDATION TO CULTURE & SPORT COMMITTEE

- 1. That the Culture & Sport Committee receive the presentation for information.**
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SUMMARY

Rachel Lenart, Creative Producer and Rhian Firmin, Director will present a summation of the Council supported 2024 production of Much Ado About Nothing. They will comment on audience and participant feedback, successes and challenges of the season, and considerations for the future of the initiative, including funding.

ATTACHMENTS

Nil

MEMORANDUM

TO: Culture & Sport Committee

MEETING DATE: 27 March 2024

TITLE: Annual Sector Lead Report: Creative Sounds Society Incorporated (The Stomach)

PRESENTED BY: Gillian Tasker, Community Development Advisor

APPROVED BY: Kerry-Lee Probert, Acting Chief Customer Officer

RECOMMENDATION TO COUNCIL

1. That Council

EITHER

A: Increase Creative Sounds Society Incorporated Sector Lead grant funding by \$68,000 in the draft Long-Term Plan 2024-34 to \$188,813 for the 2024/2025 financial year and adjusted for inflation in future years.

OR

B: Confirm current Sector Lead grant funding of \$120,813 in the draft Long-Term Plan 2024-34 and adjusted for inflation in future years.

RECOMMENDATION TO CULTURE & SPORT COMMITTEE

2. That the Committee receive the Annual Sector Lead Report: Creative Sounds Society Incorporated (The Stomach) (January-December 2023) (Attachments 1, 2 and 5).

1. ISSUE

- 1.1 Creative Sounds Society Incorporated (CSSI) (known as The Stomach) is delivering its second report (January-December 2023) as a Sector Lead organisation, which is appended to this memorandum as Attachments 1, 2 and 5.
- 1.2 Reporting to Council is required under the Sector Lead Partnership Agreement structure.
- 1.3 Analysis of Creative Sounds' performance against agreed activities and outcomes is included in this memorandum.

- 1.4 On 8 June 2022, Council resolved to engage Creative Sounds as a Sector Lead organisation.
- 1.5 The Sector Lead Partnership model was trialled from 1 July 2022 – 30 June 2023, and was approved to continue, as per Council's resolution of 18 December 2023:

'That Council approve the continuation of the Sector Leads Partnership model in principle, as per the Support and Funding Policy 2022, and note that appropriate budget will be established for Sector Lead partners within the draft 2024-2034 Long-Term Plan.'

- 1.6 A three-year Partnership Agreement commenced between Creative Sounds and the Council in July 2022. The Agreement stipulates that activities funded contribute to the achievement of priorities 1-4 within the Council's Creative and Exciting strategic direction.
- 1.7 Reporting requirements within the Agreement include an annual report to Council covering the activities delivered and outcomes achieved in the preceding period.

2. ANNUAL REPORT ANALYSIS

- 2.1 Creative Sounds Society Incorporated is an independent charitable trust and receives multiple and diverse sources of funding, including from Palmerston North City Council, New Zealand Music Commission, Department of Internal Affairs Lottery Grants, Eastern and Central Community Trust and other funders. The Stomach works towards meeting several different investment outcomes through its activities and, therefore, their report includes activities that are not solely funded by Council.
- 2.2 Creative Sounds Society has supported the local music community with an all-ages music venue, recording and rehearsal facilities since its incorporation in 1988. Over the past thirty-five years Council has supported Creative Sounds with a lease agreement for the Council-owned music studio space, and with an operational grant. Additionally, Creative Sounds has raised significant funding to expand and upgrade the building in partnership with Council.
- 2.3 The amount of funding Creative Sounds receives through this Sector Lead Partnership Agreement is \$110,000 per annum (plus GST and adjusted for inflation in years two and three). Funding for the current year totals \$115,000.

2.4 Assessment of activities

Strategic Alignment	Activity	Comment	Assessment (Not met; developing; or met)
Creative and Exciting activities			
Priorities 1, 2, 3 & 4	Deliver regular gigs for people of all ages and diverse interests featuring local, national, and international artists who might not otherwise be booked in commercial spaces or tour to this City	Creative Sounds is performing well in this activity, hosting a range of youth bands, cultural groups, and a panel discussion featuring the 'founding fathers' of the Stomach that reinforced the Stomach and Palmerston North's role as an arts incubator.	Met
Priorities 1, 2, 3 & 4	Provide an industry standard, professional style, recording studio of considerable size and flexibility for local musicians of all ages and abilities with a low-cost, affordable pricing model	Creative Sounds operate The Stomach facilities to a high standard and continue to work to ensure access barriers are low. Staff note that the capacity to maintain these high standards may be affected by loss of the Outreach Coordinator role.	Met
Priorities 1, 2, 3 & 4	Provide publicly accessible and affordable, high quality rehearsal spaces and equipment for local musicians	Creative Sounds is performing well in this activity. Council staff note that it is especially important for The Stomach to remain located in a semi-industrial zone that allows more noise to be created than in a	Met

		residential area.	
Priorities 1, 2, 3	Provide equipment hire, such as vocal PA and backline to support local musicians	This is a successful initiative; the music instrument and backline library established last year has had good use from communities that Creative Sounds may not otherwise have the capacity to reach.	Met
Priority 4	Create and maintain a network of connections to the broader New Zealand music community and industry	Creative Sounds has a strong network of relationships which reflect positively on the organisation and the city. They have built a national reputation as a music venue sector leader reflected by the invitations to attend national music summits.	Met
Priorities 1, 2, 3 & 4	Provide education and mentoring opportunities for local musicians	Supported by the Community Outreach position and in collaboration with Girls Rock Aotearoa and Youth Space, Creative Sounds have extended their mentoring and training for young women and gender diverse youth.	Met
Priorities 1, 2 & 3	Be accessible for people who experience challenges to participation in music, because of age, gender, identity, ethnicity, socio-economic situation, disability or neurodiversity	Creative Sounds is well established as an intentionally inclusive and welcoming organisation / facility, allowing a wide range of groups to express themselves creatively. Staff note that the Community Outreach position has enabled	Met

		Creative Sounds to build capacity in this area.	
Priority 4	Positively promote Palmerston North via the organisation's highly regarded reputation among the New Zealand music community as well as through regular engagement with touring artists, and promotion of Palmerston North gigs and local music scene via The Stomach newsletter and other outlets such as local and national media	Creative Sounds is very active in this area. The 35 th anniversary of SwampFest in October 2023 showcasing youth, local and national musicians provided a unique opportunity for the community to enjoy a range of music and venues.	Met
Sector Leadership activities			
Priority 3	Provide capacity-building and support for other community organisations to develop and connect	Creative Sounds work with other community, arts and music organisations and with music educators to share their expertise, advice and professional equipment. They work regularly with Square Edge, The Globe and Snails Artist Run Spaces.	Met
Priorities 1, 3 & 4	Deliver the highest level of expertise and highest quality service	Creative Sounds delivers to a high level with affordable and accessible recording, rehearsal and sound engineering alongside staff experience in event management, promotion and education, services that are the envy of other regions and	Met

		cities.	
Priorities 3 & 4	Think, work and advocate strategically	<p>This area is a strength of Creative Sounds.</p> <p>Creative Sounds are active contributors to the Sector Lead network group.</p> <p>They are connectors for local and regional music educators, schools, social and disability service providers to other musicians, local and national venues, promoters and radio networks.</p>	Met
Priorities 3 & 4	Have robust strategic and business plans in place	<p>Recruitment of a new Manager in this period encouraged the Creative Sounds management committee to review operations and user needs.</p> <p>Staff note that the capacity of Creative Sounds to deliver on a new strategic plan under development will be impacted by retention of the Community Outreach position.</p>	Met

- 2.5 Alongside an annual report which provides information on the agreed activities, Sector Lead organisations are required to provide six-monthly performance measure data for a range of indicators related to their activities.
- 2.6 The measures are based on a Results Based Accountability approach, where impact of effort is demonstrated by measurement of who is 'better off' as a result of the activities or services, as well as 'how much' of the activity or service was delivered and 'how well' it was delivered. The performance measure data provides an evidence base to support the information in the

annual report. Performance measure data for the period 1 January 2023 to 31 December 2023 is appended to this memorandum as Attachment 5.

- 2.7 To better capture use of the recording and rehearsal facilities, Creative Sounds requested amendments to their performance measures in March 2023. The changes in measures are identified in the performance measure data.
- 2.8 Creative Sounds have worked to increase membership with a focus on getting young people involved as members and board representatives. The accessible and supportive environment offered by The Stomach is shown in the rise of users with disabilities.
- 2.9 Staff note a decrease in clients accessing the recording studio and recording hours in the July-December 2023 period was due to many of the recording projects from the first half of the year extending into the second half of the year. Creative Sounds staff invest time working closely with their clients to achieve high-quality outcomes and foster enduring relationships.
- 2.10 Creative Sounds have been working on improving survey numbers through an active social media presence that is supported by the Community Outreach Coordinator. Council staff will also work with Creative Sounds to ensure consistent collection of data that captures their contribution to Council's priorities.

3. ADDITIONAL GRANT FUNDING REQUEST FOR THE 2024/25 YEAR

- 3.1 In the draft Long-Term Plan 2024-2034 the Sector Lead grant for Creative Sounds for 2024-2025 is currently \$120,813. Staff note that Creative Sounds is requesting an increase of \$68,000 to their grant to support continuation of the full-time Community Outreach Coordinator role. Creative Sounds' letter (Attachment 3) explains the background for the increased grant request.
- 3.2 Creative Sounds have had difficulty in finding enough funding to continue the role beyond June 2024 when the three-year funding agreement with Manatū Taonga Ministry of Culture & Heritage ends. Creative Sounds have submitted a draft budget for 2024-2025 (Attachment 4) that includes unconfirmed funding sought from other funders.
- 3.3 A letter of support from Arts Access Aotearoa (Attachment 6), fund administrators of the Manatū Taonga Ministry of Culture & Heritage's CARE fund, further outlines the impact of the Outreach role in strengthening Creative Sounds' engagement with local disability, iwi and Pasifika groups, and by increasing accessibility to their facilities and experiences for everyone living in Palmerston North.
- 3.4 If Council decided to increase the amount funded to Creative Sounds as per their proposal, this could be applied for the remaining financial year of the Agreement (2024/2025) provided Long-Term Plan budgets were adjusted accordingly. Note indicative figures based on current funding levels have

been entered into the draft Long-Term Plan beyond 2024/2025 for each Sector Lead, but new Agreements will need to be negotiated between each continuing Sector Lead and Council for commencement from 1 July 2025.

4. CONCLUSION

- 4.1 This memorandum has provided background to and comment on the annual report of Creative Sounds Society Incorporated (The Stomach) for 2023.
- 4.2 Staff have assessed that Creative Sounds is performing well against their agreed activities across the board. To maintain their community reach and impact Creative Sounds have requested an increase in their Sector Lead funding for 2024-2025.

5. NEXT STEPS



- 5.1 Staff will continue to support Creative Sounds to deliver the wide-ranging activities and initiatives covered by the Partnership Agreement.
- 5.2 Creative Sounds will present its next Annual Report, covering year three of the agreement, early in 2025. Further staff commentary on progress will also be provided at that time.
- 5.3 If recommendation 1A is agreed by the Council, it will be included in the final 2024-2034 Long Term Plan deliberations in May 2024.

6. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	No
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 3: A Connected and Safe Community	
The recommendations contribute to the achievement of action/actions in Connected Communities	
The action is: Administer grants in line with the community funding policy; Monitor for-purpose organisations contracted or funded by Council against agreed outcomes.	
Contribution to strategic direction and to social, economic,	Sector Lead Organisations contribute to the achievement of Council's strategic direction, particularly Goals 2, 3 and 4, which seek to enhance the social, economic,

environmental and cultural well-being	environmental and cultural wellbeing of the community.
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ATTACHMENTS

1. Creative Sounds Society Incorporated (The Stomach) Annual Sector Lead Report for January to December 2023 (attached separately) 
2. Creative Sounds Society Incorporated (The Stomach) Financial Performance Report to 30 June 2023 (attached separately) 
3. Creative Sounds Society Incorporated (The Stomach) request letter 27 February 2024 (attached separately) 
4. Creative Sounds Society Incorporated (The Stomach) Draft 2024 to 2025 budget (attached separately) 
5. Sector Lead Creative Sounds Society Incorporated (The Stomach) Performance measure data for 1 January 2023 to 31 December 2023 (attached separately) 
6. Arts Access Aotearoa Letter of Support for Creative Sounds Society Incorporated (The Stomach) 5 February 2024 (attached separately) 

MEMORANDUM

TO: Culture & Sport Committee

MEETING DATE: 27 March 2024

TITLE: Annual Sector Lead Report: Community Arts Palmerston North Incorporated (Square Edge Community Arts)

PRESENTED BY: Gillian Tasker, Community Development Advisor

APPROVED BY: Kerry-Lee Probert, Acting Chief Customer Officer

RECOMMENDATION TO CULTURE & SPORT COMMITTEE

1. That the Committee receive the Annual Sector Lead Report: Community Arts Palmerston North Incorporated (Square Edge Community Arts) (January-December 2023) (Attachments 1-5).
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1. ISSUE

- 1.1 Community Arts Palmerston North Incorporated (trading as Square Edge Community Arts ('SECA')) is delivering its second annual report (January-December 2023) as a Sector Lead organisation, which is appended to this memorandum.
- 1.2 Reporting to Council is required under the Sector Lead Partnership Agreement structure.
- 1.3 Analysis of SECA's performance against agreed activities and outcomes is included in this memorandum.

2. BACKGROUND

- 2.1 On 8 June 2022, Council resolved to engage Community Arts Palmerston North Incorporated (Square Edge Community Arts) as a Sector Lead organisation.
- 2.2 The Sector Lead Partnership model was trialled from 1 July 2022 – 30 June 2023, and was approved to continue, as per Council's resolution of 18 December 2023:

'That Council approve the continuation of the Sector Leads Partnership model in principle, as per the Support and Funding Policy 2022, and note that appropriate budget will be established for Sector Lead partners within the draft 2024-2034 Long-Term Plan.'

- 2.3 A three-year Partnership Agreement commenced between SECA and the Council in July 2022. The Agreement stipulates that activities funded contribute to the achievement of priorities 1-4 within the Council's Creative and Exciting strategic direction.
- 2.4 Reporting requirements within the Agreement include an annual report to Council covering the activities delivered and outcomes achieved in the preceding period.

3. ANNUAL REPORT ANALYSIS

- 3.1 SECA is an independent charitable trust and receives multiple and diverse sources of funding, including grants from Palmerston North City Council, Creative New Zealand, the Ministry of Social Development, Eastern and Central Community Trust and other funders. SECA works towards meeting several different investment outcomes through its activities and, therefore, their report includes activities that are not solely funded by Council.
- 3.2 SECA was incorporated as Palmerston North Community Arts Council in 1972. In 2004, the Palmerston North Community Arts Council took over management of the Square Edge Creative Centre from the Manawatū Community Arts Centre Trust. Council has supported SECA through a management agreement that allows SECA to retain the surplus revenue from the management of the Square Edge building, and with an operational grant. Over time the grant has increased as services were added including implementation of a new strategic plan and development of new arts events and programmes.
- 3.3 While the Sector Lead agreement specifically covers initiatives that focus on the city of Palmerston North, staff acknowledge that work completed by SECA has far broader impacts on the wider Manawatū Region. SECA provides sector leadership in both a citywide and regional capacity.
- 3.4 The amount of funding SECA receives through this Sector Lead Partnership Agreement is \$80,000 per annum (plus GST and adjusted for inflation in years two and three). Funding for the current financial year totals \$83,680.
- 3.5 Note the Partnership Agreement does not include funding for Art Trail Manawatū, as this is a large event which is funded separately via the Major Events Fund.

Assessment of agreed activities

Strategic Alignment	Activity	Comment	Assessment (Not met; developing; or met)
Creative and Exciting activities			
Priorities 1, 3 & 4	Manage the Square Edge Arts Centre building	<p>SECA has managed the Square Edge building to a satisfactory level in this reporting period.</p> <p>Their Annual Report identifies their contribution to community connection and inclusion by being space that embraces everyone. For example, they experienced an increase in venue bookings from a wide range of community initiatives making the most of SECA's subsidised rates.</p>	Met
Priorities 1, 2, 3 & 4	Develop, run and promote arts programmes, workshops, exhibitions, performances and support local artists	<p>SECA has extended their range of high-quality activities and programmes in this reporting period.</p> <p>For example, The Pottery space was developed in response to community need and employs four tutors offering workshops and experiences.</p> <p>SECA's exhibitions (up to 6 per month) maximise the opportunity for Palmerston North's diverse range of artists to showcase their work and culture.</p>	Met
Priorities 2, 3 & 4	Collaborate with other Arts Sector leaders to develop new initiatives and opportunities	<p>SECA has worked collaboratively with others during this reporting period, including with Centrepoint Theatre, CEDA and UCOL on exhibitions, internship opportunities and promoting Palmerston North to the world.</p> <p>Staff note SECA's ability to take a leading role in wider</p>	Developing

		collaborative opportunities such as the Coastal Art Trail, or developing new initiatives, is constrained by their organisational capacity.	
Sector Leadership activities			
Priority 3	Provide capacity-building and support for other community organisations to develop and connect	SECA work with a wide range of organisations in Palmerston North and across neighbouring regions. They support a Community Arts network that provides artists the opportunity to present their work to audiences in other regions and extended their reach to regional schools through the Tangata Taputapu initiative. Similar to above, staff view there is further opportunity for SECA in this space, currently limited by their capacity.	Developing
Priorities 1, 3 & 4	Deliver the highest level of expertise and highest quality service	SECA is performing well in this area. Palmerston North's reputation is enhanced by SECA's involvement in initiatives such as the Coastal Trail and Art Trail Manawatū. Their ability to curate experiences that help to promote Palmerston North as a creative and exciting city is evidenced by the feedback from the recent Tourism New Zealand delegation provided in their Annual Report.	Met
Priorities 3 & 4	Think, work and advocate strategically	SECA is performing well in this area. They are actively seeking connection with groups and individuals not currently accessing their facilities, are planning new approaches to key initiatives in response to community feedback and initiating new relationships with	Met

		local Māori artists and regional schools.	
Priorities 3 & 4	Have robust strategic and business plans in place	SECA has satisfactory plans in place. No concerns with overall financial position, noting SECA have signalled their intention to request an increase in their Sector Lead funding in 2025 to provide additional capacity.	Met

- 3.6 Alongside an annual report which provides information on the agreed activities, Sector Lead organisations are required to provide six-monthly performance measure data for a range of indicators related to their activities.
- 3.7 The measures are based on a Results Based Accountability approach, where impact of effort is demonstrated by measurement of who is 'better off' as a result of the activities or services, as well as 'how much' of the activity or service was delivered and 'how well' it was delivered. The performance measure data provides an evidence base to support the information in the annual report. Performance measure data for the period 1 January 2023 to 31 December 2023 is appended to this memorandum as Attachment 5.
- 3.8 To capture the increasing number of programmes being delivered, SECA requested amendments to their performance measures in April 2023. The changes in measures are identified in the performance measure data in Attachment 5.
- 3.9 SECA's performance data remains steady overall, and staff are confident that SECA are delivering well for the community. The data shows that their footfall has increased in the second half of the year, along with their membership.
- 3.10 Staff also note that a change in SECA's management has evolved the range of programmes, exhibitions and initiatives offered. Similarly, the new performance measures agreed in April 2023 caused some confusion as the SECA team adapted their data collection survey to incorporate participants in these new initiatives.
- 3.11 Allowing survey responders to skip or ignore questions has resulted in a low response rate in some of the 'Better Off' performance measures for the July - December 2023 period. Staff will work with the SECA team to ensure consistent collection of data that captures their contribution to Council's priorities.

4. CONCLUSION

- 4.1 This memorandum has provided background to and comment on the annual report of Community Arts Palmerston North Incorporated (trading as Square Edge Community Arts, or SECA) for 2023.
- 4.2 Staff have assessed that Community Arts Palmerston North Incorporated is performing well against the majority of their agreed activities. SECA have signalled an intention to request an increase in their Sector Lead funding in 2025 to increase their capacity.






5. NEXT STEPS

- 5.1 Staff will continue to support SECA to deliver the wide-ranging activities and initiatives covered by the Sector Lead Partnership Agreement.
- 5.2 SECA will present its next Annual Report, covering year three of the agreement, early in 2025. Further staff commentary on progress will also be provided at that time.

6. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	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?	Yes
Are the recommendations inconsistent with any of Council's policies or plans?	No
The recommendations contribute to Goal 3: A Connected and Safe Community	
The recommendations contribute to the achievement of action/actions in Connected Communities	
The action is: Administer grants in line with the community funding policy; Monitor for-purpose organisations contracted or funded by Council against agreed outcomes.	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	Sector Lead Organisations contribute to the achievement of Council's strategic direction, particularly Goals 2, 3 and 4, which seek to enhance the social, economic, environmental and cultural wellbeing of the community.

ATTACHMENTS

1. Community Arts Palmerston North (SECA) Annual Sector Lead Report January to December 2023 (attached separately) 
2. Community Arts Palmerston North (SECA) Financial Performance Report 30 June 2023 (attached separately) 
3. Community Arts Palmerston North (SECA) Balance Sheet as at 31 Dec 2023 (attached separately) 
4. Community Arts Palmerston North (SECA) Additional Info for Balance Sheet as at 31 Dec 2023 (attached separately) 
5. Sector Lead Community Arts Palmerston North (SECA) Performance Measure Data for 1 January 2023 to 31 December 2023 (attached separately) 

MEMORANDUM

TO: Culture & Sport Committee

MEETING DATE: 27 March 2024

TITLE: The Regent Theatre Trust: Six-Month Report 1 July - 31 December 2023 and Draft Statement of Intent 2024-27

PRESENTED BY: Sarah Claridge, Democracy & Governance Advisor

APPROVED BY: Donna Baker, Acting Chief Executive Unit Manager

RECOMMENDATIONS TO CULTURE & SPORT COMMITTEE

- 1. That the Committee receive the Six-Month Performance Report 1 July - 31 December 2023 (Attachment 1) submitted by the Regent Theatre Trust.**
 - 2. That the Committee receive the draft Statement of Intent 2024-27 (Attachment 3) submitted by the Regent Theatre Trust.**
 - 3. That the Committee agree that the recommended comments on the draft Statement of Intent 2024-27 outlined in Table 3 be advised to the Regent Theatre Trust Board.**
-

1. ISSUE

- 1.1 The Regent Theatre Trust (the Regent) has delivered its six-month report (1 July - 31 December 2023) and draft Statement of Intent (SOI) 2024-27. This report includes analysis of both documents, which are appended to this memorandum.
- 1.2 The purpose of this report is to provide an opportunity for the Committee to give feedback to the Regent on their draft SOI.
- 1.3 Under the Local Government Act 2002 (LGA), when preparing the final SOI, a Council Controlled Organisation (CCO) must consider any comments made on the draft by the Council, prior to delivering a final SOI by 30 June 2024.

2. BACKGROUND

- 2.1 The Regent was set up as a CCO to independently manage and promote the Regent Theatre as the preferred local venue of choice for international, national, and local performing arts experiences catering to culturally diverse people of all ages.
- 2.2 A CCO is an organisation in which Council has the right to appoint at least 50% of the trustees and must work towards Council's objectives on its behalf.

- 2.3 The Council is required by the LGA to regularly undertake performance monitoring of its CCOs. Council is required to evaluate:
- the contribution of each CCO to the Council's objectives for the CCO;
 - the desired results set out in the SOI; and
 - the overall aims and outcomes of the Council based on the six-month reports.

2.4 Six-month performance reports allow Council to track a CCO's progress against their SOI and the Council's objectives for the CCO. This six-month report covers the first six months of the SOI 2023-2026.

3. COUNCIL OBJECTIVES FOR THE REGENT THEATRE

3.1 It is good practice for a shareholder of a CCO (eg. Council) to outline what it expects of its CCO, and to clarify the roles and responsibilities of the CCO Board and Council in a Statement of Expectations (SOE).

3.2 In December 2023, Council agreed a Statement of Expectations (SOE) 2022/23 for the Regent until June 2025. In doing so it recognised that Council's objectives¹ for the Regent Theatre remain the same in the short term. A new three-year SOE will be agreed later this year, to reflect Council's new strategic direction (due to be agreed in June 2024).

3.3 Council's priorities under Goal 2: A creative and exciting city to which the Regent could contribute are:

- Celebrate the city's history and diversity and build on the strength of being a city of many cultures and languages;
- Be a creative city that nurtures and celebrates the arts;
- Develop a national reputation as an exciting city with plenty to do at night and on weekends.

3.4 The Regent has incorporated these objectives into their key performance indicators which are grouped as:

- To be a venue for exciting community and performing arts experiences for the people of Palmerston North and the wider Manawatū region including recognising the role of local tangata whenua and heritage status of the building.
- To engage in effective collaboration with our stakeholders and clients, enabling the best customer experiences.
- To engage with diverse audiences via a marketing and promotion strategy that is continually developing and responding to regional demographics and artistic/cultural trends.

¹ See column 1 of Table 3.

4. PERFORMANCE FOR THE SIX MONTHS JULY TO DECEMBER 2023

- 4.1 Six-month reports allow Council to track the Regent's progress against their SOI and the Council's objectives listed in the SOE. This six-month report covers the first six months of the SOI 2023-2026.
- 4.2 The Regent has had a busy six months. Highlights from the Regent's six-month report (Attachment 1) include the following:
- Act 3 Productions had a successful season of We Will Rock You, with 5,586 people attending.
 - Hosted Performing Arts Competitions Association of New Zealand (PACANZ) for their six-day mega event during October. This was very successful for the theatre and had a large economic impact for the city.
 - International Touring events the Wiggles (2,000), Bill Bailey (1,361) and The Cat in the Hat (1,038) performed to large crowds.
 - Touring tribute bands Queen, Creedence Clearwater and Sweet Caroline continue to be popular.
 - Continued community use from schools, dance schools and tertiary institutions for prize-givings and productions,
- 4.3 Most of the Regent's performance measures are on track to achieving their target (see Attachment 2). This is laudable as many of the targets were aspirational following a solid year in 2022.
- 4.4 There is only one target, 'ethnically diverse concerts and productions' that is unlikely to be achieved as the Regent only has three more events scheduled to perform in the next six months. Whilst many ethnic groups do use the theatre, because events are not always held annually, the same groups cannot be relied on to meet the target every year. Officers would encourage greater promotion of the facilities available to reach out to new communities/ users.
- 4.5 For comparison, Table 1 compares 2023 and 2022 results with the pre-COVID year 2019.

Table 1: Comparing the first six months of the financial years 2019, 2022 and 2023

Measure		YTD 31 Dec 2019	YTD 31 Dec 2022	YTD 31 Dec 2023	3 Year Trend
Live nights – performances in the auditorium	Actual Target*	96 90	144 N/A ²	74 N/A	↓
Patronage – total attendance	Actual Target*	57,725 49,300	64,654 37,500	52,340 43,500	↓
Summary of events – total use of the theatre	Actual Target*	223 N/A	256 140	238 150	-
Ratio of Community/Commercial events	Actual Target	N/A	80/20 70/30	77/23 70/30	-

*Target is for the six-month mark

- 4.6 While results have decreased since last year's stellar results, 2023 results are within the range of 2019 levels indicating that the Regent is performing to pre-COVID times.
- 4.7 Compared to 2022/23, the ratio of community/commercial events has shifted towards more commercial events. This is good for the financial viability of the theatre. Despite the significant decrease of live nights over this reporting period, professional events remain constant at 17, compared to 16 in 2022.

Financial Commentary

- 4.8 The Trust earned less in 2023 and spent more than 2022, suggesting that operating costs have gone up due to increased costs in recoverables and personnel.
- 4.9 The Trust's current assets (mainly cash) is almost four times its current liabilities which indicate the Trust's ability to satisfy its current obligations.
- 4.10 The Trust's operating activity resulted in a large cash surplus at 6 month's-end of \$80,000 compared to December 2022.

² No target set

Table 2: Financial Information for Six-Month Report

('000)	July 2023 - December 2023			July 2022- December 2022	
	Actual	Budget	Variation	Actual	Variation. *
Summary Financials (\$000)					
Financial Performance					
PNCC Grants	129,008	122,754	6,254	123,469	5,539
Total Revenue	545,247	459,724	85,523	562,305	-17,058
Total Expenses	476,692	458,165	18,527	432,802	43,890
Net Surplus (Deficit)	68,555	1,559	66,996	129,503	-60,948
Financial Position					
Current Assets	713,943	491,943	222,000	543,527	170,416
Total Assets	1,295,921	1,253,214	42,707	1,130,891	165,030
Current Liabilities	194,749	177,043	17,706	135,872	58,877
Total Liabilities	194,749	177,043	17,706	135,872	58,877
Equity	1,101,172	1,076,171	25,001	995,019	106,153
Cash Flows					
Total Net Cash Flows	145,979	-22,151	168,130	23,967	122,012
Opening Cash	297,629	297,629	0	341,456	-43,827
Closing Cash	443,608	275,478	168,130	365,423	78,185

* when compared to the same period 12 months ago

5. DRAFT STATEMENT OF INTENT 2024-2027

- 5.1 The Board's focus for this SOI is to build on their success and, where possible, endeavour to increase the use of the venue to help make the city's vision a reality.
- 5.2 The Board has presented a draft SOI that aligns with Council's strategic direction and addresses the SOE, as outlined in Table 3 below.

Table 3: Comparison of The Regent SOI with Council's Statement of Expectation

Statement of Expectation	The Regent's Draft SOI 2024-27	Comments + Recommendations for Final SOI 2024-27
Develop contributions to the actions in the Arts & Heritage and Events & Festivals chapters of the Creative and Liveable City Strategy of the 2021-31 Long Term Plan.	The Regent lists activities which contribute to Goal 2 - Creative and Exciting City's Arts and Heritage Plan.	No comment.
<p>Activities to include in Performance Measures:</p> <ul style="list-style-type: none"> • support for inclusive and diverse community events • support for whānau, hapū and iwi to create and deliver arts experiences • support for Rangitānenuiarawa • contribution to environmental sustainability <p>(all from the Arts Chapter of 2021-2031 Arts and Heritage Plan).</p>	<p>The Regent has retained the following performance measures:</p> <ul style="list-style-type: none"> • Total number of ethnically diverse concerts and productions, both community and professionally produced, including Kapa Haka Competitions, World on Stage, Cultural events. <p>Target: 9 in 2024/25</p> <ul style="list-style-type: none"> • Added a target (%) to incrementally change to LED lights throughout the venue <p>Target 50% of venue in 2024/25</p> <p><u>Support for Māori art events</u></p> <p>The Regent has committed to ongoing monitoring to inform a future target for this objective.</p>	No comment.
<p>Outline approach to: good governance practices</p> <ul style="list-style-type: none"> • consider intention to reflect the diversity of Palmerston North in the membership of the Board. 	The Regent has outlined in the governance section an 'aim to reflect the diversity of the city and surrounding district'.	In accordance with the trust deed, The Regent Trust Board can co-opt two trustees annually, should they wish to increase diversity.
Outline approach to honouring and implementing Te Tiriti o	<p>Actions under Objective 1 include:</p> <p>Honouring Te Tiriti o Waitangi by</p>	No comment.

Statement of Expectation	The Regent's Draft SOI 2024-27	Comments + Recommendations for Final SOI 2024-27
Waitangi partnership.	<p>providing staff with training to learn Te Reo Māori and Tikanga.</p> <p>Install bilingual signage within the theatre.</p> <p>Collaborate with Rangitāne to enhance and expand the Regent Theatre's Pre-European project.</p>	
Outline approach to engaging with and enabling participation by under-represented communities.	<p>Actions under Objectives 2 and 3 include:</p> <p>Ensuring continued communication with the city's underrepresented groups.</p> <p>Target marketing material/ communication to the targeted audience.</p>	No comment.
Identify your regionally/nationally significant events based on current delivery.	The Regent has included a target for the number of national/ international tours. The target increases annually from 33, 38, 39.	No comment.
SOI should include the Economic Impact reporting model.	<p>Mentioned as the first activity under Objective 2.</p> <p>This includes collecting the ticketing snapshot of the audience and venue profiles from our contracted ticketing companies for either an event or for a defined period.</p>	Identifying the location of where ticket purchasers are, gives the Regent an indication of the geographic 'reach' of different events. This enables them to improve marketing and to extrapolate the potential economic impact of events.

Financial Commentary

5.3 The Trust Board is signalling a net deficit over the next three years due to increased employee and operation costs.

- 5.4 The Trust Board has projected slightly higher current assets over its current liabilities. However, over the three-year period, the current ratio is dropping – indicating that the Regent's ability to cover its creditors is decreasing. This could lead to additional Council funding being sought.
- 5.5 The Trust Board has projected deficit net cash flow for the next three years, mostly due to a significantly increased GST bill.

Table 4: Regent SOI Summary Financials

	Budget	SOI		
Summary Financials	23/24	24/25	25/26	26/27
Financial Performance				
PNCC Grant	258,016	270,611	276,023	281,544
Total Revenue	919,316	945,137	964,039	983,320
Total Expenses	926,901	946,717	966,612	987,118
Net Surplus (Deficit)	(7,585)	(1,580)	(2,573)	(3,798)
Financial Position				
Current Assets	373,220	337,450	324,654	308,617
Total Assets	1,230,951	1,219,016	1,227,673	1,235,442
Current Liabilities	255,921	245,567	256,795	268,363
Total Liabilities	255,921	245,567	256,795	268,363
Equity	975,030	973,449	970,878	967,079
Cash Flows				
Total Net Cash Flows	3,917	(35,770)	(12,796)	(16,038)
Opening Cash	297,629	301,545	265,775	252,979
Closing Cash	301,546	265,776	252,980	236,942
Current Ratio				
Current Ratio	1.46	1.37	1.26	1.15


6. NEXT STEPS

- 6.1 Any Committee comments on the draft SOI will be communicated in writing to the Regent.
- 6.2 The Regent will deliver their final SOI to the Culture & Sport Committee on 26 June 2024.

7. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	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?	Yes
Are the recommendations inconsistent with any of Council's policies or plans?	No
The recommendations contribute to Goal 2: A Creative and Exciting City	
The recommendations contribute to the achievement of action/actions in the Arts and Heritage Plan	
The action is: Carry out regular performance monitoring and reporting of the Regent Theatre Trust.	
Contribution to strategic direction and to social, economic, environmental, and cultural well-being	Receiving the six-month report allows the Council to have oversight against the previously agreed SOI. Providing comments on the draft Statement of Intent is a mechanism for the Council to provide guidance and direction to The Regent Theatre Trust Board.

ATTACHMENTS

1. The Regent Theatre Trust_Six Month Performance Report 2023 (attached separately)
2. Performance Monitoring (attached separately) 
3. The Regent Theatre Trust_Statement of Intent 2024-2027 (attached separately)

MEMORANDUM

TO: Culture & Sport Committee

MEETING DATE: 27 March 2024

TITLE: The Globe Theatre Trust: Six-Month Report 1 July - 31 December 2023 and Draft Statement of Intent 2024-27

PRESENTED BY: Sarah Claridge, Democracy & Governance Advisor

APPROVED BY: Donna Baker, Acting Chief Executive Unit Manager

RECOMMENDATIONS TO CULTURE & SPORT COMMITTEE

1. That the Committee receive the Six-Month Performance Report 1 July - 31 December 2023 (Attachment 1) submitted by the Globe Theatre Trust.
 2. That the Committee receive the draft Statement of Intent 2024-27 (Attachment 3) submitted by the Globe Theatre Trust.
 3. That the Committee agree that the recommended comments on the draft Statement of Intent 2024–27 outlined in Table 3 be advised to the Globe Theatre Trust Board.
-

1. ISSUE

- 1.1 The Globe Theatre Trust (the Globe) has delivered its six-month report (1 July – 31 December 2023) and draft Statement of Intent (SOI) 2024-27. This report includes analysis of both documents, which are appended to this memorandum.
- 1.2 The purpose of this report is to provide an opportunity for the Committee to give feedback to the Globe on their draft SOI.
- 1.3 Under the Local Government Act 2002 (LGA), when preparing the final SOI, a Council Controlled Organisation (CCO) must consider any comments made on the draft by the Council, prior to delivering a final SOI by 30 June 2024.

2. BACKGROUND

- 2.1 The Globe was set up as a CCO to independently manage and promote the Globe Theatre as a venue for hire. A CCO is an organisation in which Council has the right to appoint at least 50% of the trustees and must work towards Council's objectives on its behalf.
- 2.2 The Council is required by the LGA to regularly undertake performance monitoring of its CCOs. Council is required to evaluate:

- the contribution of each CCO to the Council's objectives for the CCO;
- the desired results set out in the SOI; and
- the overall aims and outcomes of the Council based on the six-month reports.

3. COUNCIL OBJECTIVES FOR THE GLOBE THEATRE

3.1 It is good practice for a shareholder of a CCO (eg. Council) to outline what it expects of its CCO, and to clarify the roles and responsibilities of the CCO Board and Council in a Statement of Expectations (SOE).

3.2 In December 2023, Council agreed a Statement of Expectations (SOE) 2022/23 for the Globe until June 2025. In doing so it recognised that Council's objectives³ for the Globe Theatre remain the same in the short term. A new three-year SOE will be agreed later this year, to reflect Council's new strategic direction (due to be agreed in June 2024).

3.3 Council's priorities under Goal 2: A creative and exciting city to which the Globe could contribute are:

- Celebrate the city's history and diversity and build on the strength of being a city of many cultures and languages;
- Be a creative city that nurtures and celebrates the arts;
- Develop a national reputation as an exciting city with plenty to do at night and on weekends.

3.4 The Globe has incorporated these objectives into their key performance indicators which are grouped as:

- Ensure that there are more and more visible arts and activities at the Globe that contribute to the Council's aspiration as a creative and exciting city;
- Support the local performing arts community to showcase their diverse talents at the Globe;
- 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.

³ See column 1 of Table 3.

4. PERFORMANCE FOR THE SIX MONTHS JULY TO DECEMBER 2023

- 4.1 Six-month reports allow Council to track the Globe's progress against their SOI and the Council's objectives listed in the SOE. This six-month report covers the first six months of the SOI 2023-2026.
- 4.2 The Globe has had a busy six months. Highlights from the Globe's Six-Month Report (Attachment 1) include the following:
- Gerry Keating, Theatre Manager won the Team Leader of the Year award at the EVANZ (Entertainment Venues Association of New Zealand) 2023 Conference and Awards;
 - Hosted 12 national events and 7 international events over the reporting period including Cuban Film Festival; Aotearoa Country Music Awards; Don McGlashan; Hollie Smith; and the Hot Potato Band;
 - Manawatū Theatre Society's performance of Lennon's Banjo and Clue and the Manawatū Youth Theatre's Madagascar Jr. were very successful.
- 4.3 All of the Globe's performance measures are on track to achieving their target (see Attachment 2). The theatre took a conservative approach to target setting in its SOI 2023-26 and reduced a number of the targets. The positive results from the six-month period suggests this was unnecessary.
- 4.4 The Globe commissioned an Economic Impact Report on the New Zealand Blues, Roots and Groove Festival (Attachment 4) which occurred in September 2023. The report gives an indication of the net economic impact of the event to the city. It highlights where performers and attendees are coming from and what shows they attended. The information about how people heard about the event is invaluable for assisting the event organisers to market future festivals. The festival also received Council funding, so the report will be useful for Council Officers too.
- 4.5 For comparison, Table 1 compares 2023 and 2022 results with the pre-COVID year 2019.

Table 1: Comparing the first six months of the financial years 2019, 2022 and 2023

Measure		YTD 31 Dec 2019	YTD 31 Dec 2022	YTD 31 Dec 2023	3 Year trend
Number of usages	Actual	383	314	329	-
	Target*	275	338	263	
Number of performances	Actual	190	178	173	↓
	Target*	93	120	114	
Number of national and international visiting productions performing at the Globe	Actual	11	16	19	↑
	Target*	5	9	12	
Number of participants	Actual	1,156	1,885	2,546	↑
	Target*	700	925	982	
Number of visitors / audience members	Actual	12,635	14,693	15,521	↑
	Target*	11,000	13,500	8,092	

*Target is for the six-month mark

- 4.6 Although there have been fewer performances in 2023 than previous years, more people attended performances this reporting period than in 2022 and 2019. The number of participants in this reporting period is also significantly higher than in previous years.
- 4.7 The 'number of national and international visiting productions' has also increased, reflecting the ability of the Globe to attract high calibre shows to Palmerston North.

Financial Commentary

- 4.8 The Trust reported a small surplus of \$14k for the six-months' end which is smaller than budgeted. Total income is behind budget by \$70k due to less than expected fundraising - the Trust was unsuccessful in receiving grant funding for the foyer upgrade. Operating expenses have increased from last year (due to increased costs), but are lower than budget, which is in line with the decrease in income.
- 4.9 Compared to 2022, Current Assets are three times higher, due to cash reserves; and Current Liabilities are five times higher due to the timing of Council's grant invoice.
- 4.10 The Trust's current assets (mainly cash) are triple its current liabilities which indicate the Trust's ability to satisfy its current obligations easily. Operations over this reporting period has generated \$69k of cash compared to last year's

deficit of (\$87k). Last year's deficit was due to \$109k being spent on asset renewal.

Table 2: Financial Information for Six-Month Report

	July 2023 - December 2023			July 2022- December 2022	
Summary Financials	Actual	Budget	Variation	Actual	Variation*
Financial Performance					
PNCC Grant	87,491	119,257	-31,766	60,563	26,928
Total Revenue	230,747	301,607	-70,860	195,800	34,947
Total Expenses	216,361	279,234	-62,873	175,614	40,747
Net Surplus (Deficit)	14,386	22,373	-7,987	20,186	-5,800
Financial Position					
Current Assets	312,754	305,642	7,112	104,299	208,455
Total Assets	593,850	539,846	54,004	451,883	141,967
Current Liabilities	109,702	54,822	54,880	29,592	80,110
Total Liabilities	112,287	54,822	57,465	33,728	78,559
Equity	481,563	485,024	-3,461	418,155	63,408
Cash Flows					
Total Net Cash Flows	68,670	62,373	6,297	(86,786)	155,456
Opening Cash	242,483	239,269	3,214	206,544	35,939
Closing Cash	311,153	301,642	9,511	119,758	191,395

* when compared to the same period 12 months ago

5. DRAFT STATEMENT OF INTENT 2024-2027

- 5.1 The Board's focus for this SOI is to build on their success and, where possible, endeavour to increase the use of the venue to help make the city's vision a reality.
- 5.2 The Board recognises that as a community theatre, they have an important role to play in creating a pathway for emerging performers, crew members and technicians to practise their craft. This is just as important as having large audiences.
- 5.3 Despite the Globe performing very well over the last couple of years, the Trust continues to set very conservative performance targets. Whilst Officers acknowledge that the Trust does not want to set targets that are impossible

to achieve, having targets that are too easy to achieve diminishes the usefulness of having performance measures.

- 5.4 Officers also suggest the Trust review some of the targets for accuracy, as targets for number of participants and number of audience members appear to be set for the six-month mark rather than annually.
- 5.5 The Board has presented a draft SOI that aligns with Council's strategic direction and addresses the SOE, as outlined in Table 3 below.

Table 3: Comparison of The Globe SOI with Council's Statement of Expectation

Statement of Expectation	The Globe's Draft SOI 2024-27	Comments + Recommendations for Final SOI 2024-27
<p>Develop contributions to the actions in the Arts & Heritage and Events & Festivals chapters of the Creative and Liveable City Strategy of the 2021-31 Long-Term Plan.</p>	<p>The Board demonstrates a clear link between its strategic objectives, Purpose of Trust Deed and Council's strategic direction.</p>	<p>No comment.</p>
<p>Activities to include in Performance Measures:</p> <ul style="list-style-type: none"> • support for inclusive and diverse community events • support for whānau, hapū and iwi to create and deliver arts experiences • support for Rangitānenuiarawa • contribution to environmental sustainability <p>(all from the Arts Chapter of 2021-2031 Arts and Heritage Plan).</p>	<p>The Globe states under the Nature and Scope of Activities Objective 2 that it will undertake community outreach and support organisations to showcase their cultural heritage.</p> <p><u>Māori Participation</u></p> <p>The Foreword (Page 5) outlines how the Globe theatre will support Rangitāne, and Māori to deliver art experiences.</p> <p>The Globe has listed two performance measures around supporting Māori delivering art experiences – with the target being ongoing discussions with Rangitāne.</p> <p><u>Environmental Sustainability</u></p> <p>Under the Performance measure: "Contribution to environmental sustainability", the Globe has listed a range of specific projects it aims to achieve over the life of the</p>	<p>The Globe's draft SOI provides several examples of the work they are doing to encourage Māori participation in the arts.</p> <p>However, their performance target of 'ongoing discussions with Rangitāne' is the same as last year. Officers would like to see a more specific target set – so that progress can be shown.</p> <p>Recommendations</p> <ol style="list-style-type: none"> 1. Include a meaningful target to show how support for the delivery of Māori arts will be progressed. 2. Consider revising performance targets to be more ambitious (see section 5.3).

Statement of Expectation	The Globe's Draft SOI 2024-27	Comments + Recommendations for Final SOI 2024-27
	<p>SOI.</p> <p>The Globe has also highlighted its environmental ethos in the Foreword (page 5) and 'How we operate' section.</p>	
<p>Outline approach to: good governance practices</p> <ul style="list-style-type: none"> consider intention to reflect the diversity of Palmerston North in the membership of the Board. 	<p>The Globe has outlined its governance practices in the How we Operate section.</p> <p>It specifically mentions reflecting the diversity of Palmerston North.</p>	<p>The Globe Trust Board has co-opted two trustees and has one observer to better reflect the diversity of Palmerston North.</p>
<p>Outline approach to honouring and implementing Te Tiriti o Waitangi partnership.</p>	<p>Mentioned in the foreword (page 5) The Globe talks about boosting Māori representation in theatre by promoting the use of the theatre with Rangitāne and the wider Māori community.</p>	<p>No comment.</p>
<p>Outline approach to engaging with and enabling participation by under-represented communities.</p>	<p>The foreword outlines some of the ways the theatre is promoting accessibility; through the use of the companion card.</p> <p>The Hirers Survey indicates the Globe is considered a welcoming venue; this is indicated by the ever-expanding diversity of shows being performed at the Globe.</p>	<p>No comment.</p>
<p>Identify your regionally/nationally significant events based on current delivery.</p>	<p>The Globe has included a target for the number of regional/ national tours.</p>	<p>No comment.</p>
<p>SOI should include the Economic Impact reporting model.</p>	<p>An Economic Impact Report has been commissioned by the Globe and Council for the Manawatū International Jazz Festival.</p>	<p>No comment.</p>

Financial Commentary

- 5.6 The Trust anticipates sales revenue to remain consistent for the next three years. The fundraising budget reflects the Globe's strategy to seek substantial funds for a large project every few years, rather than annually.
- 5.7 The Trust's current assets (mainly cash) is seven times its current liabilities which indicate the Trust's ability to easily satisfy its current obligations.
- 5.8 The Trust's cash position is projected to remain strong and grow significantly over the next three years - sitting above \$300k. This is because the Trust is not purchasing any fixed assets in years 2025-2026 and 2026-2027. Whilst Council wants its CCOs to be fiscally prudent and remain solvent, Council may wish the Board to explain how such a reserve promotes the objectives of the Trust.

Table 4: Globe SOI Summary Financials

	Budget	SOI		
Summary Financials	23/24	24/25	25/26	26/27
Financial Performance				
PNCC Grant	174,981	178,481	182,051	185,692
Total Revenue	461,492	536,901	453,577	470,769
Total Expenses	432,723	532,340	450,957	470,505
Net Surplus (Deficit)	28,769	4,561	2,620	264
Financial Position				
Current Assets	281,799	334,582	392,058	452,452
Total Assets	556,379	559,162	556,638	557,033
Current Liabilities	55,308	55,078	50,198	50,328
Total Liabilities	57,120	55,342	50,198	50,328
Equity	499,259	503,820	506,440	506,705
Cash Flows				
Total Net Cash Flows	33,503	52,783	57,476	60,394
Opening Cash	242,483	275,986	328,769	386,245
Closing Cash	275,986	328,769	386,245	446,639
Financial Indicators				
Current Ratio	5.10	6.07	7.81	8.99

6. NEXT STEPS

- 6.1 Any Committee comments on the draft SOI will be communicated in writing to the Globe.
- 6.2 The Globe will deliver their final SOI to the Culture & Sport Committee on 26 June 2024.

7. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	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?	Yes
Are the recommendations inconsistent with any of Council's policies or plans?	No
The recommendations contribute to Goal 2: A Creative and Exciting City	
The recommendations contribute to the achievement of action/actions in the Arts and Heritage Plan	
The action is: Carry out regular performance monitoring and reporting of the Globe Theatre Trust.	
Contribution to strategic direction and to social, economic, environmental, and cultural well-being	<p>Receiving the six-month report allows the Council to have oversight against the previously agreed SOI.</p> <p>Providing comments on the draft Statement of Intent is a mechanism for the Council to provide guidance and direction to The Globe Theatre Trust Board.</p>

ATTACHMENTS

1. The Globe Theatre Trust - Six Month Performance Report 2023 (attached separately) 
2. Six Month Performance Results_December 2023 (attached separately) 
3. The Globe Theatre Trust_Draft Statement of Intent 2024-27 (attached separately) 
4. Economic Impact - New Zealand Blues, Roots and Groove Festival (attached separately) 

MEMORANDUM

TO: Culture & Sport Committee

MEETING DATE: 27 March 2024

TITLE: Te Manawa Museums Trust: Six-Month Report 1 July - 31 December 2023

PRESENTED BY: Sarah Claridge, Democracy & Governance Advisor

APPROVED BY: Donna Baker, Acting Chief Executive Unit Manager

RECOMMENDATION TO CULTURE & SPORT COMMITTEE

1. That the Committee receive the Six-Month Performance Report 1 July - 31 December 2023 (Attachment 1) submitted by Te Manawa Museums Trust.
-

1. ISSUE

- 1.1 Te Manawa Museums Trust (Te Manawa) has delivered its six-month report 1 July - 31 December 2023. This report includes analysis of the document, which are appended to this memorandum.

2. BACKGROUND

- 2.1 Te Manawa is a Council Controlled Organisation (CCO), which was set up to manage the Te Manawa Museum. A CCO is an organisation in which Council has the right to appoint at least 50% of the trustees and must work towards Council's objectives on its behalf.
- 2.2 Six-month performance reports allow Council to track a CCO's progress against their SOI and the Council's objectives for the CCO. This six-month report covers the first six months of the SOI 2023-2026.
- 2.3 Te Manawa's draft SOI 2024-2027 was considered by Committee in February 2024.

3. PERFORMANCE FOR THE SIX MONTHS JULY TO DECEMBER 2023

- 3.1 In 2022, Council awarded Te Manawa a one-off payment of \$250,000 to support the renovation of the Te Rangi Whenua Gallery, bring the Six Extinctions exhibition to Te Manawa, and acquire the Peter Bush Archive.
 - Discussions with Rangitāne have begun around the refresh of the Te Rangi Whenua gallery and there is a strong desire for more significant involvement in the future. The paint out of the ceiling and installation of

new light tracks is scheduled, with a new display of collection items due to be installed in May. New display cases have been received and Mātauranga Rangitāne objects are on display to support the Learning Programme telling Rangitāne pūrākau (by Then: Histories of Pāmutana).

- The Six Extinctions exhibition from Australia opened in December and runs through to 1 April 2024. It attracted 12,817 visitors in the first two weeks.
- The Peter Bush Archive is a collaborative project with the New Zealand Rugby Museum. The Archive has been acquired and rehoused to Te Manawa, where it is currently being processed for digitisation and preservation. Funding for one year has also been secured from the Lotteries Environment & Heritage Fund to ensure archivists could be employed to undertake the work.

3.2 Highlights from Te Manawa's Six-Month Report (Attachment 1) include the following:

- Successfully relaunched NOA, an inclusive art initiative that creates a safe environment for people. Also offering affordable after-school programme in Art and Science for young people.
- Touring exhibitions *Codebreaking- Women in Games* (from Australia) and *Tuhura Tuarangi - Aotearoa in Space* (Otago), attracted 1,708 and 2,858 attendees respectively.
- The Art Gallery hosted several high-quality exhibitions including Brigham Anderson - Te Whare Tukutuku, Brian Elliott - 55 Years of Architecture, Paul Dibble - Continuum and Toioho ki Āpiti - Māori Visual Arts Matatau.
- Partnership events such as The Night Market at the Museum, (with Palmy BID) attracted 1,600 attendees and the Halloween Fright nights (with Linton Community Group) and Tamariki Trails attracted 1,971 over four nights.
- Extended the Christmas offer to include Christmas craft drop-in sessions, Kai and Cave, Santa Paws, PJs in the Cave and karaoke.
- A small moa skeleton, huia taxidermy and moa footprint ensured local content to the Six Extinctions exhibition (from Australia).
- Electronic visitor counters are being trialled in the Six Extinctions exhibitions along with visitor survey to generate economic impact reports.

3.3 Table 1 shows Te Manawa's six-month performance against its annual target. Te Manawa is tracking well with the performance measures: visitor numbers, online engagement, and audience satisfaction.

Table 1 Te Manawa -Six month Performance 2023

	Annual Target 2023-24	6- month performance as at 31/12/23	% of annual target at 6 month mark	Comments
Visitor Numbers	130,000	84,401	65%	On Track
Te Manawa Experiences offsite	25,000	2,584	10%	Not Achieved.
Online Engagement	90,000	32,333	36%	Likely to achieve. Appointments made to support online engagement
External Revenue Target	\$510,250	\$290,037	57%	On Track
Audience Satisfaction	95% - Good/Very Good/Excellent	98%	N/A	On Track
		Not likely to Achieved		Likely to achieve
		On Track		

- 3.4 There is only one target, 'Te Manawa Experiences offsite' that is not going to be achieved as results are "lower than expected due to lack of outgoing touring exhibitions." Te Manawa has informed Officers that due to capacity issues they are putting on hold creating new touring exhibitions for the next few years to focus on developing the semi-permanent exhibitions in the museum. The performance measure 'Te Manawa Experiences offsite' has been removed from the draft SOI 2024-27.
- 3.5 Creating exhibitions and touring them at other venues is one way that museums widen their reach and increase access to their collections, however, they can be very expensive to manage. Te Manawa acknowledges that, at this time, strengthening and building new partnerships and improving the offer at the museum is more of a focus to them than touring exhibitions.
- 3.6 The measure: 'Online engagement' is also lower than expected due to staffing changes, however this is likely to improve.
- 3.7 For comparison, Table 2 compares Te Manawa's 2023 and 2022 results with the pre-COVID year of 2019.

Table 2: Comparing the first six months of the financial years 2019, 2022 and 2023

Measure		YTD 31 Dec 2019	YTD 31 Dec 2022	YTD 31 Dec 2023	3 Year Trend
Visits to Te Manawa	Actual	71,050	69,303	84,401	↑
	Target*	85,000	65,000	65,000	
Visits to TM exhibitions at other venues	Actual	11,640	5,455	2,584	↓
	Target	25,000	12,500	12,500	
External revenue	Actual (\$)	238,545	197,940	290,037	↑
	Target (\$)	325,500	473,590	255,125	
Visitor satisfaction (TM surveys)	Actual	99%	98%	98%	→
	Target	>96%	95%	95%	

*Target is for the six-month mark

- 3.8 Results for external revenue and visitor numbers are positive. The ‘increased Visits to Te Manawa’ figure is a testament to the variety of events and exhibitions hosted by Te Manawa during this period.
- 3.9 It is pleasing to see a positive external revenue figure, and to read about the work being progressed in this area, particularly the fundraising campaign ‘We Museum’ and the revised Revenue Strategy.

Financial Performance for the six-month period

- 3.10 The Trust reported a surplus of \$277K as opposed to a budgeted deficit of \$(28k).
- 3.11 The current liability, ‘Income in Advance’, is significantly higher than budgeted because Te Manawa received a Lotteries grant of \$215,871 for the Peter Bush Archive and \$60,000 from the Clevely Fund for an oral history project. These projects had not started in this reporting period, which resulted in increased cash and cash equivalents of \$1M compared to the budgeted \$500k.

Table 3: Summary of Financial Information for Six-Month Report

	July - December 2023			July - December 2022	
Summary Financials (\$000)	Actual	Budget	Variation	Actual	Variation*
Financial Performance					
PNCC Grants	1,878	1,878	0	1,676	202
Total Revenue	2,168	2,051	117	1,875	293
Net collection movement	(11)	6	(17)	29	(40)
Total Expenses	1,880	2,085	(205)	1,911	(31)
Net Surplus (Deficit)	277	(28)	305	(7)	284
Financial Position					
Current Assets	1,264	916	348	1,134	130
Total Assets	22,217	19,176	3,041	19,043	3,174
Current Liabilities	844	825	19	605	239
Total Liabilities	844	829	15	609	235
Equity	21,373	18,348	3,025	18,434	2,939
Cash Flows					
Total Net Cash Flows	751	249	502	(108)	859
Opening Cash	265	265	0	454	(189)
Closing Cash	1,016	514	502	346	670
*when compared to the same period 12 months ago					

4. NEXT STEPS

4.1 The Six-Month Performance Report will be published on the website.

5. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	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?	Yes
Are the recommendations inconsistent with any of Council's policies or plans?	No

The recommendations contribute to Goal 2: A Creative and Exciting City	
The recommendations contribute to the achievement of action/actions in the Arts and Heritage	
The action is: to support CCOs to achieve the objectives of the Arts and Heritage Plan.	
Contribution to strategic direction and to social, economic, environmental, and cultural well-being	Receiving the six-month report allows the Council to have oversight against the previously agreed SOI.

ATTACHMENTS

1. Te Manawa Muesums Trust_Six Month Performance Report 2023 (attached separately)

MEMORANDUM

TO: Culture & Sport Committee

MEETING DATE: 27 March 2024

TITLE: Sport Manawatū Charitable Trust - Six-Month Progress Report to Palmerston North City Council for July to December 2023

PRESENTED BY: Ann-Marie Mori, Policy Analyst

APPROVED BY: David Murphy, Chief Planning Officer

RECOMMENDATION TO CULTURE & SPORT COMMITTEE

1. That the Committee receive the Sport Manawatū Charitable Trust - Six-Month Progress Report to Palmerston North City Council for July to December 2023 (Attachment 1), presented to the Culture & Sport Committee on 27 March 2024.
-

1. ISSUE

- 1.1 The 2022-25 Funding Agreement with Sport Manawatū requires progress reporting to Council on agreed outcomes at six-monthly and annual intervals.
- 1.2 Attachment 1 is Sport Manawatū's six-month progress report to Council for the period 1 July to 31 December 2023 (representing year two of the current agreement).

2. BACKGROUND

- 2.1 The current funding agreement and strategic partnership plan with Sport Manawatū was entered into in July 2022 for three years.
- 2.2 The value of the base funding in the agreement for the 2023-24 financial year is \$614,659.00 (excluding GST). This is made up of:
 - Operational grant - \$322,509
 - Sports Event Partnership Fund - \$280,952
 - Active Communities Fund - \$11,198

An additional operational grant within the agreement that is subject to Sport Manawatū meeting certain conditions, is:

- Bike Ready (cycle skills) investment - \$80,000 (note this ends at the end of 2023-24)

2.3 The agreed outcomes, based on Council's 2021 strategic direction, are:

Outcome 1: Palmerston North is one of the most active communities in New Zealand.

Outcome 2: Sports events create both social opportunities and economic benefits.

Outcome 3: People have the skills to safely and confidently cycle and walk on our transport network.

2.4 To assist with meeting these outcomes, Sport Manawatū administers the Active Communities Fund (outcome 1) and the Sports Event Partnership Fund (outcome 2) on Council's behalf in accordance with the Support and Funding Policy.

Update on the Annual Report for 2022-23

2.5 [Sport Manawatū's annual report](#) to the Council for 2022-23 was presented to the 8 November 2023 meeting of the Culture & Sport Committee.

2.6 Supplying the annual audited financial statements to the Council is a requirement of the funding agreement between Sport Manawatū and the Council. When Sport Manawatū's Annual Report for 2022-23 (for year one of the current agreement) was presented to this meeting, the annual audited financial statements were not available. These statements have since been reviewed by finance staff and are available to view on the Charities Register.

2.7 Since the Annual Report from Sport Manawatū was received, staff have taken the opportunity to refresh the monitoring indicators in the agreement to achieve better alignment with the agreement's outcomes. Council and Sport Manawatū staff are still working through these new indicators and these will be reported with the next Annual Report in November 2024. There is a brief summary of some of the available indicator information in Attachment 1.

Sector Lead status

2.8 Sport Manawatū has been an unofficial 'sector lead' since it was removed from a contestable funding environment in 2018.

2.9 The 2019-22 Funding Agreement with Sport Manawatū reflected a shift away from a contractual model to a strategic partnership. This acknowledged the on-going demonstration of sector leadership for sport and recreation, and Council's historical support of the organisation for community wellbeing.

2.10 The Support and Funding Policy 2022 formalised the ability to establish sector leads through the Strategic Priority Grants programme and has been successfully trialled: [Review of Sector Lead Trial](#). The positive experience with Sport Manawatū over a long period underpinned the policy on sector leadership.

2.11 There will be a discussion with Sport Manawatū about potentially formalising its sector lead status, with the outcomes brought back to the Council with the Annual Report.

3. SIX MONTH PROGRESS REPORT HIGHLIGHTS

3.1 At the halfway point of the current funding agreement term the following activities covered in the six-month progress report highlighted:

- The PN Girls High School's 'Let's Move it' programme – a student-led programme offering lunchtime sports sessions including a volleyball tournament funded through Tu Manawa Active Aotearoa.
- The 'Activating rangatahi network' that supports knowledge-sharing across organisations and promotes cross-organisation collaboration to respond to youth needs and to increase youth engagement in physical activity.
- Regional leadership of the process to revise the Manawatū-Whanganui Regional Sport Facility Plan (2018), to the newly named He rā ki tua Spaces and Places Plan for Sport and Recreation. The Plan provides a framework to plan the provision of spaces and places for sport, active recreation, and play across the region.
- Migration of the two funds Sport Manawatū administer on behalf of PNCC to the 'SmartyGrants' grants administration system.
- Discussions with national sports organisations on multiyear partnerships to deliver national secondary school or age grade events in the City.
- The Active Summer campaign focussed on promoting walkways, cycleways and play spaces across the district for the summer season.

4. NEXT STEPS

4.1 Sport Manawatū will submit its Annual Report for the 2023-24 financial year to Council staff at the end of August 2024. Council will receive this report, with an assessment of progress, at the November meeting of the Culture & Sport Committee.

4.2 Staff will also progress an official sector lead conversation with Sport Manawatū with any outcomes brought back to Council.

5. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	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?	Yes
Are the recommendations inconsistent with any of Council's policies or plans?	No
The recommendations contribute to Goal 2: A Creative and Exciting City	
The recommendations contribute to the achievement of action/actions in Active Communities	
The action is: Partner with Sport Manawatū to deliver play, active recreation and sport services to meet community outcomes sought by Council including the co-ordination of the Regional Sport Facility Plan, Active Communities and the Sports Event Partnership Funds.	
Carry out regular monitoring and reporting with Sport Manawatū.	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	A strong working relationship with Sport Manawatū is essential in meeting a range of strategic outcomes sought by the Council. The delivery of actions, priorities, and outcomes in the Active Communities Plan requires a partnership approach with Sport Manawatū who are well-positioned in the community to deliver relevant activities and services that contribute to social wellbeing.

ATTACHMENTS

1. Six-Month Progress Report for Palmerston North City Council July - December 2023 (attached separately) 

MEMORANDUM

TO: Culture & Sport Committee

MEETING DATE: 27 March 2024

TITLE: Covered Bowling Green Progress

PRESENTED BY: Aaron Phillips, Activities Manager - Parks

APPROVED BY: Chris Dyhrberg, Chief Infrastructure Officer

RECOMMENDATION TO CULTURE & SPORT COMMITTEE

- 1. That the Committee receive the memorandum titled 'Covered Bowling Green Progress' and the Palmerston North Indoor Bowling Arena Business Case (Attachment 1), presented to the Culture & Sport Committee on 27 March 2024.**
-

1. ISSUE

- 1.1 In April 2023, Council requested that the Chief Executive continued to work with Bowls Manawatū to consider next steps and report back on progress in time to inform the 2024-34 Long Term Plan.

2. BACKGROUND

- 2.1 A covered bowling green has been under consideration since 2019, alongside proposals for clubs. A history of the proposal was provided in [Attachment Three](#) of the April 2023 report to the committee.
- 2.2 Programme 1891, to complete a detailed feasibility assessment on a covered bowling green, was included in the 2021-31 Long Term Plan (LTP). The minutes from the Committee of Council note that this was to *'allow the assessment of a potential site and provide clarity as to whether to progress to the next stages of the project'*.
- 2.3 A [Detailed Feasibility Study](#) was completed and reported to the committee in April 2023. The feasibility study concluded that further work on the strategic direction, a preferred location, funding streams (including operational funding) and a business case was required.

2.4 The Council resolution in April 2023 was:

Resolution 13-13

1. To receive the report titled 'Update on Covered Bowling Green Detailed Feasibility Assessment (Long Term Plan programme 1891) presented to the Culture & Sport Committee on 19 April 2023.
2. To request the Chief Executive to continue to work with Bowls Manawatū, member clubs, and other stakeholders including Sport Manawatū to consider the next steps and provide a progress report back to Culture & Sport Committee in time to inform the 24-34 Long Term Plan.

2.5 Following the April 2023 report, Bowls NZ convened a panel to determine the preferred location for any potential covered green. The Bowls NZ process concluded in June 2023 and recommended the Bowls Palmerston North Club on Linton Street as the preferred location.

2.6 Bowls Palmerston North is a club owned facility; the club owns the land and facilities. Bowls Palmerston North has a resource consent for a covered green, with a membrane structure, secured as part of its bid to Bowls NZ for the covered green.

2.7 Sport Manawatū and Officers have continued to work with Bowls on the gaps identified in the April 2023 feasibility study.

2.8 From August 2023, Bowls Palmerston North, with support from Sport Manawatū, engaged a consultant to prepare a Business Case looking specifically at the Palmerston North Club location. This report provides the draft Business Case for Council to consider in its deliberations on the draft Long-Term Plan.

3. DRAFT BUSINESS CASE

3.1 The draft Business Case was prepared by Community Assets Solutions and is provided in Attachment 1.

3.2 The points of note are:

- An enclosed 'warehouse' style facility is preferred over a membrane roof structure.
- A design and build contract is the recommended procurement strategy to maximise value.
- A construction budget of \$2.3 million would be required, which includes a 10% contingency⁴.

⁴ This contingency is inclusive of price escalations.

- The funding plan proposes \$450,000 (20%) be sought from Palmerston North City Council with \$350,000 (15%) from Bowling Club sources and the balance \$1.5 million (65%) to be fundraised.
- \$65,000 per year in maintenance and operational costs are forecast.

4. PROJECT SCOPE, RISKS AND READINESS

- 4.1 Council Officers and Sport Manawatū have reviewed the Business Case provided and have spoken to the Bowling Club about the content.
- 4.2 It is noted that there has been a change in scope from a 'covered green' considered in the concept and feasibility study stages to an enclosed green in a 'warehouse' style facility. The Palmerston North Bowling Club committee are of the view that a closed in 'warehouse' facility has significantly more functionality benefits.
- 4.3 The cost estimates in Table 5.1 of the draft Business Case show a cost between \$475,000 and \$775,000⁵ higher for an enclosed 'warehouse' style than for the open dome options. This adds to the fundraising requirements.

4.4 Risks:

- a. Capital cost: The recommended option is the high cost option of three options presented in the funding scenarios in the Business Case under Figure 5.2 (page 24 of the draft Business Case). The contingency allowance of 10%, including escalations, is low given the stage of design and period until construction is likely. Offsetting this risk is a straightforward well understood construction style, thorough examples and assessments. Mitigation options are available in reverting to a lower cost option if fundraising proves difficult.
- b. Funding: The funding required will be significant. The proposed Council funding of \$450,000 is 20% of the total cost. \$350,000 or 15% is proposed from Bowls⁶. 65% external fundraising is moderately high⁷ as a proportion of total project. Success will rely heavily on the Bowls community's ability to attract several significant funding commitments. Council's financial risk would be avoided by requiring that all external fundraising be completed prior to release of any funds.

Palmerston North Bowling Club has advised that they will address any shortfall in the Bowls funding component through a loan.

There is no information on the commitment of Bowls Manawatū to the \$90,000 contribution discussed in the Detailed Feasibility Study.

⁵ Rounded to \$5,000's

⁶ The Detailed Feasibility Study noted \$90,000 in reserves at Bowls Manawatū could be applied to the project (page 24 of the DFA).

⁷ It is noted that Bowls contributed over 50% for a similar example in another provincial region via borrowing including loans, which took 18 years to repay.

c. Fundraising overlaps: There is a risk of overlap with fundraising timeframes for Te Motu o Poutoa and/or the Artificial Football Turf at Massey University if those projects are included in the adopted LTP with the same scope and timing as proposed in the draft. This could create prioritisation issues for external funders if all three projects are approaching similar funders.

d. Financial Sustainability:

The Detailed Feasibility Study sets out a comprehensive income and expenditure model for financial sustainability, considering both increased depreciation, maintenance and a 0.5 FTE paid employee. It considered that an increase in bar income could cover approximately 65% of increased operational costs. Conservative modelling was used⁸. The balance was recommended to be sought via increased membership fees and sponsorship/advertising.

The financial models assessed in the Detailed Feasibility Study did not consider the impact of loans. It has been suggested to Bowls Palmerston North that they carry out modelling with a variety of loan values and interest assumptions to understand the impact on operational income requirements.

The renewals/depreciation modelling, which was considered in the Detailed Feasibility Study, needs updating for this site and the preferred option. The assumptions and allowances for renewal funding needs to be fed into the operational costs forecasting.

e. Planning and management: Progress has been made on understandings and support between the Palmerston North Bowling Club and Bowls Manawatū with the Memorandum of Understanding (MoU) attached to the draft Business Case.

The MoU does not fill the gap identified in the Detailed Feasibility Study, that is, a Bowls Manawatū Strategic Plan that included development of the covered/enclosed green.

The risk is considered low given the length of time before the facility would be in place. The plans would likely need to be in place before external funding were sought.

It is also recommended that Palmerston North Bowling Club develop a club strategic plan.

4.5 Council staff and Sport Manawatū are of the view that the project could proceed to negotiation of the partner and funding agreements⁹, if Council supports the funding request of \$450,000 though the 2024/34 LTP, as long as the following requirements are either met prior to, or are conditions within, the funding agreement:

⁸ No increase in turnover only modest increase in margin, as per discussion with Third Bearing.
⁹ As per the [Facility Investment Decision Making Process](#).

- a. Bowls Manawatū adopted a strategic plan that identifies an indoor green as a strategic priority.
- b. Palmerston North Bowling Club completes a Strategic Plan.
- c. A project timeline identifying key milestones is developed.
- d. A detailed fundraising plan is completed.
- e. Details are provided on the membership of the Project Steering Group, including relevant skills and experience.
- f. Operational sustainability is tested further with modelling the impact of and requirements to service a loan and renewals and establishing realistic utilisation assumptions.
- g. Payment of Council funds being conditional on written verification of full funding being in place that matches up-to-date costs, with payment made in instalments matching agreed milestones.
- h. Any proposal to change the scope from warehouse to alternative types of facility to be reported back to Council prior to committing to construction.

5. FUNDING REQUEST TIMING

- 5.1 Officers have discussed the potential timing of the \$450,000 funding requested. It is assumed that there would be a 6-month period for design and consenting with Bowls funding sources covering those costs. There would be a minimum of a one-year fundraising period, potentially longer.
- 5.2 The draw down on the Council grant, if approved, would be during the construction phase¹⁰, and potentially be in February 2026, in Year 2 of the 2024/34 LTP; with a moderate to high risk it may be in Year 3.

6. NEXT STEPS

- 6.1 Council considers the funding request during its deliberations on the 2024-2034 LTP.

7. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	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

¹⁰ Council support would be covered in a Memorandum of Understanding, with the release of funds conditional on written verification that sufficient funds to cover the full project cost had been secured.

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 2: A Creative and Exciting City	
The recommendations contribute to the achievement of action/actions in Active Communities	
The action is: Carry out a feasibility assessment for a covered artificial green for bowls.	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	The preparation of a business case concludes another step to progress decision-making for a covered artificial bowling green in the Manawatū region. It relates to social well-being and Council's goal of being a more active community.

ATTACHMENTS

1. Indoor/Covered Bowling Green draft Business Case (attached separately)

MEMORANDUM

TO: Culture & Sport Committee

MEETING DATE: 27 March 2024

TITLE: Manawatū Community Athletics Track 2023 Annual Report

PRESENTED BY: Aaron Phillips, Activities Manager - Parks

APPROVED BY: Chris Dyhrberg, Chief Infrastructure Officer

RECOMMENDATION TO CULTURE & SPORT CULTURE & SPORT COMMITTEE

1. That the Committee receive the Manawatū Community Athletics Track 2023 Annual Report (Attachment 1), presented to the Culture & Sport Committee on 27 March 2024.
-

1. ISSUE

- 1.1 The Manawatū Community Athletics Track was established on Massey University's Turitea Campus in 2001 as a partnership between the athletics community, Massey University and the Palmerston North City Council (PNCC).
- 1.2 This memorandum provides commentary on the 2023 Annual Report from the Advisory Committee.

2. BACKGROUND

- 1.3 The facility is operated under a Memorandum of Understanding (MOU) which was formed in 2000. The 2000 MOU was reviewed and updated in 2021.
- 1.4 Under the MOU an Advisory Committee oversees the track governance with appointments from Massey University, PNCC and Palmerston North Athletic and Harrier Club (PNA&HC).
- 1.5 In 2023 Palmerston North City Council was represented by Councillor Billy Meehan and the Activities Manager – Parks, Aaron Phillips.
- 1.6 The Council contributes \$78,900 + GST per year¹¹ towards both the maintenance and renewals of the track.
- 1.7 Massey University provides day-to-day facility administration, management, maintenance and security services, as well as sharing in maintenance and renewal costs. The PNA&HC provides track and field equipment and often assists with events and school use.

¹¹ Adjusted for inflation, in 2023/24 the total contribution is \$85,883.25 + GST.

- 1.8 The 2023 Annual Report (Attachment 1):
- Notes the first full year since Covid disruptions and strong booking numbers.
 - Some increased cost recovery for cleaning costs.
 - The continued work of the Palmerston North Athletics and Harrier Club volunteers supporting the sport and generous donations that have improved the equipment provision that benefits all users.
 - The need to continue to work on asset management planning.
- 1.9 The asset management planning for the track surface has been well scoped. The committee is continuing to scope other renewal items such as the lighting renewal and replacement to LED's. Enquiries have been made with Central Energy Trust to fund a lighting replacement study.
- 1.10 Not noted in the report was the disappointment of losing the Colgate Games. This event had been secured for January 2023 so was within the year of this report. The event was transferred to another city due to the high number of events on at the same time in Palmerston north and the shortage of accommodation.
- 1.11 Figure 1 shows the annual number of bookings¹² since 2010.

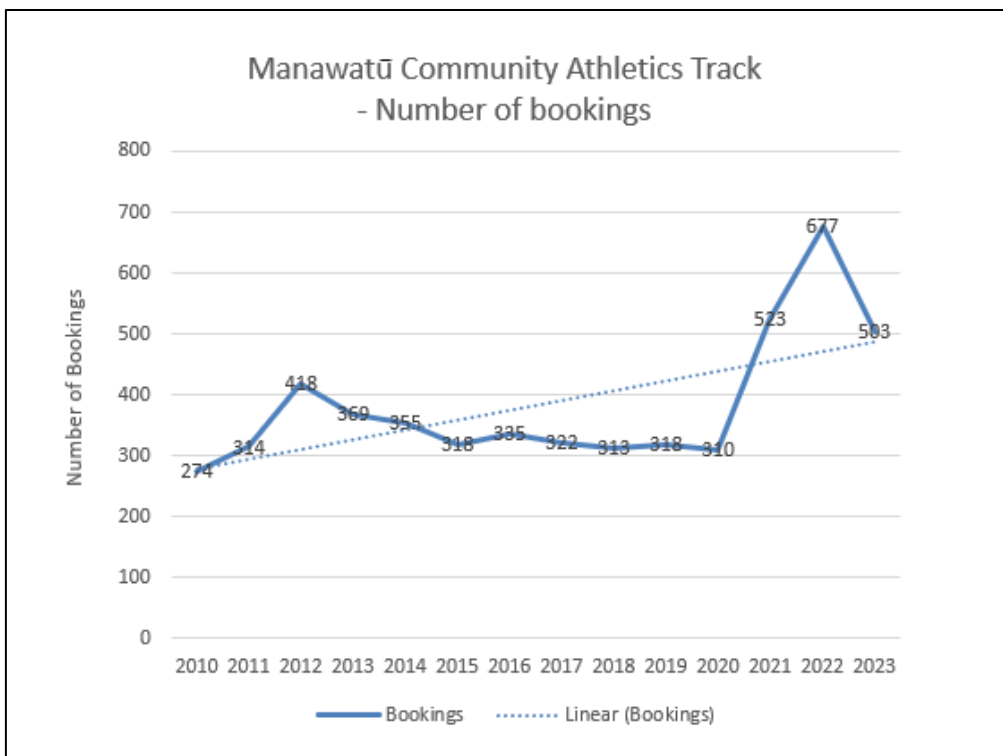


Figure 1: Number of bookings

¹² Includes football use of the infield, of which there were 88 uses in 2023.

- 1.12 The bookings remain at a strong level and indicate an average of more than one booked use per day.
- 1.13 The figures for the estimated number of users were not supplied for 2023. The report noted that a high number of bookers had not supplied that information. Council Officers have stressed that this data should be required as it assists in long term decision making and understanding of facility value for money.
- 1.14 The results for previous years are shown in Figure 2.

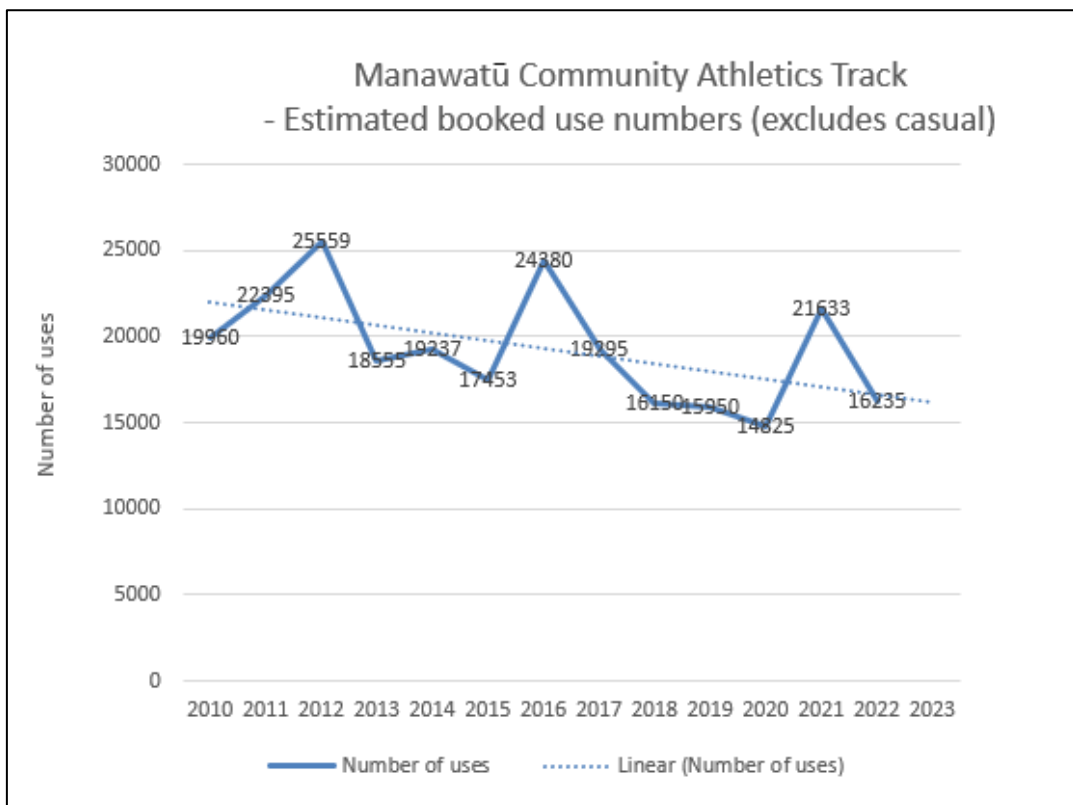


Figure 2: Estimated booked use numbers

3. NEXT STEPS

- 3.1 Thank the Advisory Committee and their organisations for their work in providing the facility for Palmerston North and the wider Manawatū.

4. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide? If Yes quote relevant clause(s) from Delegations Manual: 4.3.2	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?	Yes
Are the recommendations inconsistent with any of Council's policies or plans?	Yes
The recommendations contribute to Goal 2: A Creative and Exciting City	
The recommendations contribute to the achievement of action/actions in Active Communities	
The action is: Enable long-term community access to the [Manawatū] Community Athletics Track and hockey turf facilities.	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	Provides recreation facilities for the athletics community and casual recreation. Supports attracting events.

ATTACHMENTS

1. Manawatū Community Athletics Track Annual Report 2023 (attached separately) 

MEMORANDUM

TO: Culture & Sport Committee

MEETING DATE: 27 March 2024

TITLE: Manawatū Arts Festival Feasibility Study

PRESENTED BY: Luke McIndoe, Head of Events

APPROVED BY: Donna Baker, Acting Chief Executive Unit Manager

RECOMMENDATION TO CULTURE & SPORT COMMITTEE

- 1. That the Committee note the findings of the Manawatū Festival - Arts Festival Research and Feasibility Study (Attachment 1), presented to the Culture & Sport Committee on 27 March 2024.**
-

1. ISSUE

- 1.1 This memorandum provides the Committee with a snapshot of community views and aspirations in the arts sector regarding a stand-alone Arts Festival in the city.
- 1.2 A feasibility study was commissioned to establish ways forward, appropriate funding models and public appetite for a Council-driven curated arts festival, following Council provision of operational funding for several initiatives including an Arts Festival in 2021.
- 1.3 The feasibility study is attached as Attachment 1.

2. BACKGROUND

- 2.1 In May 2022, after delivery of the Papaioea Festival of the Arts 2021 by an external contractor, Officers undertook an expression of interest process to gauge appetite and desire to continue with an Arts Festival, with Council funding of \$25,000 per annum.
- 2.2 No delivery partners were immediately identified through this process; however a community group proposed the need to initially scope the feasibility and desire within the community for any ongoing festivals, prior to future operational funding decisions being made.
- 2.3 In June 2023, Creative Capital Arts Trust and FOKL were procured to deliver an independent report (Attachment 1). The report shows that while there is support for arts-based festivities and activities, there is also concern that these existing events should not be overshadowed by a potential new event. Many

respondents believed there should be a focus on showcasing and bolstering current initiatives.

- 2.4 FOKL undertook an online survey between July and August 2023 and received 424 responses. A community drop-in workshop session on 18 August 2023 was attended by approximately 30 attendees who represented a cross section of the local arts community with stakeholders from venues, arts sector leaders, iwi artists, and interested community members. Research findings within the attached report reflect the views gathered through these surveys and workshops to provide a localised snapshot. It does not draw on national trends or research.
- 2.5 While results suggest a high interest in the community, key themes indicate concerns about funding and negative impacts on existing festivals and events such as Jazz Festival, Arts Trail and Festival of Cultures. FOKL suggest a strong local focus, anchored in the city's natural environment with strong iwi links. They also suggest a charitable trust model may provide the best governance structure to manage the delivery of any possible future festival.

3. NEXT STEPS

- 3.1 Manawatū Festival - Arts Festival Research and Feasibility Study to be made publicly available via Council website.
- 3.2 Note that no budget for a Council-led arts festival has currently been committed through the draft Long-Term Plan 2024/34. If any community proposals are raised in response to this memorandum and/or the feasibility study, further Council funding would need to be considered.

4. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	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?	Yes
The recommendations contribute to Goal 2: A Creative and Exciting City	
The recommendations contribute to the achievement of action/actions in Arts and Heritage	
The action is: Provide support for arts organisations to build meaningful relationships	

and deliver community-led collaborative projects.	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	Provision of an evidence base is of value to decision making.

ATTACHMENTS

1. Manawatū Festival - Arts Festival Research and Feasibility Study (attached separately) 

COMMITTEE WORK SCHEDULE

TO: Culture & Sport Committee

MEETING DATE: 27 March 2024

TITLE: Committee Work Schedule

RECOMMENDATION TO CULTURE & SPORT COMMITTEE

1. That the Culture & Sport Committee receive its Work Schedule dated March 2024.

COMMITTEE WORK SCHEDULE – MARCH 2024					
Item No.	Estimated Report Date	Subject	Officer Responsible	Current Position	Date of Instruction/ Clause number
1.	TBC	Scope and cost of a needs assessment for performance spaces	Chief Planning Officer / Chief Customer Officer	To be addressed via LTP	Council 31 May 2023 Clause 88.16-23
2.	March 2024	Annual Sector Lead Report: Creative Sounds Society Incorporated (The Stomach)	Chief Customer Officer		22 November 2023 Clause 43-23
3.	March 2024	Annual Sector Lead Report: Community Arts Palmerston North Incorporated (Square Edge Community Arts)	Chief Customer Officer		22 November 2023 Clause 43-23
4.	March 2024	Six Month Performance Report – The Globe, The Regent and Te	Acting CE Unit Manager		Terms of Reference

		Manawa			
5.	March 2024	Draft Statement of Intent 2024-2027 – The Globe and The Regent	Acting CE Unit Manager		Terms of Reference
6.	June 2024	Rural Games – annual presentation	Acting CE Unit Manager		Council 31 May 2023 Clause 88.11-23
7.	June 2024	Final Statement of Intent 2024-2027 - Te Manawa, The Globe and The Regent	Acting CE Unit Manager		Terms of Reference
8.	June 2024	Development of conservation plan for Caccia Birch House and property, costed and included in the CBH Masterplan programme of work for 2023/24	Chief Infrastructure Officer		Council 2 June 2021 Clause 50.5-21
9.	June 2024	Annual report from PN Public Sculpture Trust	Chief Customer Officer		Council 29 April 2019 Clause 36.4
10.	June 2024	Annual progress report on the development of heritage themes, including military heritage, across Council programmes	Chief Planning Officer		10 August 2022 Clause 17.2
11.	September 2024	Annual report on Maintenance and Renewal Plans and Budgets for Cultural Facilities	Chief Infrastructure Officer		25 June 2018 Clause 19.2
12.	September 2024	Statement of Expectations 2025/28 – Te	Chief Customer Officer		Terms of Reference

		Manawa, The Globe and The Regent			
13.	September 2024	Play Policy Annual Implementation Monitoring Report	Chief Customer Officer		14 April 2021 Clause 12-21
14.	September 2024	Annual Report 2023-2024 – The Regent, The Globe, Te Manawa	Acting CE Unit Manager		Terms of Reference
15.	November 2024	Annual Report: Sport Manawatū 2023/2024 to Palmerston North City Council	Chief Planning Officer		Terms of Reference
16.	June 2025	Review of in-house service delivery of Caccia Birch House	Chief Customer Officer		Council 2 June 2021 Clause 50.7

ATTACHMENTS

NIL