



Auckland Cultural Heritage Sector Review

Final Report

October 2018

Prepared for Auckland Council





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Date of Issue: 15 October 2018



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Table of Contents

1.	EXECUTIVE SUMMARY.....	1
1.1.	Overview.....	1
1.2.	International trends in museum, gallery and cultural sector best practice, and implications for Auckland.....	1
1.3.	Towards recommended governance models.....	2
1.4.	The “ideal model”.....	2
1.5.	Advantages of the proposed model.....	4
1.6.	Sector transition arrangements.....	5
1.7.	Particular recommendations concerning MOTAT.....	5
1.8.	Storage issues.....	6
1.9.	Alternative models to the preferred model.....	6
1.10.	The Legislative Pathway.....	7
1.11.	A Cultural Support Role Beyond the Auckland Region.....	9
1.12.	Coordinating Visitor Data and Analysis.....	10
2.	CONTEXT.....	12
2.1.	Terms of Reference.....	12
2.2.	The situation now.....	13
2.3.	Current Funding Model.....	13
2.4.	Current governance framework.....	13
2.5.	Ability to amend the Acts.....	16
2.6.	Brief description and parameters of each organisation.....	16
2.7.	Response to sector issues and disruptors.....	16
3.	ISSUES AND CHALLENGES.....	19
3.1.	Summary of the primary challenges.....	19
3.2.	Major issues and challenges defined.....	20
3.3.	Other issues worthy of consideration.....	23
4.	RECOMMENDED WAY FORWARD.....	26
4.1.	Strategic objectives and investment priorities for the culture and heritage sector in Auckland.....	26
4.2.	Towards recommended governance models.....	30
5.	SUPPORTING DOCUMENTATION.....	39
5.1.	Supporting Documentation 1: Survey Findings.....	39
5.2.	Supporting Documentation 2: International Models.....	46
5.3.	Supporting Documentation 3: Options for Change.....	50
5.4.	Supporting Documentation 4: The Legislative Pathway (Detailed).....	67

List of Figures

Figure 1: Proposed CHA Structure.....	3
Figure 2: Current Funding Arrangement.....	14
Figure 3: Current Control and Accountability.....	15
Figure 4: Proposed CHA Structure.....	32
Figure 5: Tyne and Wear Museums and Archives Structure.....	46
Figure 6: Western Australia Museum Structure.....	47
Figure 7: Parkmuseerne Copenhagen Denmark Structure.....	48
Figure 8: Singapore National Heritage Board Structure.....	49
Figure 9: Model 1.....	55
Figure 10: Model 1a.....	55
Figure 11: Model 1b.....	56
Figure 12: Model 2.....	56
Figure 13: Model 2a.....	57
Figure 14: Model 2b.....	57
Figure 15: Model 3.....	58
Figure 16: Model 4.....	58
Figure 17: Model 5.....	59

List of Tables

Table 1: Digital Access to Collections.....	17
Table 2: Primary Challenges.....	19
Table 3: Key survey findings.....	39
Table 4: Response to current sector issues and disruptors.....	41
Table 5: Potential changes matrix.....	51



1. Executive Summary

1.1. Overview

Stafford Strategy (Stafford) was commissioned by Auckland Council (Council) to undertake a review of five specific cultural and science institutions in Auckland being Tāmaki Paenga Hira Auckland War Memorial Museum (Auckland Museum), Auckland Art Gallery Toi o Tāmaki (Auckland Art Gallery), the Museum of Transport and Technology (MOTAT), the New Zealand Maritime Museum and Stardome. The specific Terms of Reference (ToR) are provided in Section 2.1 of this final report.

This report is the final report, focused on the preferred governance model and potential restructure of the sector. This report builds on the previous two progress reports (the first covering primary issues and challenges and the second offering an assessment of the various options and models for consideration). This Executive Summary draws out the key points from the earlier reports, with the main content of those reports included as appendices to this final report.

1.2. International trends in museum, gallery and cultural sector best practice, and implications for Auckland

As part of this Review, Stafford identified a range of international trends and “best practice” models, which have implications for the museum and gallery sector in Auckland. Those international trends are:

- stronger recognition of the rights of indigenous first peoples;
- responsiveness to changing ethnic and cultural diversity of local communities;
- digital, digitisation and digital access;
- the interplay of the real and virtual;
- citizen science;
- climate change and global warming;
- increase in the proportion of older community members;
- the visitor economy and visitors;
- cultural spaces as venues for very diverse activities;
- cultural precinct planning and cultural ecologies;
- fostering innovation; and
- increasing the diversity of funding sources.

The response of the five institutions to these trends is varied. Stafford identified that those countries and cities which are best at adapting to changing cultural trends often have strong and effective centralised cultural sector coordination, which encourages their cultural organisations to embrace changing trends and the application of best practice.

Our view is that this function is not currently present in Auckland. Stafford recommends that Auckland Council assess how best to provide a centralised and coordinated function to encourage the cultural sector to respond and to adopt international best practice, within the governance model proposed in this report.

1.3. Towards recommended governance models

In its second stage report, Stafford outlined a series of possible governance models for the five institutions and the wider cultural sector in Auckland. The body of this report and its appendices detail the comments received on those models from the institutions. Common themes arising from these comments include the following.

- A general dislike of any one cultural institution taking a lead agency roll over the others.
- A concern that Regional Facilities Auckland (RFA) is heavily focused on commercial endeavours and lacking in culture and heritage strength on its board specifically.
- A general concern that Council is insufficiently connected to the culture and heritage sector.
- A general concern about the complexity of the current funding models for the five institutions and for the culture and heritage sector as a whole.
- A concern that the Council Controlled Organisation (CCO) model was created to fix a problem that is no longer present and is now outdated in some areas. If there is to be a new coordinating entity it should be a new statutory entity rather than a CCO.
- Recognition that it is not really possible to propose coherent change just for the five organisations alone, in isolation of the rest of the cultural and heritage sector. To get the greatest benefits any model ultimately needs to embrace the entire culture and heritage sector of Auckland, noting that numerous organisations are funded via different mechanisms which creates inconsistency.
- In particular, a view that the Auckland Regional Funding Amenities Board (ARAFB) should be split, with the funding to culture, heritage and science organisations put together with the funding mechanisms for the other organisations in this Review.

In summary, there was a strong view that there is a case for funding, control, and accountability in the culture and heritage sector of Auckland to be simplified, but there was no unanimous support for any one of the proposed models put forward to achieve that.

1.4. The “ideal model”

In proposing a model for Auckland cultural and heritage sector governance, Stafford drew upon international models, particularly the National Heritage Board of Singapore, and existing New Zealand legal structures.

The particular critical success criteria we identified that should be satisfied by a recommended model include the following.

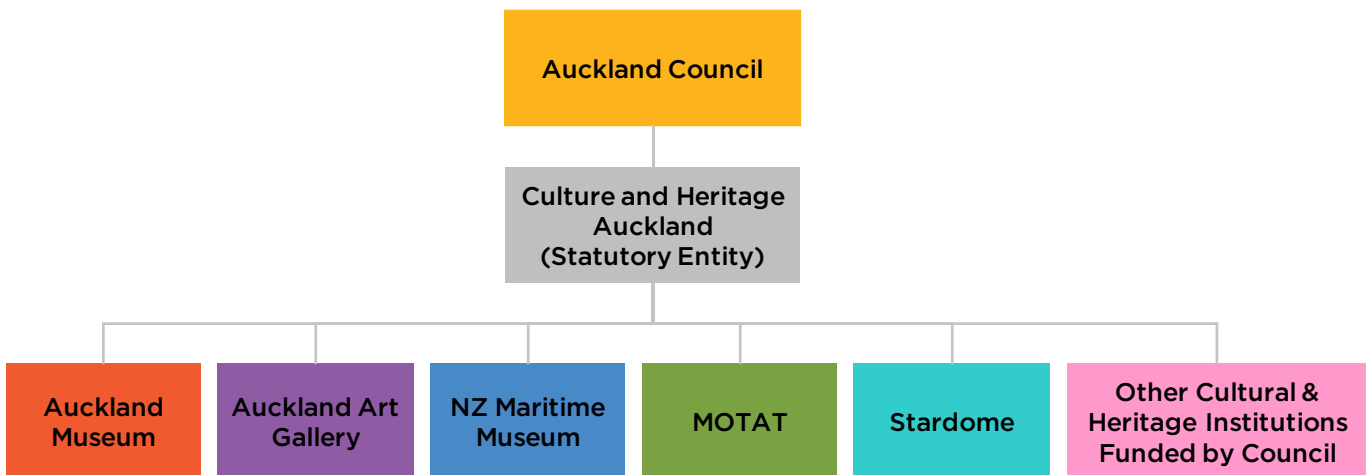
- It must simplify culture and heritage sector governance in Auckland.
- It must deliver a more equitable, consistent and justified funding arrangement for the five organisations and the wider culture and heritage sector funded by Council.
- It should enable greater culture policy coherence and consistency for Council than the current approach which is seen as fragmented.
- Council should have greater confidence in the ability of the cultural and heritage sector to implement its priorities.
- institutions must deliver greater value for money to the sector than the current arrangements, through both efficiencies and greater non-Council revenue generation potential.
- The arrangements must be achievable, that is, have a reasonable chance of being implementable, and in particular are able to change the current levy arrangements that fund Auckland Museum, MOTAT and ARAFB.
- To do that, the majority of the sector and its stakeholders need to support, or at least not oppose, the model.

- Mana whenua has a clear governance and advisory role at least as strong as provided in current arrangements.

Taking those criteria into account, Stafford recommends that the medium term goal should be to establish a new statutory entity, with an independent governing board that receives all culture and heritage funding from Auckland Council as a single stream and allocates that funding to the five organisations which are the subject of this Review, and to the diverse range of other organisations which make up the culture and heritage sector of Auckland.

The new organisation (Figure 1), which has the working title of *Culture and Heritage Auckland (CHA)*, would take all the current arts, culture and heritage functions from RFA, and from the ARAFB. We also recommend that the new body also include the culture and heritage policy and funding functions from within the current Council structure, as this parallels models in most of the rest of the world and reduces the chances of disconnection.

Figure 1: Proposed CHA Structure



Under this model, the implications for the five organisations vary. We recommend that Auckland Museum’s existing structure remain as it is, with its own statutory governing board. Consideration should be given to moving Auckland Art Gallery to an independent or semi-independent status which could be as a statutory authority, independent incorporated entity or semi-independent part of the new CHA.

With respect to MOTAT, Stafford concludes that its medium to long-term viability under its current structure is questionable and recommends that consideration is given to splitting it into two separate entities, one future focused on science, technology and innovation; the other focused on transport heritage. Both could be independent entities. The New Zealand Maritime Museum should be at least a semi-independent entity with an advisory board. Stafford recommends that Stardome remain structured as it is currently, however, separate consideration should be given to amalgamation and/or colocation with part of the restructured MOTAT entity focused on science, technology and innovation.

With respect to funding, Stafford recommends that the funding stream from Council to the new statutory entity should be a levy, based on a percentage of total rate revenue, but should allow for reasonable change over time as economic and social circumstances change. It should be resilient enough to prevent sudden significant swings in funding from Council. In turn, CHA would fund each of the five institutions (and others in the Auckland culture and heritage sector) through a funding stream which is part guaranteed (say, 80%) and part contestable, with the contestable component providing an incentive mechanism for funded organisations to address specific priorities identified by Council and by CHA, and as an incentive to share services.

Stafford recommends that under this proposed model, all funding to the culture and heritage sector of Auckland would be progressively brought under the auspices of CHA as a mechanism to simplify funding and governance delivery.

1.5. Advantages of the proposed model

The proposed CHA statutory entity model has a number of benefits and advantages.

- It rationalises multiple lines of funding for the culture and heritage sector into a single stream to the new entity.
- The new single body is best able to ensure equitable funding to the entities it funds.
- A single entity with a skilled governing board is better able to implement Council's priorities for the sector.
- It provides a more resilient vehicle to encourage and enable collaboration across the sector.
- It enables a focus on international trends and initiatives which can then be adopted in the Auckland culture and heritage sector.
- The CCO model is dated and has significant risks around its ability to maintain its charitable status.
- The legislation to implement a new over-arching statutory body can override the existing Auckland Museum, MOTAT and ARAFB legislation, which would otherwise be difficult to amend or repeal.
- Stafford ascertained sufficient support for this model if there is to be a new coordinating entity.

The issue of each of the five organisations being able to retain an advisory board or similar was seen as key to helping generate support for the preferred model and recognising that there would be significant change once the determination of funding across the five entities is determined and controlled by the CHA entity. The CHA would need to enter into a purchase agreement with each entity which would determine the agreement of each entity's outputs and outcomes in return for funding.

Each entity is quite different in how it has operated in the past and its current governance model. We would suspect that under the new preferred model:

- Auckland Museum may wish to retain its current board to ensure continuity though the role of the board would need to modify to reflect the new CHA entity;
- Auckland Art Gallery may wish to introduce an advisory board to offer additional guidance and support for the management team and noting it has had this in the past;
- NZ Maritime Museum may want to consider utilising the CHA Board in similar fashion to the way it utilises the RFA board currently after disbanding its own board;
- MOTAT may wish to retain an advisory board though the option of having the CHA board perform this role provides an alternative option for them to consider; and
- Stardome may also wish to retain its board though noting the role would need to be modified to reflect the new CHA entity.

If other arts, heritage and cultural entities currently funded by Council via ARAFB or local boards were to also be brought under the CHA structure in the future, the option of utilising the CHA board to oversee these as well, with or without advisory boards (at the discretion of each entity), would be an option. This may also offer the potential for some rationalisation of boards where this is seen as a desirable outcome.

The preference therefore is to allow those entities who want an advisory board or similar to assist their management teams, to be able to utilise the specific skills of advisory board members to help them deliver agreed outcomes and outputs, which would need to be negotiated through a purchase agreement process with CHA.

Importantly, the CHA board should be a skill based board and not include any members of advisory boards involved in any arts, cultural or heritage entity being funded through the CHA. This would also need to extend to family members due to the contestable nature of funding under the preferred model. This will help ensure the highest level of transparency and avoid the potential risk of conflict of interest.

1.6. Sector transition arrangements

Stafford acknowledges that the legislative changes within Central Government to create the CHA entity could take several years, but there are a number of actions that could be put in place sooner, which would improve the current sector and move it towards the ideal model. These are as follows.

- Appoint board members to RFA with a stronger culture and heritage background, to respond to criticism from the culture and heritage sector that it is currently too commercially focused.
- Strengthen the Museums of Auckland coalition to deliver a greater range of services including collection storage, collection conservation, shared corporate services and potentially sharing exhibition production staff and facilities. Stafford recommends that consideration is given to a more formal arrangement between the participants than the current voluntary set up. This could be:
 - by RFA taking a lead role on their behalf;
 - by establishing an incorporated organisation to handle the shared services, as is done in Copenhagen; or
 - by the institutions signing a binding MOU between themselves to formalise the arrangement.

Stafford recommends that Council consider forming an implementation advisory group of eminent qualified people to oversee the process of creating CHA. Most importantly, the input of and advice from Māori stakeholders will also be crucial in any change process. Stafford, therefore, recommends that any eminent persons group include Māori representation.

1.7. Particular recommendations concerning MOTAT

Stafford notes that it is not within the scope of this Review to carry out a detailed assessment of the current performance of and prospects for any particular one of the five organisations. However, we note consistent expressions of concern during the review about the future prospects of MOTAT, in particular, given tensions between Council appointed and MOTAT Society appointed board members about the future direction and priorities of MOTAT.

We also note the limitations of both sites occupied by MOTAT and the estimated \$170 million capital development master plan program proposed to address many of those limitations. Stafford queries whether the suggested capital development program should be invested without considering alternatives. Based on its collective experience, Stafford is aware of international models for science, technology and innovation centres which may provide some opportunities for discussion in Auckland.

We consider there is potential in investigating whether to split MOTAT into a more future-focused transport, technology, science and innovation centre, potentially located in a socially and economically disadvantaged area of Auckland and into a smaller transport heritage organisation based on MOTAT's extensive collection of heritage transport equipment.

1.8. Storage issues

Many of the institutions have major storage issues which are noted to require resolution over the next seven years due to the current lease arrangements. It is recommended that a working group be convened to determine the medium to longer term storage requirements for each of the institutions (it is understood that the Auckland Museum already has storage requirements for the medium term) and to identify an accessible storage facility that can be collectively used.

Within this context, we also note Central Government's desire to move at least 50% of Te Papa's collection out of Wellington due to earthquake risk to a facility which has been termed Te Papa North. It may be possible to, therefore, also consider a joint storage facility which would need to be on a much larger scale to cope with 50% of Te Papa's collection as well as the future storage needs of the five or more institutions.

It is understood that due to geotechnical constraints within one of the two MOTAT sites, the option of creating a mega storage facility in a Western Springs location, may struggle to be viable.

Finding a location in South Auckland for a major storage facility may offer better options and also support access by culturally diverse communities if collections are accessible and able to be used as an educational resource as well. This should also take into account the potential science and innovation part of MOTAT, referred to above.

We do note, however, such a facility would come at a not insignificant cost.

1.9. Alternative models to the preferred model

We consider there are two alternative models, though the challenge is the five institutions hold very polarised views on each of these, making it potentially more difficult to achieve a cohesive outcome under either. If there is not a need for a fully cohesive (the five institutions need to all be included) outcome, however, these two options do offer an alternative.

1.9.1. Leading Museum Model

As indicated in our Stage 2 report, there are examples internationally of a major institution taking an overview role in managing other cultural institutions.

In Auckland's case, the Auckland Museum is the major cultural institution which could take on the leading museum role with the other four institutions obtaining a number of services and support from it. It would relieve RFA of having to undertake this role and would provide for the cultural institutions to each find a suitable working relationship, noting that they would be dealing with an entity who may better understand the sector's needs.

It is interesting to note that the Auckland Museum previously had a planetarium before Stardome was established and elements of the Stardome collection are from the Auckland Museum. Similarly, we have been advised that a "significant percentage" of the New Zealand Maritime Museum's collection is apparently loaned from Auckland Museum. In the case of MOTAT, there may be a variety of stronger support services (curatorial and conservation, especially) for the heritage transport collection.

Against this model, however, is a strongly held view among many of the institutions that one museum running other museums is fraught with challenges. There is also a strong feeling that the needs and aspirations of what a broadly termed social and natural history museum requires, differ markedly from what a public art museum would see as its requirements and needs going forward.

Whilst Auckland Museum indicated it could be interested in pursuing a lead agency model, the other institutions were less enamoured by the prospect with a common concern of having their needs and aspirations treated as secondary, as they are all much smaller institutions than the Auckland Museum.

1.9.2. Revised RFA

An alternative preferred model which a number of the institutions felt could work with is a reconstituted RFA. To achieve this, however, RFA would need to:

- change the composition of its board or create a separate cultural and heritage sector board, with the cultural and collection-based institutions sitting underneath it;
- offer greater transparency in costs associated with providing services;
- offer greater input from the cultural institutions into funding negotiations with Council; and
- ensure that revenue from venue hire within cultural institutions was directly applied back to the cultural institutions to support a stronger social enterprise revenue generating model.

Whilst the Art Gallery, MOTAT, the New Zealand Maritime Museum and, to some extent, Stardome were prepared to consider a reconstituted RFA as a governance model going forward, Auckland Museum was totally opposed to this.

Whether it is possible to ameliorate the concerns of Auckland Museum through restructuring RFA is unclear, but if all revenue generated by Auckland Museum was retained by it rather than going into RFA, it might be possible to create a hybrid scenario which could possibly be palatable to Auckland Museum. This would, in effect, mean that Auckland Museum would be partly within the RFA model and partly outside it. Or one leaves Auckland Museum out of the mix entirely.

It may certainly be faster and easier to transition to a revised RFA model than trying to establish a separate independent statutory body to look after the cultural and heritage sector, but it would require significant change within RFA to achieve this.

1.10. The Legislative Pathway

The process for achieving legislation to implement the proposed new statutory model is complex. Stafford's legal advisor who is a specialist in the New Zealand "for purpose" sector suggests that the best option for initiating the necessary legislation to create a statutory body as proposed for CHA, is likely to be to sit down with the relevant Ministers and convince them of the need for an overarching piece of legislation to deliver the preferred model.

Assuming Government can be persuaded to include a Bill on the legislative programme, the legislative process to bring the Bill into law would likely be anywhere from 2-3 years. That said, the chances of success, and the rate of progress, are likely to be directly proportional to the level of support able to be obtained for the proposal.

1.10.1. Proposed CHA model

The legislation would be an overarching piece of cultural public policy legislation which would offer a legislative framework to provide certainty and equity of funding to Auckland cultural and heritage institutions.

To that end, the legislation would provide for a new body to be created by statute and would not be a council-controlled organisation (as that term is defined in the Local Government Act 2002).

The legislation would replace the Auckland War Memorial Museum Act 1996 (“**the AWMM Act**”) and the Museum of Transport and Technology Act 2000 (“**the MOTAT Act**”) and would remove cultural and heritage organisations from the Auckland Regional Amenities Funding Act 2008 (“**the ARAF Act**”). In their place would be an overarching regime, which would provide for a levy to be paid to all of the organisations the subject of the review, namely:

- the Auckland War Memorial Museum
- the MOTAT;
- the Auckland Observatory and Planetarium (“Stardome”);
- the New Zealand Maritime Museum; and
- the Auckland Art Gallery.

The legislation may also provide for a levy to be paid to other organisations, with a particular focus on those within the culture and heritage sector.

The levy should be based on a percentage of rates, as is the case currently for MOTAT and the Auckland Museum. The levy would fund only operating expenditure. Any capital expenditure needs would not be provided for under this model and should be funded separately via a business case to Auckland Council or through non-government funding programmes.

Each entity would build on its existing Iwi relationship and partnership approach, noting that each is different in what it has established with Iwi over some time.

Transitional arrangements, which may or may not need to be provided for in the legislation, may include:

- creating a governance group to oversee and drive through changes;
- depending on whether the option of splitting MOTAT is taken up, specific funding for MOTAT over 4 years to assist it to leverage other funding for its master plan.
- developing a new all-encompassing arts and cultural heritage strategy across Auckland;
- creating a list of agreed key performance indicators, which may include: increased visitation, increased ratio of alternative funding streams, stronger education sector outcomes with a wider range of schools visiting;
- expanding and growing the Museums of Auckland model of shared centralised services, potentially encompassing information technology, human resources, data gathering, asset management, storage, curatorial support and conservation services; and
- creating a combined storage facility, particularly for MOTAT, Auckland Art Gallery and the Maritime Museum but allowing for the involvement of other collection-based institutions.

Consequential amendments would include:

- ultimately, the repeal of the MOTAT and AWMMMA Acts, although this may need to occur through a staged approach; and
- the removal of Stardome and the Maritime Museum from the list of specified amenities in schedule 1 of the ARAF Act.

The proposed legislative model may need to extend to ownership of assets. Specifically, it is not clear whether Auckland Art Gallery, the Maritime Museum and any other entities that are currently business units of Regional Facilities Auckland would cease to be so, and ownership of their respective assets transferred to the proposed CHA. If ownership of assets is to be included in the new entity, an issue may also arise with Stardome, which is currently governed by a charitable trust.

1.10.2. Legislation to implement the proposed CHA model

- There are a number of means by which over-arching legislation to affect the proposed CHA model might be implemented, including:
 - (i) a local bill with consequential amendments (provided any amendment of the affected Acts would indeed be “consequential”);
 - (ii) an omnibus Bill under Standing Order 263 (provided that the agreement of the Business Committee can be obtained, or if not, that the House suspends Standing Orders under Standing Order 4 to permit such a Bill to proceed);
 - (iii) a Government Bill dealing with a “matter of public policy”, using the Local Government (Auckland Transitional Provisions) Act 2010 as a precedent.

Option (iii) would be preferable, if it can be achieved, because of the advantages that Government Bills have in their passage through the House.

A new funding framework for the Auckland culture and heritage sector, that rationalised the governance arrangements of at least the 5 cultural organisations, is arguably simply a continuation of the amalgamation of Auckland Council. It may also be possible to argue that a new governance framework to address the challenges currently facing the Auckland cultural and heritage sector, and to position it as well as possible to maximise its potential for the future, is a matter of public policy properly the subject of a Government Bill, in and of itself, in the same way that the amalgamation of Auckland Council was.

1.11. A Cultural Support Role Beyond the Auckland Region

We note from the various discussions especially with the Auckland Museum and the Auckland Art Gallery that both institutions (as well as some of the others but on a less frequent basis) regularly offer services to support other cultural and heritage institutions outside of the Auckland region.

Though none of the five institutions receives regular funding from Central Government (but are beneficiaries of one-off funding grants from time to time), we consider it may timely to also assess whether the Auckland Museum and Auckland Art Gallery should be taking on a broader role to more formally support cultural and heritage institutions from potentially Taupo north, reflecting a broader sphere of influence and support possible. The support may be in the form of conservation and curatorial services, in particular, noting that many regional institutions are struggling to cover off needs in these areas of service delivery.

In addition, due to its nationally significant art collections and its national level role as the surrogate national art gallery (through its exhibition and related programs etc.), it may be timely for Auckland Art Gallery to present a business case as to how and why its services and collection should be supported with Central Government funding assistance. It would need to outline the various services it could deliver to assist other regional public art institutions nationwide. A similar proposition could be applicable to the Auckland Museum.

The support role for both institutions beyond the Auckland region and on a fee for service or through an agreed funding arrangement is based on:

- our own observations noting the work already undertaken outside of the region by both the Auckland Museum and the Auckland Art Gallery;
- feedback from many stakeholders within and outside the Auckland region; and

- acknowledging the very limited support and assistance many regional institutions currently are experiencing but which appears to be urgently needed.

1.12. Coordinating Visitor Data and Analysis

Each of the five institutions gathers and analyses its visitor data in individual models. Auckland Tourism Events and Economic Development (ATEED) has expertise as the peak tourism body for the Auckland region in visitor analysis, forecasting and reporting. As part of the process of achieving far greater collaboration amongst the five institutions, it is recommended that:

- ATEED be engaged to work with the five institutions to develop a standardised visitor reporting and monitoring program;
- ATEED provide back to each institution its own visitation results along with how each is progressing against their agreed key performance indicators for market diversity, visitation overall, visitor spend patterns and other agreed metrics; and
- ATEED also provides consolidated visitation trend data from all of the five institutions to reflect the visitor impacts the five are having for Auckland overall, and how the five's combined visitation is reflected in overall visitation to Auckland (domestic and international).

ATEED, through its recently released Destination Strategy for Auckland, have indicated initiatives including working with the cultural and heritage sector to support more major cultural sector events, which ATEED has resources to apply. Establishing a robust and consistent visitor database across the five institutions will also help support the case for major cultural sector events.

inga Mai

ried Lindauer's *New Zealand* –
ome the paintings of Gottfried
nt international exhibition, at the
Francisco. These portraits, two of
are on loan from the Auckland War
enga Hira. They depict the great
and his niece Karawhira Kapu.

Te Puni Kōkiri
ALLIANCE WITH CULTURE



2. Context

Stafford Strategy has been engaged to review five cultural heritage sector organisations in Auckland being; Auckland Museum, MOTAT, Auckland Art Gallery, New Zealand Maritime Museum and Stardome.

The ToR provided for this Review is in three parts, which are interconnected.

2.1. Terms of Reference

2.1.1. The case for change

The first part of the ToR asks the review to set out whether there is a case for change to achieve greater strategic and structural coherence and value from Council investment in the cultural heritage sector. The ToR asks the review team to set out the current sector arrangements for the institutions and the advantages and disadvantages of these. In response to this, the review team used the responses to two surveys sent to the five organisations in addition to documentation provided from them and from Council. Specifically, the review interim report sets out the issues and challenges facing the five organisations and the Auckland cultural sector now.

2.1.2. Key strategic objectives and investment priorities

The ToR also requires the review team to make recommendations about key strategic objectives and investment priorities, in particular, considering those goals in the cultural policy framework document, Toi Whītiki that have particular relevance to the review.

These are:

- Goal two: grow and deliver strategic investment.
- Goal three: a network of complementary institutions, and;
- Goal five: Auckland's unique cultural identity, with Māori and their culture as Auckland's point of difference.

In response to this, the review team asked the five institutions to respond to the major trends and disruptors impacting on the cultural sector in New Zealand and elsewhere, and the responses to this survey plus other material has been used to review strategic objectives and investment priorities.

2.1.3. Potential sector governance changes

The third part of the ToR asks the review to describe any proposed sector governance changes, without going into detail, but including options with pros and cons. In response to this, the project team has described the current governance arrangements and their strengths and weaknesses. We will then look at comparable international models of sector governance, before proposing a range of options for consideration, and finally, a recommended way forward.

2.2. The situation now

Auckland Council sets out its objectives for culture and heritage in Auckland primarily through Toi Whītiki, Auckland's Arts and Culture Strategic Action Plan. This plan has a number of goals that are of specific relevance to the cultural heritage sector and are referred to in the ToR of this Review. They are:

- **Goal two: Auckland values and invests in arts and culture.** Grow and deliver strategic investment in arts and culture to enable a thriving and resilient sector.
- **Goal three: a network of vibrant arts and culture organisations and facilities.** Support a network of complementary arts and cultural institutions and facilities.
- **Goal five: Auckland celebrates a unique cultural identity.** Celebrate Māori and their culture as a point of difference.

While the plan is referred to as an action plan, it is primarily an aspirational strategic document that does not contain specific dates or accountabilities for action. The review could not identify any other council policy documents which include strategic guidance to the cultural heritage sector.

2.3. Current Funding Model

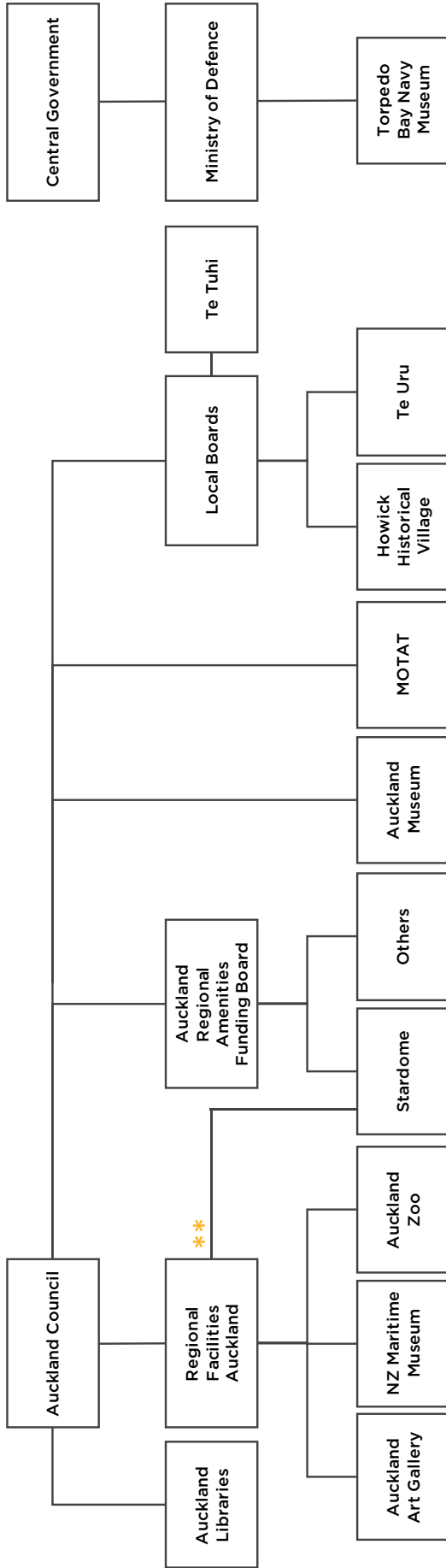
Figure 2 on page 14 reflects the existing funding arrangement with Council and which should be modified to offer the cultural institutions greater certainty of future funding but in tandem, need to be tied back to agreed outcomes and KPIs for the sector which are measurable, time-bound and able to be assessed and monitored with greater transparency.

2.4. Current governance framework

Figure 3 on page 15 summarises the current governance frameworks, including funding, control and accountability for the five organisations which are the primary subject of this Review. Auckland Museum and MOTAT are statute based for purpose organisations with their own boards and funded substantially by Auckland Council through a legislated levy process. Auckland Art Gallery and the New Zealand Maritime Museum are divisions of RFA (a council-controlled organisation), which is, in turn, funded substantially by Auckland Council and commercial revenue. Stardome is an independent for purpose organisation with its own board and funded substantially by Council through Auckland Regional Amenities Funding Board (ARAFB).

Figure 2: Current Funding Arrangement

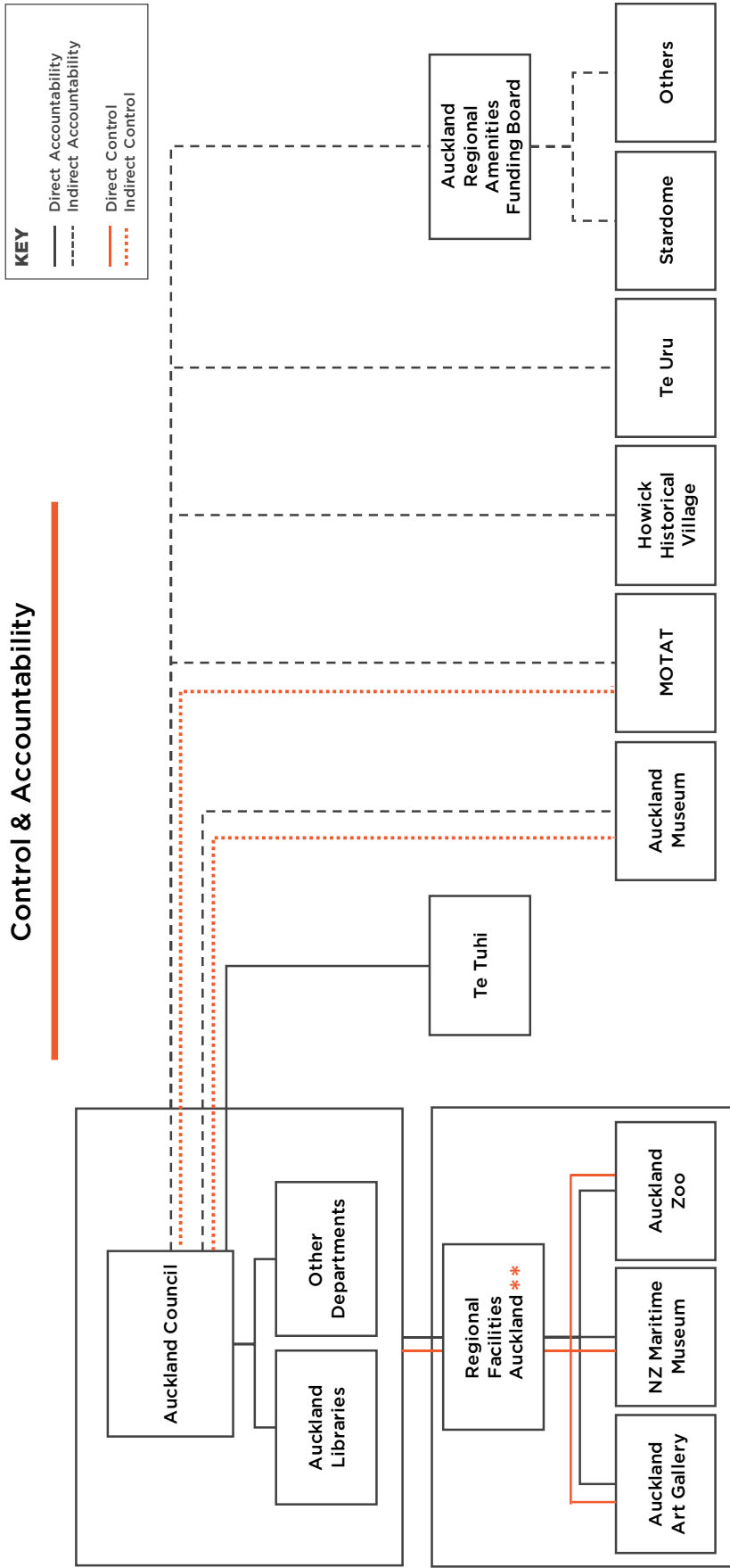
Public Funding Channels ##



** RFA provides capital investment and loans to Stardome but not OPEX funding.

Noting that each of the five cultural institutions generate revenue from a variety of other sources, including commercial activities, donor contributions, sponsors and grants.

Figure 3: Current Control and Accountability



** RFA are also engaged by Council to:

- assist with negotiating levy paid by Council to MOTAT and Auckland Museum;
- to provide advice and administer the appointment of only the RFA selected board members to the MOTAT and Auckland Museum boards; and
- assist with reviewing performance measures and the annual plans prepared by Auckland Museum and MOTAT.

2.5. Ability to amend the Acts

Stafford sought independent specialist legal advice on the ability to amend or repeal the Auckland Museums Act, the MOTAT Act and the ARAF Act. The advice provided illustrates that:

- it is possible to amend or repeal the various acts if this is seen as desirable and/or necessary to achieve the desired outcome and if there are clear overarching public policy benefits from doing this;
- the legal advice offered indicates the preference, however, to have the support from the organisations involved to undertake any change to the legislation;
- noting that the process for getting Parliament to set down time for any amendment or repeal may take a while due to the backlog of legislation already needing Parliament's attention; and
- that having a level of bipartisan support in Parliament to undertake any amendment or repeal would also be preferable.

The full opinion was provided in the Stage 1 Report in the supporting documentation section. It was provided to illustrate that Council does have the option of amending or repealing both the AM and MOTAT acts at its disposal, but that it would be preferable to also have the support of the organisations directly affected if this course of action were to be contemplated.

The project team suspect that this option would likely only be supported by the specific organisations affected if there was a better option able to be presented to them, and which necessitated having the various acts amended accordingly to help expedite such an outcome. Therefore, if it were possible to continue to offer an agreed level of base funding, but with the potential for increases based on agreed Council outcomes and associated KPIs, there may be a chance for collaborative movement to achieve improved outcomes.

Interestingly, the project team can find no other example globally of individual cultural institutions having such legislation which guarantees their ongoing funding, with such minimal levels of accountability attached.

2.6. Brief description and parameters of each organisation

Each of the five organisations was asked to complete two surveys. The first survey sought general information about the parameters of each organisation. The purpose of the survey was to seek further clarification from each institution in a standardised format to allow for comparison. There is no current consistency in the way each institution reports annually, in the language applied and the formats used. Section 1 of the Supporting Documentation provides a summary of the findings.

2.7. Response to sector issues and disruptors

There are a number of significant issues and opportunities facing the cultural heritage sector internationally that have ramifications for the five institutions in Auckland. The project team asked each institution to comment on 14 such issues and opportunities. Table 1 summarises the responses to the first question concerning digital access to collections in each institution (noting that Stardome does not hold collections). Table 4 in Section 5.1.2 sets out the responses to the other 13 questions.

Auckland Museum is comprehensively engaged with all key issues and disruptors in the sector, which it should be given its size and funding level. MOTAT is also well across most issues, particularly in the technology area. Auckland Art Gallery responses to the survey were mainly assertions without supporting information. While the Maritime Museum does well considering its size, it is clearly starting from a lower base. Stardome appears well engaged to all key issues relevant to a planetarium.

In terms of digital access to collections, all organisations which hold collections are moving strongly into the digital space, although the progress of Auckland Art Gallery is hard to judge as they did not respond to a number of questions. Auckland Museum’s state of digitisation and digital access is comparable to other large Natural History Museums though some way behind Te Papa according to users of institution digital information.

Table 1: Digital Access to Collections

What percentage of your collection:	Auckland Museum	MOTAT	Auckland Art Gallery	Maritime Museum	Stardome
Is digitally catalogued	45%	75%	100%	10%	N/A
Is digitally imaged	5%	25%	99%	10%	N/A
Has associated digital material (e.g. audio recordings)	Less than 1%	5%	No information provided	1%	N/A
Is discoverable outside the firewall	26%	35%	100%	3,000 objects	N/A
Is discoverable by an aggregator (e.g. Digital NZ)	13%	25%	No information provided	3,000 objects	N/A
Approximate total collection size	3 million objects	50,000 objects	17,000	3.2 million	N/A



3. Issues and Challenges

3.1. Summary of the primary challenges

In responding to the ToR for this Review and in particular, to the requirement to set out whether there is a case for change to achieve greater strategic and structural coherence and value, the project team identified a range of issues and challenges facing the five organisations as a whole, the individual organisations, and Council. These challenges are set out in Table 2 below.

Table 2: Primary Challenges

	Challenge	Explanation
1	Council Levy Funding out of date	The levy (and the associated legislation) was established to address the lack of collective agreement and support of the 7 local councils and 1 regional council for funding the institutions. This scenario no longer exists
2	Current governance structure overly complex and no longer relevant	Historic events have driven various governance structures which now appear inappropriate for a single Council funding entity
3	No action oriented cultural plan for Auckland	Toi Whītiki is highly aspirational with a well-formed vision but lacks an implementation strategy, actions and key performance indicators to reflect what is actually being achieved.
4	Cultural sector inadequately valued by Council	No dedicated Council committee to help guide the sector yet global city aspirations link to a much stronger cultural focus being required
5	Lack of connectivity between councillors and senior council officers with the cultural institutions	There is no direct voice of the institutions to the Environment and Community Committee of Council. Any voice is filtered by RFA or ARAFB.
6	Te Papa North is an unnecessary distraction	While this initiative has stimulated collaboration, it will not happen without significant Central Government funding, which appears less likely to occur with so many other higher priorities in regional areas, other than Auckland
7	Lack of adequate collaboration between the 5 cultural institutions	It is starting to happen through a recent Museums of Auckland Marketing Initiative, but much closer collaboration could be achieved for storage, curatorial, conservation skill sharing, joint marketing, data sharing etc. Institution feedback indicated it has taken over 10 years to achieve agreement on relatively lower level joint marketing-ticketing initiatives, reflecting the challenge of aligning thinking and a common will for the sector, amongst the institutions.
8	No one yet tells the Auckland story	Each institution has part of the story but there is no coherent overall narrative to appeal to visitor markets.
9	Lack of detailed audience data for planning	All institutions comment they are actively focused on engaging strongly with the broader Auckland community (particularly local Iwi, Polynesian communities and Asian communities especially) but lack of data exists to show this is occurring and to what extent.
10	Site-specific challenges impact on some institutions ability to operate and plan for the future	MOTAT is split over two sites, both of which are problematic, Maritime Museum operates on a short-term lease only with no certainty, Stardome is likely to need to move from its current site when the lease expires in the next 7 years, most institutions have major storage challenges impacting now

	Challenge	Explanation
11	CCO model (RFA) is not well supported by the institutions	Current organisation structure doesn't lead to optimal outcomes. A change in the model and structure is warranted
12	Some institutions perform a national role as well as regional but aren't funded nationally	Auckland Museum is the NZ War Memorial Museum and Auckland Art Gallery acts as the surrogate national art gallery due to the significance of its collection and what it displays. No business case has been made to seek national funding support to allow either institution to deliver on its apparent national role. There is a lack of support at a Central Government-level for recognising the national-level roles which Auckland's major cultural have, and no current appetite to fund them for this.

3.2. Major issues and challenges defined

3.2.1. Funding arrangements

Both Auckland Museum and MOTAT are funded through a formula based on a proportion of total Auckland property values. As property values rise the funding available to each organisation rises as well. But it is noted that rates do not necessarily rise with property values. By comparison, ARAFB is funded based on a percentage of Council rate revenue.

Both Auckland Museum and MOTAT are required to submit an annual plan to RFA which then makes a recommendation to Council whether or not to support that year's funding application. If Council chooses to reject the application, then a compulsory arbitration mechanism is invoked. This mechanism has never been used probably because of a perception that the mechanism favours the two museums.

This levy mechanism was established prior to the amalgamation of the previous seven Auckland councils and the regional council, into the single council "supercity". As far as the project team is aware, this type of very specific property value funding mechanism, as a legislated funding system, is not used anywhere else in the world (some cities, such as Denver, use a single levy to cover a wide range of services including culture but we are not aware of any other cultural institutions having such guaranteed funding secured by legislation) other than in New Zealand. A different levy system is also found in Canterbury and Otago based on an agreed contribution, rather than based on property values.

The funding system presents challenges for Council, because Council has no effective control over it and does not suit long-term financial planning for the two institutions as funds need to be sought annually. MOTAT and the Auckland Museum clearly like the legislation for the financial certainty it offers them. But it is not seen by the other cultural institutions as a fair or equitable mechanism for resource distribution by Council. As such, it would seem that the legislation possibly acts as a foil for preventing greater trust and collaboration amongst the five institutions.

On a percentage basis, approximately 63% of Councils available funding for all of the various cultural, art and heritage organisations funded via RFA, ARAFB and the local boards, is tagged for Auckland Museum and MOTAT. Adding in the Art Gallery increases this to approximately 78% of available funding, leaving \$16m approximately for the other entities. In addition, what Auckland Museum could claim (noting that it only currently claims approximately 32% of what it could claim under the legislated funding arrangement) could easily exceed the total funding for the entire sector which Council currently provides.

There is, therefore, a high degree of risk to Council, should Auckland Museum claim a higher percentage of funding for whatever purpose, which their current legislation allows for. Importantly, the issue of whether the various

cultural organisations are adequately funded is deliberately excluded from the ToR for this Review, and is a totally different issue, but with clear implications from the current funding arrangement.

3.2.2. Governance framework

The governance framework within which the five organisations are set was largely determined prior to the creation of the supercity single Council. The existing governance framework seems designed primarily to insulate the five organisations from sudden policy changes at Council level by ensuring that they either deal with Council through an intermediary (such as RFA or ARAFB) or have specific Central Government legislation which prevents Council from directing the organisations. As such, while Council funds each organisation, it has no direct control over them nor are any of the organisations directly accountable to Council.

In these circumstances Council could reasonably ask how it would be able to know whether it is receiving fair value for money from each of them.

3.2.3. Toi Whītiki: Cultural policy framework

Toi Whītiki sets out broad aspirations and the strategic direction for cultural policy for Auckland and seems primarily aimed at telling Council (rather than the institutions) what to do in the cultural space. The lack of specific actions, timelines and accountabilities in this framework make it difficult for the five organisations in the review to know exactly what they should be trying to achieve in response to Toi Whītiki, Councils cultural policy. The policy is not written in such a way as to be able to hold the five organisations accountable.

3.2.4. The value of the cultural sector to Auckland

Globally significant cities take great pride in and put substantial value into their cultural sector, particularly in terms of attracting visitors but also in terms of attracting innovative and creative industries including the creation of knowledge worker jobs. The project team's work on the Destination Auckland Strategy for ATEED and the work for this current review, suggest that Auckland does not yet adequately value or make the best use of its cultural sector, in comparison to a city like Melbourne or Singapore.

In similar fashion to why the tourism sector needs to be guided and nurtured to deliver a stronger and more appealing visitor economy outcome, so the cultural sector needs to equally be guided and supported to deliver stronger sectoral benefits. Unfortunately, the cultural sector currently struggles to often play as a team, and as a result, ends up competing against one another. This also reduces the perception of the value it can and should provide to the positioning of Auckland as an important global city.

3.2.5. Councillor engagement with the cultural sector

The project team understands that Council used to have a Council committee focused on the cultural sector, but that function is now subsumed within the broadly-based Community Development and Safety Committee. It is thus very difficult for cultural sector players including the five within this Review, to directly interface with Council as a whole, or in Committee, perhaps contributing to the lack of appreciation of the value of the sector and the achievements of individual organisations within it including the five in this Review.

3.2.6. Te Papa and South Auckland

For some time, Te Papa has had a stated plan to establish a major storage facility in South Auckland, primarily as a collection earthquake risk management strategy but also to better engage with the South Auckland communities. The project team understands that Te Papa has had ongoing discussions with South Auckland cultural organisations

and is now keeping the Auckland Museum and MOTAT, in particular, advised of its plans. There appears to be greater potential for this as a collective proposition, particularly in combination with the overall potential of shared storage facilities with public access.

However, the project team is aware through discussions with Central Government, that any significant funding to create Te Papa North is challenging in the short to medium-term due to the significant funding requirements which many other regions within New Zealand are requesting to address major infrastructure constraints. Arguably, discussions around Te Papa North are distracting the five organisations from focusing collectively on the community needs of Auckland.

3.2.7. Working together to achieve more

Collaboration between the five organisations has commenced formally through the recent Museums of Auckland initiative, focusing on marketing and ticketing. Greater collaboration around “inward facing” functions such as storage, corporate services and conservation services, and “outward facing” functions such as joint programming and coordinated exhibitions would enable the five organisations to achieve more with the same level of net funding.

The significant variance in the size of the five institutions and related budgets, makes it hard to generate trust and confidence amongst them, that equitable solutions between them are possible.

3.2.8. Telling the Auckland story

Arguably international visitors and domestic visitors from other parts of New Zealand are interested in the story of Tamaki/Auckland prior to European settlement, during the colonial era, and during the modern era up to now. The constant changing migration stories and diversity of communities offers the potential for colourful and interesting narratives. While each of the five organisations tells parts of this story (in particular Auckland Museum) there is no coherent structure around the story accessible to visitors and also involving other players which tell part of the story, for example, Howick Historic Village.

3.2.9. Where do the visitors come from?

It’s hard to get a consistent picture across the five organisations about where their visitors come from, including what part of Auckland, as well as the origin of other national and international visitors. Such information tracked over time would give a greater picture of the effectiveness of the organisations in broadening their audience base.

A uniform and better-quality visitor database accessible to each institution to allow for useful comparisons is missing. A shared model would help generate greater recognition and value of the sector.

3.2.10. MOTAT’s location, infrastructure and governance issues

MOTAT is on two sites, one of which has substantial landfill and the other has a substantial number of historic and heritage buildings with limited potential for change unless significant funding for upgrades is possible. While both locations are arguably within a precinct which will attract visitors by virtue of the museum itself, the nearby zoo, sporting facilities and open space recreation areas, the whole precinct is away from the city’s centre and not well served by public transport.

The Museum also has an uneasy relationship with the MOTAT Society, which provides a number of its volunteers, and appoints four of the 10 trust board members. This latter issue has made decision-making by the trust board complex and at times difficult. In addition, MOTAT’s \$170m capital program faces a difficult battle to obtain funding.

MOTAT's current legislation guaranteeing funding is possibly also acting as a handbrake on support for helping to fund elements of its master plan.

3.2.11. RFA, Auckland Art Gallery and the New Zealand Maritime Museum

Both the Art Gallery and Maritime Museum are part of RFA and do not have their own trust board or indeed advisory board, but rather are covered by the board of RFA. It appears that RFA was set up primarily as a commercial entity designed to manage and raise revenue from a range of sporting and cultural venues within Auckland. This purpose is at odds with the broader cultural purpose of the Gallery and Museum. It does not appear that RFA has reconciled or indeed maximised the opportunity of its broader role than simply managing venues.

There is also a question over whether the "overhead charges" applied to the Art Gallery and the Maritime Museum are consistent and reasonable. Inability to get details of this broken down to better understand what is charged for what specific services, doesn't help generate trust between RFA and the institutions.

3.2.12. Auckland War Memorial Museum and national funding

Arguably Auckland Museum is the most nationally significant place of commemoration and reflection about New Zealand's role in a range of conflicts. If a strong case is made there may be some opportunity for the Museum to obtain some of its funding for the War Memorial function from Central Government. There is, however, a broad view outside of Auckland that Auckland based institutions already benefit significantly being within the "engine room of NZ" and with an expectation that 40% of the country's population base will be resident within the Auckland region in the foreseeable future. And there are other important museum collections and memorials in other regions of NZ which may argue the same. So, the impact of any precedent created weighs heavily.

For different reasons, the Auckland Art Gallery can also be seen to play an important national level role in the absence of a national art gallery. But for the same reasons as the Auckland Museum, obtaining Central Government funding would be difficult to achieve (though a strong compelling business case has apparently yet to be made).

3.3. Other issues worthy of consideration

3.3.1. Trust board appointments

While Council appoints half the trust board members in the case of Auckland Museum and 6 out of 10 in the case of MOTAT, the respective legislation for each of these organisations is written such that trust board members once appointed must act in the interests of the organisation, and not as representatives of the appointing body. Council, therefore, cannot direct its appointed trust board members to act in any particular way, and certainly not in a way that might disadvantage either of the organisations. This effectively nullifies the ability of Council appointees to achieve improved outcomes for Council specifically.

3.3.2. Stardome and ARAFB

Prior to the supercity creation, ARAFB was formed to ensure a funding stream from the then seven councils to the then eleven cultural and emergency services organisations, including Stardome. ARAFB, in turn, is set up by legislation to ensure that each of the 11 organisations is "sustainable" and as such ARAFB scrutinises each organisation's funding bid in detail and makes funding allocations in accord with what it believes the organisation needs in order to be sustainable.

Because this funding mechanism is established in legislation, Council has very little control over it nor are any of the organisations directly accountable to Council, and in turn, Council has little control over ARAFB. The situation

is further complicated by the unusual combination of cultural organisations and emergency services organisations under the one funding umbrella.

3.3.3. Location tenure and security

Both the Maritime Museum and Stardome are on leased land with the leases expiring over the next few years. It seems clear that the Maritime Museum will have to move, partly because the land manager, Panuku, has set a high rent and partly because of the deteriorating physical condition of the wharf on which the museum is built. It appears the Maritime Museum may have an opportunity for relocation following the upcoming America's Cup challenge, but this is still very uncertain. Stardome is on land leased now from local Iwi (Maunga Authority) and there seems at least some possibility that this lease will be extended, however, this remains uncertain.

3.3.4. Working with Auckland's Iwi

There is no consistent approach amongst the five organisations in how they engage with the Māori communities and Iwi of greater Auckland. Each of the five organisations has a particular way of engaging with what they perceive to be their key Māori stakeholders.

In the case of Auckland Museum, there are three iwi represented on the Taumata-a-iwi (Māori Advisory Board). In the case of the Auckland Art Gallery, it has sought to establish and maintain a Māori advisory board that is broadly representative of iwi in greater Auckland and further afield.

3.3.5. Demand for storage facilities

Four of the five organisations have significant collection storage issues. While there is some talk of collaboration between the four organisations there is not yet any coherent or consistent plan around optimised storage and whether such stored collection should be accessible to visitors and if so to what extent.



4. Recommended Way Forward

4.1. Strategic objectives and investment priorities for the culture and heritage sector in Auckland

The ToR for this Review asks Stafford to make recommendations for priorities in the cultural heritage sector in Auckland, in particular, guided by relevant objectives in Toi Whītki:

- grow and deliver strategic investment;
- a network of complementary institutions; and
- Auckland's unique cultural identity with Māori and their culture as Auckland's point of difference.

This is extremely timely as museums, galleries and related institutions everywhere are going through a period of very significant change.

A recent article in "Museums", the Journal of the American Alliance of Museums, entitled "Museums at 2040" summarises the change very well: "How did we go from a static concept of "stuff in a building open 10-5 Tuesday through Sunday" to the fluid, dynamic, community-centred institutions of today? ... Museums reinvented themselves as civic spaces, embracing social responsibilities; we became institutions whose purpose was to change the world. ... The word "curator" once meant a person responsible for collecting, organising, and presenting objects. Now, it signifies a person who is responsible for helping people access museum resources in order to fill their needs."

These trends should also be driving the culture and heritage sector in Auckland and in particular shaping the planning for the five institutions which are the subject of this Review.

4.1.1. International trends in museum, gallery and cultural sector best practice

There are a range of significant international trends and "best practice" models which have specific implications for the museums and galleries sector. They include the following.

- **The rights of first peoples and decolonisation:** Museums and galleries in New Zealand, Australia and Canada have led the world in embracing the rights of first peoples, and the responsibilities of museums and galleries to them. While the initial trends have been around repatriation of human remains and secret and sacred material, there are more pervasive changes now occurring. Progressive institutions have significantly shifted their perspective around collections of materials created by first peoples. Rather than "owning" such collections, these institutions see themselves as "custodians" of these collections for the creator communities and their descendants. Custodianship brings significant obligations to work with those communities. In particular, within museum and gallery exhibitions the descriptions of the objects should increasingly be in the words of the first people communities that created them. The "voice" in the exhibition space should be an indigenous voice.
- **Responsiveness to changing ethnic and cultural diversity of local communities:** Responsive cultural organisations in cities which are experiencing a significant and rapid change in their cultural and ethnic makeup are changing their programming and exhibitions to meet the interests of new community members, and in many cases are reaching out to those new communities. Collecting cultural institutions are also changing their acquisition of contemporary cultural material to reflect changing community cultural diversity.

Auckland needs to step up into this space, noting it proudly claims to be the largest Polynesian city in the world, with multiple Iwi at its core. The cultural institutions in Auckland need to play a stronger role in showcasing this cultural diversity, which now extends into more recent significant Asian immigration to Auckland as well. This also needs to include widening the Auckland audiences to the five institutions to highlight the interest of culturally diverse communities in viewing and participating in various programs and experiences on offer. In essence, the need exists to grow the uniqueness of the five institutions to reflect what makes Auckland and its diverse communities different from other major cities in New Zealand and around the Asia - Pacific rim.

- **Digital, digitisation and digital access:** All things digital are driving the most pervasive changes in museums and galleries. These range from more progressive institutions embracing virtual access to digitised collections, to enabling visitors to use their own digital devices to help them engage with the institution, to greater use of virtual and augmented reality, and to the beginnings of understanding the significance for collecting institutions of artificial intelligence (AI). Digital enables institutions to take their contents and programs well beyond their walls and to enable virtual visitors to make new connections and curate their own experience.
- **The interplay of the “real” and “virtual”:** Contrary to early expectations, the more people engage with digitised virtual museum and gallery collections, the more they are demanding to see the “real” objects behind those virtual collections. Collecting institutions are having to rethink how they store and make accessible collection objects that are not normally directly accessible to the public. This is causing a rethink of how previously closed collection stores are made accessible and engaging to the wider community.
- **Citizen science:** Museums that are based around science have moved away from an “ivory tower” elitism where the view of the layperson is discounted, to one which embraces knowledge created by “citizens” of all ages and backgrounds. Citizen science programs not only grow knowledge but engage broader sections of the community with science-based museums and centres.
- **Climate change and global warming:** Natural history, science, and technology museums are leaders in helping communities understand the science behind climate change and the implications of global warming. Many such museums are moving from a passive stance of “we will tell you the facts” to a more active stance of advocating for action to both deal with the causes of climate change and reduce the impacts of such change.
- **Increase in the proportion of older community members:** For many countries, there are now significant proportions of the community who have reached a nominal retiring age and have ceased full-time paid employment, but who wish to be active in their communities and to fill their time with rewarding activity. Many museums and galleries have recognised this change and are embracing it in a number of ways. Older community members are encouraged to become volunteers within institutions in an increasingly wide range of roles, recognising the diverse skill base of those volunteers. A number of institutions are creating specific programs for older community members and taking those programs out into the community, often focused around particular health needs of older community members, such as programs for people with limited mobility, or who are dealing with memory loss. There is also an increase in the number of smaller dominantly or exclusively volunteer-run museums and galleries which are harnessing older community members for their knowledge and time.
- **Responsibility of larger institutions:** Larger fully funded institutions are recognising the responsibility to assist those smaller volunteer-based institutions as part of their wider role in the community.

There is a need for the larger Auckland based institutions to not only actively assist smaller institutions throughout the Auckland region, but also to look beyond the region as many institutions in surrounding regions are struggling to meet curatorial and conservation standards and need professional support. There is, for example, no conservation training school in New Zealand, which puts significant pressure on the limited

conservation specialists to meet the needs of the institutions they work in, let alone assisting other institutions with their conservation needs. Auckland, with multiple cultural institutions and a much larger population catchment than elsewhere in the country, should be stepping up to offer this expertise and the potential for a training school. But funding beyond Auckland ratepayers should be considered to deliver this national conservation service. We note however, that there is a tension over what Auckland (as the largest and strongest economic destination in the country) should be funding itself, and what some argue should be funded through a central government commitment to the broader cultural sector, especially where assistance can be offered beyond regionally funded rate payer boundaries.

- **Visitors and the Visitor Economy:** In those communities where visitation and the number of visitors are growing significantly, there are both opportunities and challenges for museums and galleries. Visitors are hungry for information about the place they are visiting in a form that they understand and relate to. Responsive cultural organisations are adapting their programming and exhibitions to recognise the desires of visitors, and that those visitors - if treated well - become ambassadors for both the institution and the place they visited. Visitation a whole is becoming a significant economic driver in a number of cities and communities. Visitor promotion agencies are harnessing cultural tourism as a key attractor of visitors to their city.

This is now better recognised in Auckland, with Auckland's economic development, event and tourism peak body (ATEED) changing its overall destination strategy focus in 2018 to more strongly encompass the opportunity for cultural tourism and major cultural event development. ATEEDs major event fund offers the potential for far greater interaction and partnering with many cultural institutions, to not only promote cultural programs and events to domestic and international visitors, but to engage far more strongly in defining and telling the "Auckland Story" as a broader narrative which should run across the five institutions.

- **Cultural spaces as venues for very diverse activities:** While many cultural institutions have hired out some of their spaces with the primary purpose being to raise income, others are recognising that they can engage more diverse parts of the community by more creative ways of thinking about those community groups and their spaces. While the concept of late-night opening is now widespread, some institutions have taken this further through sometimes challenging programming that seeks to engage specific audiences. In so doing the institutions transform themselves to better accommodate the needs of diverse audiences.
- **Cultural precinct planning and cultural "ecologies":** Urban and city planners are increasingly recognising the important role that cultural institutions in general, including museums and galleries, can play in enriching and developing communities. Co-location of cultural facilities can increase community engagement and in turn make those facilities more responsive to their immediate communities. Some planners speak of creating "ecologies" of cultural organisations, makers, retailers, educators, researchers and consumers.

Its timely for Auckland to look at finding ways to better integrate cultural institutions into the urban fabric of Auckland, as part of the city's aspiration to be a highly competitive global city. Encouraging other complementary land and development uses alongside museums and galleries will help offer more diversity of experience and help move away from what many might see as a stand alone cultural sector institutional model (the cultural box which struggles to recognise and play with its neighbours). Becoming more accessible and more relevant to the diverse communities of Auckland, is the key.

Fostering innovation: The role of museum and gallery collections as resources for ideas that drive innovation is increasingly recognised. The implication of this for museums and galleries is that they need to open their

collections to innovators and creative industries. Some are doing this by developing partnerships with universities, often with joint staff appointments, and having co-located innovation laboratories and incubators. In many locations globally, the move is toward developing centres of excellence; often combining or co-locating elite sporting or cultural institutions with major universities and related teaching, programming and joint research facilities.

Auckland has some major tertiary education institutions and the education and cultural sectors need to be looking to identify more formal ways to not only engage in programs, but co-location options to build far stronger partnerships including sharing resources.

- **Increasing the diversity of funding sources:** In most countries, the proportion of funding available to arts culture and heritage is decreasing in response to the increasing demands for health care, education, transport and security. Rather than just complaining about the situation, many institutions are actively seeking to diversify their funding base through a combination of commercial activity, philanthropy, and corporate partnerships. Many commentators say that for sustainability, institutions need a good balance of government/community funding, proceeds of commercial enterprise, and philanthropic and corporate support. Overdependence on any one of these sources alone increases financial risk.

A move to a new governance model offers the potential to more actively encourage the Auckland cultural institutions to broaden their funding bases and allow for a variety of program expansion options along with capital improvements and technology updates.

4.1.2. Implications of these international trends for Auckland

if left to their own devices, individual museums, galleries and cultural institutions, including the five that are the subject of this Review, will make their own decisions about how to respond to international trends and best practice in the cultural sector. The surveys carried out by Stafford in the early part of this Review, asked each of the five institutions a series of questions that relate to these international trends. Generally speaking, Auckland Museum is responding to these trends, probably reflecting their greater resource base, while Auckland Art Gallery appears to lag in a number of areas, again perhaps reflecting a lower resource base.

Based on its comprehensive discussions with each of the five, and with other cultural organisations in Auckland, we are of the view that there is a significant potential for the five individually and collectively to do substantially more in these areas of international best practice. Those cities and countries that seem to do best in this area have in common, a strong central coordination and/or stimulation function, which encourages cultural organisations to embrace changing trends and best practice. Singapore is a good example where the National Heritage Board, through its Culture Academy and Leadership Roundtable encourages its constituent museums, galleries and cultural institutions to be innovative and to adopt the best of international practice.

Our view is that this function is not currently present in Auckland, and this presents an opportunity to create that coordination and stimulation function for the five institutions, and importantly for the whole cultural sector. This could be done via a number of ways. We have already noted that the Toi Whītiki plan, while comprehensive and aspirational, lacks a specific implementation and monitoring process. A section could be added to that plan covering international best practice in the cultural sector and requiring cultural institutions, including the five in this Review, to respond. Additionally, or alternatively, funding agreements could include a requirement that institutions

demonstrate a responsiveness to these trends and priorities. Simply establishing a regular forum for discussion of trends and best practice would have significant benefits as well.

To take one specific example, increasing virtual access to digitised collections is stimulating a greater demand to access the real, physical, collection objects. The implication from this is that collection storage facilities should now be accessible in one form or another to visitors and community members. It is no longer acceptable for a collecting institution to say that only a few percent of its collection is accessible. The implication for Auckland is that any new joint or individual storage facilities should have provision for access to collection objects. A good analogy is how libraries create access to books which are not on display, but which are held in “stack” systems. A reader can request a book or access to the stack. Museums and galleries need to be encouraged to do the same.

A particular opportunity exists for Auckland to better utilise the resources of the five institutions and more generally of its wider cultural sector to deliver better services in the economically challenged areas of south and west Auckland. These areas also have a greater proportion of Māori and Pacific community members. International best practice recognises the ability of cultural infrastructure to stimulate challenged communities. Planning for new cultural facilities, including accessible storage referred to earlier, and design of outreach programmes, should take into account the economic and social stimulation potential of such facilities. Stafford considers that for Auckland, this will require more central coordination and direction than is currently present in order to get the greatest benefits.

Taking all of the international trends and best practice examples into account, Stafford recommends that Auckland Council assesses how best to provide a centralised and coordinated function to encourage and, in some cases, simply require not only the five institutions, but the cultural sector more widely, to respond to and adopt international best practice. In turn, this needs to be monitored and reported on to enable better accountability to be seen.

4.2. Towards recommended governance models

4.2.1. Synthesis of comments received on the stage 2 report

- **New Zealand Maritime Museum:** feedback indicated strong opposition to the direct involvement of Council in the governance of any of the five organisations; supports the role and functions of RFA so far as the Maritime Museum is concerned; opposes any model which would have any single organisation fulfilling a lead agency role, in particular, Auckland Museum.
- **Stardome:** Strongly supports funding that is allocated independently of Council. Supports the idea of Auckland having a true science Centre. Could work more with MOTAT if it becomes a science and technology museum.
- **MOTAT:** Opposes consideration of any new models until a more outcome-focused culture and heritage strategy for Auckland is created. Would like to see funding depreciation for them in the same manner as for Auckland Museum. Would consider supporting the removal of the current funding model if it received a significant amount of capital funding, say, \$60 million over three-four years to enable it to leverage other funding as part of its redevelopment. Opposes the splitting of MOTAT into a future-focused science and technology Centre, and a heritage focused Museum on the grounds of cost.
- **Auckland Art Gallery:** Expressed a strong desire to be independent of RFA and to be able to manage its own facilities rentals, marketing etc. Would prefer to have its own board (at least advisory if not governing) with board members that have a strong visual arts background. It also strongly supports the need for a comprehensive arts and culture strategy. Supports the notion of the Gallery and Auckland Museum providing a range of services to smaller museum and gallery players in Auckland, and potentially further afield.

- **Auckland Museum:** Strongly supports retention of its existing funding model in order to avoid capricious funding decisions by Council. Supports the idea of it taking a “lead agency” role in the sector. Supports the creation of a stronger culture and Heritage policy function within Council, rather than within RFA. Would prefer to see the greater provision of visitor statistics and information from ATEED to enable cultural sector organisations to better understand visitation patterns.
- **RFA:** Concerned about the complexity of the ARAFB managed funding system, given the disparate nature of the organisations under it. Supports a revised image and brand for RFA that better reflects its wider role, particularly in culture and conservation. If there is to be a single culture and Heritage entity responsible for funding et cetera for the wider sector in Auckland, then a revised RFA is seen by it as the appropriate vehicle.
- **Smaller cultural sector players:** Generally expressed concern about the disconnect of Council with the sector and the apparent cultural policy vacuum within Council. Do not wish to be “managed” by Council but would prefer to have a constructive working relationship with Council. Expressed concerns about local boards being “out of touch” with the issues confronting organisations they fund. Expressed concern about the lack of support from Te Papa, notwithstanding its apparent obligations to provide national level support, and positively acknowledged the support that they do get from Auckland Museum in particular.
- **Other comments received:** Many commentators expressed concern about an apparent conflict of function within RFA, between its commercial venue management role and its not-for-profit culture and Heritage role. There was also widespread concern about the general complexity of funding models across Auckland, including as it does direct Council funding, ARAFB funding, local board funding, and funding managed through RFA to its own units; there was more general support for a single funding stream from Council that is farmed out to the culture and heritage sector players, although there was not any common agreement on how that should be done. All players expressed a general concern about the ambivalent attitude of Councillors towards the culture and heritage sector, and the need to ensure that funding to the sector is insulated from sudden changes of heart by a majority of Councillors.

4.2.2. Implications for the wider Auckland culture and heritage sector

As this Review has progressed, it has become clear that it is not really possible to propose coherent change that just covers the five organisations which are the direct subject of this Review. Arguably the strongest concern expressed by those with whom Stafford consulted was around the complexity of the current model, particularly with regards to funding, and the need for a more unified funding model that covers the entire culture and heritage sector of Auckland. Stafford, therefore, considers that any model proposed to change the arrangements for the five organisations must also take into account how to improve the situation in the wider culture and heritage sector. Whether this occurs in stages or at the same time, is something for Council to consider.

4.2.3. The case for change

The ToR for this review asks whether there is a case for change. Stafford considers that there is a strong case for change based on:

- The significant complexity and lack of consistency in the existing culture and heritage sector governance arrangements in Auckland;
- The lack of clear and consistent control mechanisms by Council over the culture and heritage organisations which it directly and indirectly funds;
- The lack of strong accountability to Council from the funded organisations;
- The lack of an apparent ability for Council to influence the amount of funding to Auckland Museum, MOTAT and ARAFB, given the statutory levy basis of that funding;

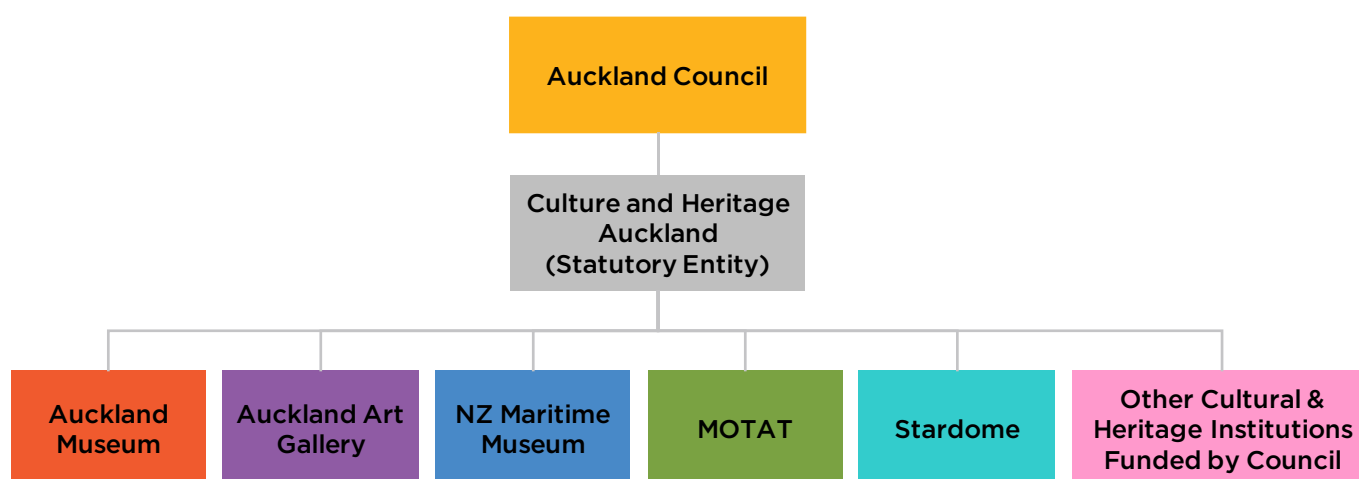
- The inability of Council to satisfy itself that it is getting value for money from the culture and heritage organisations it funds;
- The lack of clear direction from Council of what its annual priorities for the Council funded culture and heritage organisations are, noting the general and non-specific nature of the objectives in Toi Whitiki;
- Concerns over the appropriateness and resilience of the RFA CCO model for the culture and heritage sector;
- The need to better position the culture and heritage sector of Auckland to meet current and future challenges and opportunities for the sector;
- The lack of robustness in the current Museums of Auckland collaboration, given its simple “goodwill” basis, and the need for that arrangement to embrace greater areas for collaboration in order to increase sector effectiveness and improve efficiency; and
- Concerns over the appropriateness of the current MOTAT structure, and governance issues within the MOTAT trust board.

4.2.4. The “ideal model” for sector governance in summary

Stafford proposes a model for culture and heritage sector governance in general and for the five organisations in particular that draws inspiration from international models, most particularly the National Heritage Board of Singapore, and from Creative New Zealand. Stafford recommends that the medium to long-term goal should be to create a new statutory entity with an independent board, that receives all culture and heritage funding from Auckland Council as a single stream and allocates funding to the five organisations which are the subject of this Review, and the diverse range of other organisations which make up the culture and heritage sector of Auckland.

The new organisation, which has the working title of *Culture and Heritage Auckland*, would take all of the current arts, culture and heritage functions from Regional Facilities Auckland, and from the Auckland Regional Amenities Funding Board, plus take the arts culture and heritage policy and funding functions from within the current Council structure. The proposed structure is shown in Figure 4.

Figure 4: Proposed CHA Structure



Under this model, the implications for the five organisations which are the subject of this Review are as follows.

- **Auckland Museum:** Stafford proposes that Auckland Museum’s existing structure remain as it is, with its own governing board though the role gets modified to accommodate the CHA governing body.

- **Auckland Art Gallery:** The gallery should move to an independent or semi-independent status, which could be as a statutory authority in the same manner as Auckland Museum or as an Independent incorporated entity. If fully independent it should have a governing or advisory board.
- **MOTAT:** The situation around MOTAT is complex and this is explored in Section 4.2.12 of this Review. In summary, Stafford recommends that consideration be given to separating MOTAT into two separate entities, one future focused on science, technology and innovation; the other focused on transport heritage. Both of these could be independent entities with advisory boards.
- **New Zealand Maritime Museum:** Stafford recommends that this Museum be at least semi-independent with an advisory board.
- **Stardome:** Stafford recommends that it remain structured as it currently is, whilst noting the role of the board may need to be modified to accommodate the CHA governing body. However separate consideration should be given to amalgamation or at least co-location with a potential science, technology and innovation centre.

Furthermore, under this model, all funding to the culture and heritage sector of Auckland would be progressively brought under the auspices of CHA.

Stafford proposes that the new organisation, CHA, be established through overarching legislation passed by Parliament. This legislation would also override the funding provisions for Auckland Museum, MOTAT and ARAFB, and in turn establish a single statutory funding channel from Auckland Council to the new CHA. Unravelling the current funding arrangements and governance structures across the sector is required to deliver a far more equitable, effective, transparent and consistent model for the arts, cultural and heritage sector in Auckland.

4.2.5. The CHA model in detail

Stafford proposes that all culture and heritage funding for Auckland be progressively amalgamated into a single statutory funding stream from Auckland Council to CHA. To ensure that the single most widespread concern of the sector is dealt with, this funding stream should be based on a set percentage of the Auckland city rate base to ensure predictability and consistency of sector funding with limited opportunity for sudden decisions of Council to change that funding.

However, Stafford acknowledges that as the elected representatives of the Auckland community, Auckland Councillors should have some way of varying the quantum of funding over time and of gaining certainty of best use of that funding. The proposed statutory rate-based funding stream will need to have provisions for variations that are reasonably able to be implemented but which resist frequent change. In particular, Council should be able to ensure that the sector responds to its key priorities.

The above funding stream should be for recurrent expenditure including general maintenance, but not capital augmentation. Stafford recommends that any capital funding be separate to the rate-based operational funding mechanism, and any capital funding requests should be presented via a business case model.

4.2.6. Moving Beyond the CCO Model

Based on widespread discussions and legal advice, Stafford recommends that the most resilient, sustainable and responsive structure to adopt is that of a statutory body, similar to Creative New Zealand. Stafford looked closely at the CCO model and again based on widespread advice concludes that it is not sufficiently resilient, in particular around its tax exemption status, and may be more suited to “for-profit” organisations. The new entity, CHA, should have an independent governing board which, while knowledgeable of the sector, is not “representative” of any

individual organisations or stakeholder groups within the sector. Stafford suggests that a 7-9 person board appointed by Council would be an appropriate size.

To achieve this structure, Stafford recommends that the RFA culture and heritage functions be moved into the new statutory body, allowing RFA to remain focussed on its non-culture and heritage venue management functions. The opportunity may also exist to assess combining the major event marketing functions of ATEED with the major venue management functions of RFA into a single venue management and event marketing entity, and thereby linking the marketing budget and associated major event bidding and related expertise with the venues management expertise. This is not expanded on in this Review as it is outside of the brief, but is a potential additional value add which Council may wish to separately evaluate.

4.2.7. Funding Arrangements

One of the primary roles of CHA would be to allocate funding to the wide range of entities that make up the culture and heritage sector, including the five that are the immediate subject of this Review. The primary change that Stafford recommends in the funding model is that none of the funded bodies should receive a fixed funding stream (like the current funding model which includes some who are funded through an assessment of property values in Auckland, and others who are funded through a percentage of rate levy). However, there is a need to ensure that funding is sustainable while at the same time ensuring that funded organisations meet an agreed set of performance criteria in return for their funding. A suggested starting point might be that 80% of an organisation's funding might be fixed each year (and indexed to increase annually say at the CPI rate) while the other 20% is contestable and subject to specific performance criteria based on delivering a business case. The current cultural sector functions of the ARAFB should also be incorporated into CHA.

If the smaller arts and culture players in greater Auckland were brought within the ambit of the proposed new organisation, then a two-tier funding model could be employed, as is done under the Australia Council for the Arts. Major organisations would receive consistent ongoing funding (on the two-part model outlined above) while other organisations may receive grant funding only or significantly more variable annual funding depending on their particular needs and ambitions.

4.2.8. The Zoo and the Library

There are two other specific organisations that will need to be considered under this model. The first is Auckland Zoo, currently part of RFA. The more logical move would be to put the Zoo on the same or similar footing to Auckland Art Gallery as it is collection based (albeit a living collection). The second is Auckland City Library. This is currently within Council's administrative structure. Separate consideration should be given as to whether it should remain within Council or be placed under the new CHA organisation, similar to the Art Gallery or Auckland Museum as it is also collection based.

4.2.9. Māori Participation

Stafford considers that strong input from Māori communities and Mana Whenua to the new organisation, and to each organisation funded by it, will be crucial to future success. Noting the varied Māori consultation arrangements currently in place across the five institutions, Stafford recommends that each organisation maintain or establish its own Māori input and advisory mechanism appropriate to its own circumstances.

4.2.10. Best Practice International Model

As noted above, Stafford drew on its knowledge of the Singapore National Heritage Board which is similar to that proposed for Auckland. However, the Singapore National Heritage Board has roles that extend beyond managing the funding stream from the Singapore government to its funded entities. The Board includes units which are designed to improve the skills in the sector (the Culture Academy), the retailing and commercial focus of the sector, and to improve the philanthropic fundraising capacity of the sector. The Board also manages a central collection storage facility and provide some other shared services. Stafford considers that these type of functions should be considered for incorporation into the proposed CHA. In particular, it could ensure that the current Museums of Auckland voluntary coalition is strengthened and made more resilient and covers a wider range of inward facing services (such as corporate services, collection care and conservation, exhibition building and storage) and outward facing services (such as marketing, education, collection access and shared outreach programs).

To ensure responsible governance and accountability, Stafford recommends that the existing CCO Governance unit within Council retain performance oversight of the new culture and Heritage entity, CHA, and that the unit also manage the process of appointment of Directors to CHA. Further, Stafford also recommends that to ensure the stability of funding during a transition to the CHA model, that a “grandfathering” arrangement be put in place for the current levy-funded organisations, prior to a move to at least partially contestable funding.

4.2.11. Suggested transition arrangements

Stafford acknowledges that the legislative changes within Central Government to create the CHA entity could take several years. There are a number of actions that could be put in place sooner which would help improve the sector and move it towards the ideal model. These include the following.

- **Strengthening the cultural capacity of RFA:** The single most consistent criticism from the five organisations and more widely in the sector is that RFA’s board does not have a membership sufficiently knowledgeable of the cultural sector. While there is significant optimism over the appointment of the new chair, more could be done with further board appointments with stronger credentials in the arts and cultural sector. If the timeframe to create the new entity is likely to be significant, consideration could also be given to rebranding RFA to better reflect its role in the cultural sector rather than the current non-specific “Regional Facilities” title and substantially commercial image and brand.
- **Strengthening the Museums of Auckland coalition:** There is some disagreement amongst the five organisations about the resilience and future of the Museums of Auckland group. Stafford considers that the coalition could do more, particularly in coordinating and sharing collection storage, collection conservation, sharing corporate services, and potentially sharing exhibition production staff and facilities. To be able to do this is likely to require a more formal arrangement between the participants than the current voluntary group. Stafford considers that is worth considering whether to create a new incorporated vehicle (as has been done for a similar group in Copenhagen) or a more legally binding agreement between the participants, perhaps overseen by RFA. In the longer term, the new CHA organisation would take over this role.

Stafford also recommends that Council consider forming an implementation advisory group, of eminent qualified persons to oversee the process towards creating CHA, including appropriate sector and public consultation.

The input of and advice from Māori stakeholders will also be crucial in any change process. Stafford has undertaken some consultation with Māori groups during the review, however, it has become clear that Māori groups interested in this process would prefer to discuss specific proposals for change rather than more general concerns about the current arrangements. Stafford, therefore, recommends that any eminent persons group include Māori

representation and that there be significant consultation with Māori groups, including Mana Whenua, during any change process.

4.2.12. Particular recommendations concerning MOTAT

Stafford acknowledges that it is not within the scope of this Review to carry out a detailed assessment of the current performance of and prospects for any particular one of the five organisations within the review. However, there has been a consistent expression of concern during the review about the future prospects of MOTAT under its current model. There is widespread knowledge of and concern about the apparent conflict within the board of MOTAT between board members who have been appointed by Council, and board members appointed by the MOTAT Society. Current management of MOTAT and the Council appointed board members are consciously moving the organisation more towards a future transport, innovation and science focus, while the MOTAT Society (and its appointed board members) clearly prefer the focus to remain on transport heritage.

Stafford is also aware of the current limitations of both sites occupied by MOTAT, and of the estimated \$150 million capital development program proposed by MOTAT. The Western Springs site of MOTAT presents its own challenges and opportunities. Operating on two sites that are not far apart, but beyond walking distance presents as great a challenge as if they were on opposite sides of the city. Western Springs itself is not well served by public transport and has limited parking. However, the proximity of Auckland Zoo, the Stadium and the Speedway create a certain critical mass in the area that could help grow overall visitation.

4.2.12.1. Options for MOTAT

Stafford queries whether \$150 million + should be invested in the current site and organisation without considering significant alternatives. Through its collective experience, Stafford is aware of international models for science technology and innovation centres that present some opportunities for wider discussion in Auckland. Some specific learnings are as follows.

- Science centres as training grounds in STEM education for school students to better equip them with the skills necessary for greater innovation in business and society.
- Co-location of science centres with parts of universities to enable cross-fertilisation and joint staff appointments.
- Location of science and innovation centres in disadvantaged communities within cities to increase the educational opportunities for children in these communities.
- A number of these organisations, for example, Questacon in Canberra, have built strong links with industry, including significant funding streams from industry to the science centre, augmenting government funding support.
- Creation of “incubator” innovation industry hubs in conjunction with science centres and universities

4.2.12.2. Option of Splitting MOTAT

Stafford, therefore, suggests there is potential in investigating whether to split MOTAT into two parts. One would be a more future-focused transport technology science and innovation centred organisation, which could be located in a more socially and economically disadvantaged area of Auckland, such as south or west Auckland. The other would be to create a smaller transport heritage organisation based around the collections of transport heritage held by MOTAT and utilising the volunteer base of MOTAT that is experienced with such heritage equipment. This could potentially remain on the Great North Road/Stadium Road (MOTAT One) site.

While Stafford is aware that there are concerns around land stability and methane emissions from the second landfill based MOTAT site, with adequate rehabilitation that site could potentially be sold off in order to fund part of the transformation of MOTAT into two organisations.

There are other synergies that might add to the desirability of a new science technology and innovation centre being in South Auckland if the so-called “Te Papa North” storage facility goes ahead. Some planners of cultural precincts refer to creating an “ecology” of functions and participants and co-locating any new science Centre with a new Te Papa North storage facility, particularly if that facility is accessible to visitors, presents the opportunity to create a culture and science ecology in South Auckland. Further, it is clear that more storage is needed within the next few years for the cultural facilities of Auckland itself and this could be added to the “ecology” mix that would attract a greater range of visitors, and potentially corporate and philanthropic supporters, as well as providing employment and training opportunities.

Stafford recommends that a separate study is carried out as to the desirability and feasibility of reconfiguring MOTAT as described above. Further, Stafford recommends that no major capital investment be carried out for the current MOTAT organisation until such a study takes place.



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5. Supporting Documentation

5.1. Supporting Documentation 1: Survey Findings

5.1.1. Key survey findings

Table 3 provides the details from one of two surveys conducted with each institution. The survey findings from the second survey focus more on the future direction and related responses to changes in the cultural sector while the first survey was focused on the current scenario. The findings below are primarily future-focused.

Table 3: Key survey findings



Virtual access to programs

Both Auckland Museum and MOTAT are well-engaged in the digital space and clearly recognise that empowering visitors to engage with programs digitally is important for a contemporary Museum.

It is hard to judge how the Art Gallery is proceeding as little information was provided other than to say that some of its programs are available via the website. To be a leading art museum comparable with Brooklyn Museum in New York will require greater investment in the digital engagement space.

The Maritime Museum is lagging in this area, perhaps as a result of its smaller size and lower staff numbers and needs to engage more in digital access program. For its size, Stardome is doing well, perhaps also reflecting its more scientific focus.



Growing non-govt. financial resources

All five organisations aspire to reduce their reliance on government funding, but each is in a different situation in a complex area. All are seeking to increase their philanthropic and corporate partnerships funding, with the Art Gallery a clear leader in this respect.

The Maritime Museum make significant commercial revenue, at least in part due to its location but the performance of both it and the Art Gallery in the commercial space is somewhat in the hands of RFA.

Auckland Museum is carrying out a significant capital works program at least in part to improve its commercial revenue return.



Engagement with real objects

It may be that the survey question was misinterpreted, however, it does not appear that any of the four collection-based organisations have recognised that greater digital access to collections is likely to drive greater demand for access to real objects, which has implications for access to collections held in storage.

Any joint storage strategies will need to take into account how people will be able to access collection material “on demand”.



Response to ageing populations

The common theme amongst the organisations is to recognise that active retirees represent a significant volunteer pool. Beyond that, only Auckland Museum has specific programs targeted at older Aucklanders and reflected in its Audience Development Strategy. The other four organisations would do well to recognise the benefits of greater engagement with older community members.



Responsiveness to Auckland local communities

Again, Auckland Museum has strong programs that recognise the different communities of Auckland and aim to engage with them. While MOTAT engages with local boards in its area, its and the other three are lagging in going out to the wider Auckland communities and searching out their needs and interests.



Responsiveness to the changing cultural and ethnic diversity of Auckland

All five organisations recognise that the cultural face of Auckland is changing rapidly, however, only Auckland Museum is actively responding to this through changes and exhibition content and program design.

On the whole, all five organisations might be advised to think through more clearly the implications of the rapidly changing make up of Auckland for how they plan and deliver their services.



Engagement with Māori and biculturalism

All five organisations have deep connections with Māori, albeit on differing bases.

Engagement with Auckland is of Pacific origin.

Given that Auckland Museum holds one of the world's most significant Pacific collections, it's not surprising that it has strong engagement with the Pacifica. The other four organisations are less developed in this area and may want to consider increasing the Pacifica engagement.



Engaging with tourists

Increasing tourist visitation is a major priority for Auckland Museum, while both the Art Gallery and Maritime Museum already attract significant tourist visitors, at least in part because of their location. MOTAT wants to attract more tourists but it and Stardome are disadvantaged by their respective locations.

As noted by previous work done by this review team, ATEED could be more engaged with the cultural sector and provide greater guidance to them on how to build the tourist audiences.



Response to climate change

All five organisations recognise the need to be more environmentally sustainable, however, only Auckland Museum has strong programming around the likely impact of climate change on biodiversity in particular but also on low-lying Pacific island communities.

Arguably, given that Auckland is a maritime city, more could be done around the implications of global warming, for example, sea level rises on communities in and around Auckland and in greater New Zealand.



Program delivery beyond the walls

All five organisations are significantly engaged at a level appropriate to their size with programs beyond their physical footprint.



Use of handheld digital devices

Auckland Museum leads strongly in this area, reflecting its broad focus on all things digital. MOTAT provides an app, but the other three institutions lag in engagement with visitors own handheld devices, rather, both the Art Gallery and Stardome provide their own tablets to visitors, rather than enabling visitors to use their devices.



Engaging with innovation

Auckland Museum, MOTAT and Stardome all have strong STEM programs, while neither the Art Gallery or Maritime Museum appear to be active in this area.

International trends suggest that arts and culture have a wider role to play in fostering innovation and the five organisations may wish to consider this in the future planning.

5.1.2. Summary of survey findings for each institution

The aim of the survey is to establish the extent to which the five organisations are responding to key issues and challenges in the museum and gallery sector. Perhaps as a result of its larger size and greater resource-based, Auckland Museum is strongest overall in responding to these challenges and opportunities. In most cities, there would be an arts and culture policy agency which would be monitoring these trends and assisting the organisations to better respond, however currently there is no such entity within Auckland Council, which may be slowing the response of the organisations to these issues and opportunities.

Table 4 on the following page provides a succinct summary of the findings from the institutions to current sector issues and disruptors. It offers a useful comparative perspective to graphically illustrate how each institution is dealing with them.

Table 4: Response to current sector issues and disruptors

Disrupter/Issue	Auckland Museum	MOTAT	Auckland Art Gallery	Maritime Museum	Stardome
Virtual access to programs	Aims to be a leading digital museum by integrating technology throughout the museum experience. Learning programs have strong digital elements; visitors are encouraged to access the collection via the website. From mid-2018 a new online education program will be offered. Museum discovery boxes have an accompanying online resource.	Identified as a growth area with two staff about to be recruited. Have partnered with Te Papa to develop new visitor experiences and visitor tracking systems. In conjunction with MindLab offers virtual programs for children and teachers.	Some of the gallery's programs are accessible via its website.	Education programs have aspects that are accessible externally. Some exhibitions have online aspects.	Programs are only delivered on site but support resources are freely available via the website.
Handheld digital devices	Free Wi-Fi. Extensive information about the museum including maps available on handheld devices. Free audio guide for visitors own devices. Strong Bring Your Own Device strategy including content for visitors with accessibility requirements.	Downloadable app. Free public Wi-Fi at both sites	Free public Wi-Fi and use of gallery provided tablets	No capacity at the moment but aims to introduce this in the future.	iPads are provided for interactive quiz programs and some material is available on visitors own devices.
Engagement with real objects	Uses online access to drive physical visitation. strong emphasis on online access to collections. No response regarding engagement with real objects.	No response provided.	Uses digital collection access as part of the way to attract visitors to visit and engage with real objects	Sees online access and physical visitation as complementary.	Not really applicable but visitors have a strong engagement in real-time with the night sky.
Response to ageing population	Has a strategic focus through its Audience Development Strategy using demographic data to identify gaps in visitation and opportunities for reaching target audiences. Strong volunteering program including museum guides. Strong links with the Returned Services Association. Provides Museum Discovery Boxes, in particular, reminiscence kits for retirement homes and villages. Has a range of programs appealing to older Aucklanders.	Has strong support base in the local retired community. Runs initiatives specifically aimed at older community members and offer free or discounted admission to seniors.	No specific programs.	No specific programs targeting the elderly, but they are well represented in the museum's volunteer pool.	Some contact directly with seniors groups and school holiday programs are popular with older adults attending with their children or grandchildren.

Disrupter/Issue	Auckland Museum	MOTAT	Auckland Art Gallery	Maritime Museum	Stardome
Responsiveness to the interests, priorities and make up of local communities	Has a strong program of research into and response to Auckland's communities, through direct engagement, partnerships and collaboration, covering co-creation, collaboration, and increasing the input of expert groups, source communities and external advisers.	MOTAT meets with its Local Boards, has regular meetings with its neighbours in the Western Springs Precinct, meets regularly with local politicians and local interest groups.	Asserts that given the gallery's profile they are very engaged with many parts of their community.	Engages with the CBD resident population through Auckland City Centre Residents Group. Regularly hosts community groups and has extensive contacts with the Auckland sailing community.	Stardome seeks to embrace the diversity of Auckland. It operates three specific schemes to broaden the attendance base including one for children from low decile schools, one targeting South Auckland communities, and an outreach program going to schools and libraries.
Response to the changing culture and ethnicity of Auckland	The museum reflects the dynamic cultural and ethnic mix of Auckland mainly through in museum programs, with the priority for the next five years centring on supporting social belonging and participation with the aim to cement the museum's role as a place of gathering and orientation particularly for new Auckland's.	May offer opportunities for a more diverse visitor, employee and volunteer base.	The gallery recognises the diversity of Auckland.	Exhibitions include a focus on immigration to New Zealand juxtaposing recent immigrant experience without of more traditional patterns	It embraces the changing cultural and ethnic make up of the city but no specific programs around changing culture and ethnicity
Māori and biculturalism	The museum's commitment to Māori and biculturalism is enshrined in the Museums Act, particularly through the Taumata. A bicultural approach pervades the museum's programming and is anchored in the museums treasured Taonga. Mana Whenua are involved in gallery renewal projects in a range of ways. Specific in-museum training programs are focused on raising the competence and confidence of Museum people in general around all aspects of Māori.	Focuses on past present and future Kiwi technology starting with tangata whenua. Corporate vision is aligned with the Māori worldview. Iwi see and understand the importance of technology and innovation. Has won awards for use of Te Reo in exhibitions and events.	The gallery has a strong Māori advisory group and through this works with the 19 Iwi of Auckland. The gallery is the custodian of Taonga within its collection.	Strongly recognises and supports Māori and bicultural principles and works in partnerships with relevant Māori groups in programs and exhibition development.	Has an ongoing relationship with significant Iwi and the South Auckland initiative is specifically targeted at Māori and Pacifica groups.

Disrupter/Issue	Auckland Museum	MOTAT	Auckland Art Gallery	Maritime Museum	Stardome
Engaging with Aucklanders of Pacifica origin	The museum holds one of the most significant Pacific collections in the world and engages extensively and widely with Auckland's Pacific community and more widely into the islands of the Pacific. The museum has a Pacific collections access project which is a world leader. The museum hosts a range of Pacific heritage and Pacifica festivals and programs.	Similar to that for Māori.	Asserts general engagement with this community but no details provided.	No specific consultative arrangements yet but the museum places a strong emphasis on the Great Pacific Migration as a founding story for the whole region, and it engages with the story of more recent Pacific migration to New Zealand.	As for Māori.
Engaging with tourists	The Museum takes a deliberately strategic approach to the international tourism market and is the only museum nationally to have signed up to New Zealand Tourism Sustainability Commitments. The museum is actively engaged with ATEED. The museum measures and monitors its domestic and international tourist visitation.	Attempting to attract a wider tourism visitation starting from a low base, in particular using international exhibitions.	Very strong international tourist visitation, but no strategic basis for this given.	The museum is located in a key tourist area of Auckland and also offers heritage sailing experiences on the harbour.	Tourist visitation is a small proportion of the total, probably because of location.

Disrupter/Issue	Auckland Museum	MOTAT	Auckland Art Gallery	Maritime Museum	Stardome
Program delivery beyond the walls	The Museum's Five Year Strategic Plan (2018) includes significant engagement beyond the museum's walls and digitally. The museum has a strong offsite events program reaching a large number of people including a wide range of festivals and school holiday program. It also works with MIT Manukau and Massey University. The museum is well aware that the biggest challenge for most in accessing the museum is transportation and cost and outreach programs are aimed at countering this.	MOTAT has an extensive outreach program, covering education programs for schools, and other entities, using two specialised Science Engineering Arts and Mathematics trailers. It also takes collection objects to specific events and has three dedicated outreach modules which a purpose designed shipping containers located at venues off-site to enable MOTAT to deliver programs to audiences that may not visit, including South Auckland and West Auckland.	Provides a number of programs through outreach and learning and organises buses to bring students to the gallery	Represented in major community events particularly those with an aquatic focus.	Users online mechanisms such as Skype and online chat to deliver programs virtually. Works with observatories, universities and research groups from all around the world.
Growing non-government financial resources	The Museum's Five Year Plan has an ambitious target for commercial revenue, sponsorship, charitable partnerships and philanthropic fundraising. Current capital works are aimed at delivering a vibrant hospitality and retail precinct focused on the museum	Attempting to build ticket and shop revenue. Runs several ticketed events. Is attempting to develop corporate partnerships and philanthropy	The gallery building makes substantial commercial income for RFA and the gallery itself has built a very strong philanthropic and corporate partnership program	Already has strong commercial revenue streams and is focusing on growing the tourism market and charitable giving.	Aiming to focus more on philanthropy and increasing paying visitors

Disrupter/Issue	Auckland Museum	MOTAT	Auckland Art Gallery	Maritime Museum	Stardome
Response to climate change	The museum is a trusted independent voice actively involved in increasing understanding of the impacts of climate change. This includes to its research program looking at species distributions and aimed at predicting future changes in biodiversity in New Zealand and regional Pacific scales. Specific gallery upgrades will feature issues of environmental change over time including climate change. The museum works with a range of external groups on climate action.	MOTAT is aiming to be carbon neutral and to use Kiwi technology with a low environmental impact	The gallery attempts to be a sustainable operated as possible	Identified as a key issue for future developments	Provides scientific information on climate change to visitors
Engaging with innovation	Innovation is a core focus of the museum through programs, exhibitions and more broadly and it works with companies in Auckland and internationally around technology and innovation.	Fostering innovation is a core part of MOTAT's charter including running an annual science fair in conjunction with Auckland's universities.	The gallery engages with universities, but no details are given	No specific programs around innovation	Focuses strongly on STEM programs and in particular innovation in space science

5.2. Supporting Documentation 2: International Models

The following reflects a variety of different international operating models for major cultural institutions. The variety of operating models illustrates that there probably isn't a single model which is uniformly accepted as a preferred best practice model.

Each of the models offers benefits and is worthy of consideration. They are provided here to illustrate options for Council and the institutions to consider.

5.2.1. Tyne and Wear Museums and Archives

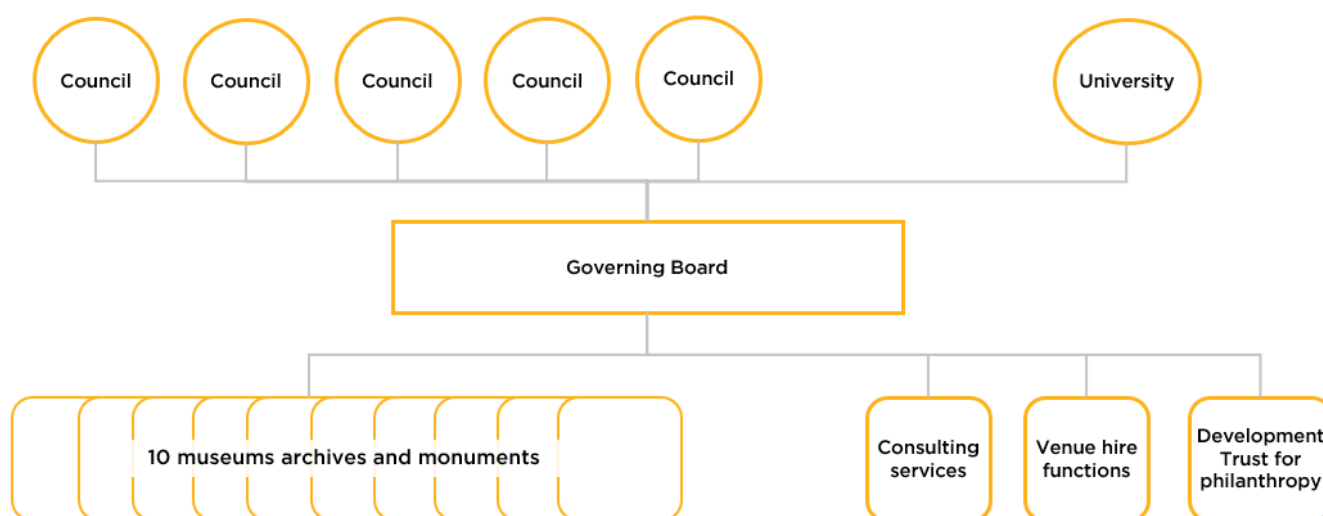
The Tyne and Wear Museums and Archives model (Figure 5) illustrates that one can have an overarching governing board, in this case directing 10 museums, archives and monuments. And in a scenario where multiple councils are involved, along with a university.

Interestingly, the various support services offered to all of the 10 cultural entities are delivered separately, including coordination of venue hire functions and philanthropy, which are outside of the 10 entities.

Figure 5: Tyne and Wear Museums and Archives Structure

Tyne and Wear Museums and Archives

Tyne and Wear Museums and Archives is held together by the Tyne and Wear Archives and Museum Joint Agreement



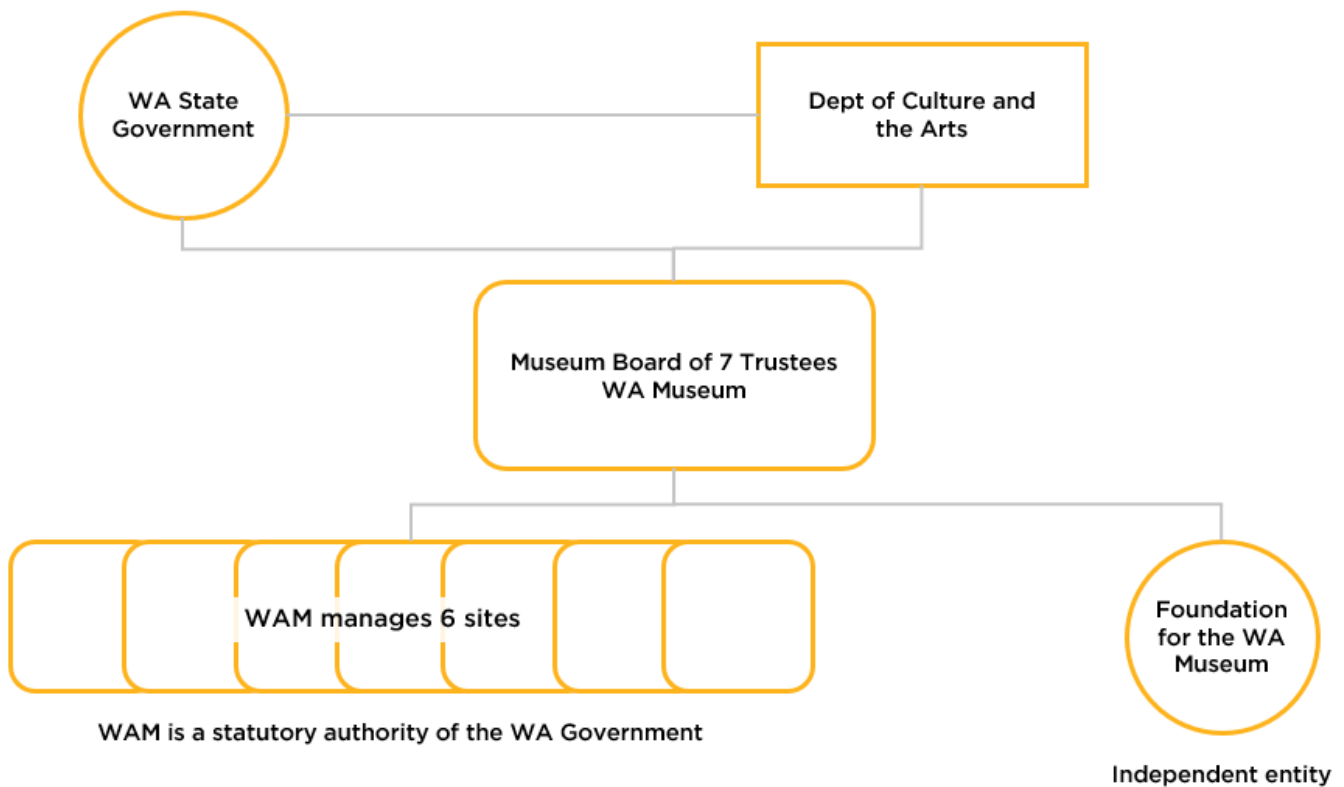
5.2.2. Western Australia Museum

The Western Australian model (Figure 6) is also similar to the Queensland model, which directs activity through a “lead agency”, in the case of Western Australia it is the WA Museum, with six other cultural entities/sites sitting underneath it.

This model obviates the need for a separate CCO to be introduced as the WA Museum effectively covers the role and support which a traditional CCO would provide. The model would appear to work where there is a larger dominant cultural entity, who can support others through the provision of curatorial, conservation and other support, along with more traditional corporate services (IT, finance, HR, marketing etc).

Figure 6: Western Australia Museum Structure

Western Australia Museum



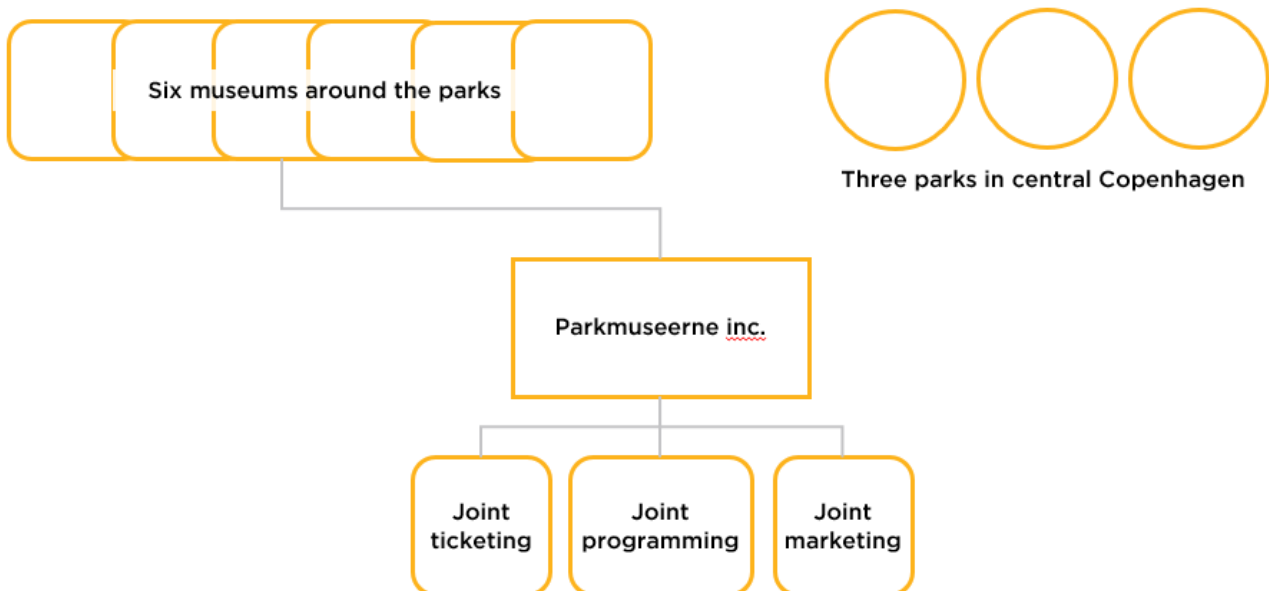
5.2.3. Parkmuseerne Copenhagen Denmark

The Copenhagen model (Figure 7) is a fully collaborative model, with a major institution (in this case the State Art Museum) offering to deliver the secretariat services for the delivery agency which everyone jointly funds. The focus is on marketing and promotions and joint programming. It is a more expansive version of the Museums of Auckland marketing collaboration recently established and is formalised via a company structure, established to deliver various agreed services.

Figure 7: Parkmuseerne Copenhagen Denmark Structure

Parkmuseerne Copenhagen Denmark

Parkmuseerne is a jointly funded incorporated collaboration with a secretariat hosted by the State Art Museum



5.2.4. Singapore National Heritage Board

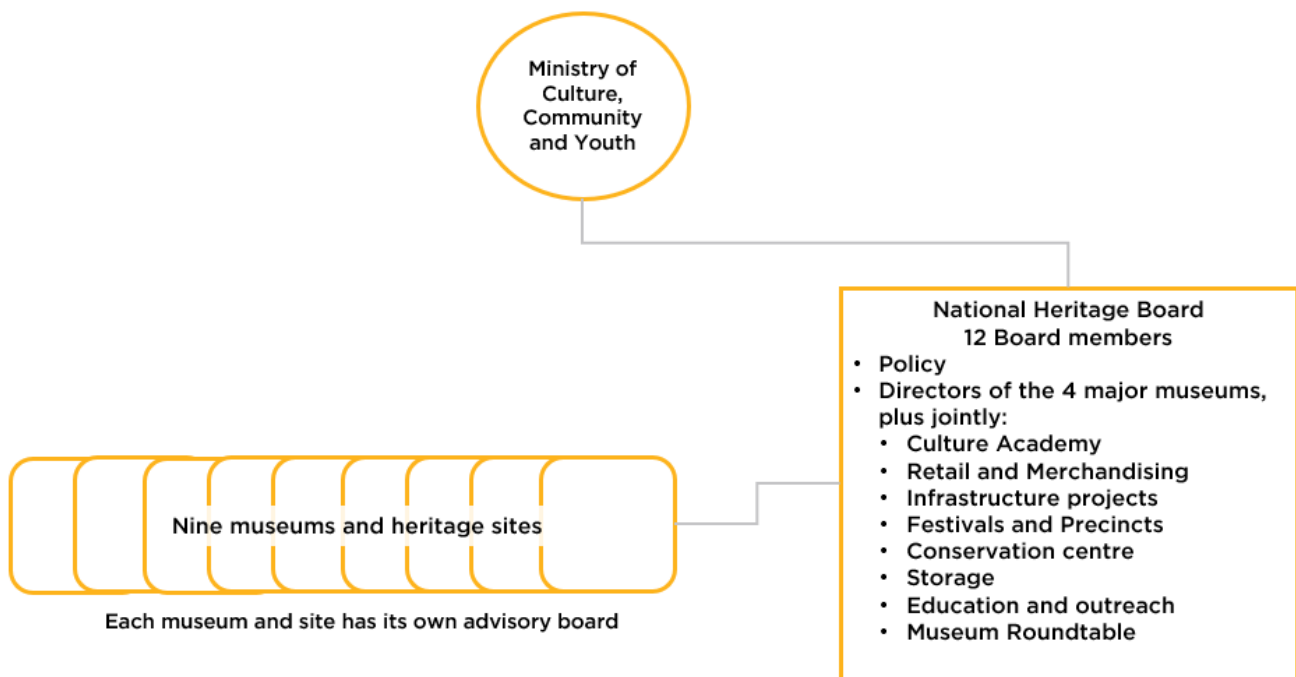
The Singapore National Heritage Board (Figure 8) offers a variation in that each of the 9 museums and heritage sites has its own advisory board, as well as the National Heritage Board which helps guide and support the 9 including the allocation of funding from the Ministry of Culture, Community and Youth.

The model works well in a Singaporean context as it supports strong collaboration amongst the entities and offers support in a number of areas including a conservation centre, infrastructure support, storage etc.

Figure 8: Singapore National Heritage Board Structure

Singapore National Heritage Board

The NHB has strong control of the institutions plus does a lot of joint/overall/group functions



5.3. Supporting Documentation 3: Options for Change

5.3.1. Potential changes

There is a range of options for change that arise from working through the issues and challenges around the five organisations. These are listed in Table 5. These options vary in complexity and degree of difficulty, and many of them are not mutually exclusive. For purposes of presentation they are grouped into:

- changes at Council level;
- less complex changes;
- major changes to governance arrangements; and
- changes involving specifically MOTAT, the Maritime Museum and Stardome

Table 5: Potential changes matrix

KEY: ■ Relatively easy/straightforward ■ Complex and requires more will ■ Difficult and longer term

	Description	What problem does it solve?	What are the benefits?	How difficult is it to do?
Potential Easier Activations for the Short Term				
Put in place a clear measurable cultural policy	Add a measurable and specific action plan to Toi Whītiki that gives specific guidance and targets to the five organisations (and others)	The five organisations can reasonably claim now that they don't know what is expected of them under Toi Whītiki because it's too open and too general	The five institutions (and others in the cultural sector) will know what is expected of them in return for funding	■ Medium effort low cost but will take some consultation
Improve Council's understanding of the value of the cultural sector	Create a point of contact within Council (a committee?) to oversight Council's cultural agenda and provide a point of contact for the cultural sector	There is currently no way for the five organisations and the cultural sector, in general, to make a case directly to Council or a relevant Council committee. Council is not seen to adequately understand the benefits arising from a vibrant cultural sector	Council will better understand the role of the cultural sector and the five organisations and others in the cultural sector will have more open communication with Council	■ Low-cost, but requires Councillors to want to do this
Improve RFA's cultural capacity	Give greater cultural/collection sector representation on RFA's board and within the organisation	Arguably RFA's current focus is primarily commercial which plays against cultural entities who aren't.	RFA will better understand the role and benefits of cultural organisations and the cultural sector	■ Low cost and short-term, but RFA's Board need to want to make the change.
Improve and broaden collaboration among the five	Foster a wider range of collaboration between the five organisations covering internal and client facing areas	Current un-coordinated programming, duplication of functions and patchy marketing	Lower back of house costs for each organisation and increased audiences	■ Not complex but relies on the five organisations having a will to build on the current Museums Auckland initiative
Create a joint collaboration incorporated entity (the Copenhagen Parkmuseerne model) (Model 4 – see Figure 16)	The five organisations would jointly constitute a separately incorporated entity to manage collaborative initiatives covering internal services such as corporate services and materials conservation, and external services such as storage and marketing	The current voluntary collaboration system is unlikely to be resilient over time	A new incorporated entity owned by the five organisations could better achieve economies of scale and improved effectiveness	■ Requires the five organisations (and potentially others) to want to do it, otherwise not overly complex

KEY: ■ Relatively easy/straightforward ■ Complex and requires more will ■ Difficult and longer term

	Description	What problem does it solve?	What are the benefits?	How difficult is it to do?
Multi-year funding in return for a negotiated levy	Council would offer the benefit to both Auckland Museum and MOTAT of multi-year funding (3 years) in return for a properly negotiated agreement on that funding	Council currently has little control over the amount of funding allocated, within the statutory levy, how it is applied and to what end	Council has greater assurance that the two organisations are responding to Council's priorities and, in return, the two organisations are better able to plan by having more reliable funding	■ Requires good faith negotiation, but does not require any change to the levy mechanism
More Significant Activations				
A new Culture CCO but retain separate Auckland Museum and MOTAT (Model 1 – see Figure 9)	Create a new cultural sector focussed CCO but keep the Museum and MOTAT separate (the Singapore National Heritage Board model). The new CCO would take on RFA's role in negotiating the levy each year	Arguably Council's funding of and policy towards the cultural sector is split amongst too many organisations	If the new organisation covers the full cultural sector then there are economies of scale and better policy focus. May not be cost effective if it doesn't cover the Museum and MOTAT	■ Would potentially require taking the cultural heritage components out of RFA, plus enabling the new organisation to be responsible for the full cultural sector, but does not require legislative change
A new Cultural sector statutory authority but retain separate Auckland Museum and MOTAT (Models 1a and 1b – see Figure 10 and Figure 11)	Create a new culture focussed statutory authority under national legislation but keep the Museum and MOTAT separate (the Singapore National Heritage Board model). The new authority would take on RFA's role in negotiating the levy each year	Arguably Council's funding of and policy towards the cultural sector is split amongst too many organisations	If the new organisation covers the full cultural sector then there are economies of scale and better policy focus. May not be cost effective if it doesn't cover the Museum and MOTAT.	■ Would potentially require taking the cultural heritage components out of RFA, plus enabling the new organisation to be responsible for the full cultural sector, and requires legislative change
A new Cultural sector CCO incorporating the Museum and MOTAT (Model 2 – see Figure 12)	Repeal the Museum and MOTAT Acts and subsume them into a new culture CCO (the UK Tyne and Wear Museums model)	Having Auckland Museum and MOTAT remaining separate retains undesirable complexity and the levy system	The full benefit of a new cultural CCO would only be achieved if it was able to cover both Auckland Museum and MOTAT. Benefits include the ability to more equitable share the available Council funding	■ Difficult to repeal the legislation, especially for MOTAT. Likely to be strongly resisted by Auckland Museum. Might be able to be achieved through a new cultural sector public policy umbrella Act which over-rides the AM and MOTAT Acts

KEY: ■ Relatively easy/straightforward ■ Complex and requires more will ■ Difficult and longer term

	Description	What problem does it solve?	What are the benefits?	How difficult is it to do?
A new Culture statutory authority incorporating the Museum and MOTAT (Model 2a - see Figure 13)	Repeal the Museum and MOTAT Acts and subsume them into a new cultural authority established under legislation	Having Auckland Museum and MOTAT remaining separate retains undesirable complexity and the levy system	The full benefit of a new cultural authority would only be achieved if it was able to cover both Auckland Museum and MOTAT. Benefits include the ability to more equitably share the available Council funding	■ Difficult to repeal the legislation, especially for MOTAT. Likely to be strongly resisted by Auckland Museum. Might be able to be achieved through a new cultural sector public policy umbrella Act which over-rides the AM and MOTAT Acts and establishes the new authority
A new authority or CCO with each organisation retaining its own board (Model 2b - see Figure 14)	Create a new authority or CCO but give each institution its own advisory or governing board	The stakeholders of each institution could reasonably ask for a say in how each institution is run, notwithstanding that there is an overarching statutory authority or CCO	Constructive input from each institution's stakeholder groups will be important to ensure the success of each part and therefore of the whole. In particular, stakeholder buy-in is important to maximise philanthropic support.	■ If the decision is made to create a new statutory authority or CCO, then the addition of advisory and/or governing boards is not of itself a complex or difficult additional step.
Amend the Acts to remove the levies	Amend the Acts to repeal the levies and replace with a negotiated funding agreement between Council and Auckland Museum and MOTAT	Council lacks any real control over the funding stream to the two institutions	Council will have greater funding control and can hold the organisations more accountable	■ Difficult, as requires an amendment to legislation and is likely to be strongly resisted by the two organisations unless there are clear benefits to them
Create non-statutory but incorporated Auckland Museum and MOTAT	Repeal the Museum and MOTAT Acts and constitute the organisations in a new incorporated form but still independent entities	The statutory framework around the two organisations makes them very difficult to change	Depending on how the two organisations will relate to Council (direct or through a new or existing CCO), Council can get greater accountability from the two organisations	■ Difficult, as it requires the legislation to be repealed (and MOTAT has to want its legislation repealed) and the organisations re-established under some incorporation model that they see the benefit in doing.
Auckland Museum as lead agency (Model 4 - see Figure 16)	Create Auckland Museum as the "lead cultural sector agency" (i.e. as a quasi CCO) and have the other four sit under it (the Western Australian Museum model)	As Auckland Museum is the biggest entity it is better set up to take a lead role, rather than establish a new CCO	Capitalises on the economies of scale of using Auckland Museum's existing infrastructure	■ Might be welcomed by Auckland Museum but likely to be resisted by the other four organisations to varying degrees unless there are clear benefits to each one. Would require legislative amendment or a new over-riding Act

KEY: ■ Relatively easy/straightforward ■ Complex and requires more will ■ Difficult and longer term

	Description	What problem does it solve?	What are the benefits?	How difficult is it to do?
Amalgamate MOTAT and Stardome	Bring Stardome under MOTAT's management, with or without relocating Stardome. This would require Stardome to dissolve its incorporated model (as the Maritime Museum did before moving to RFA)	Stardome is vulnerable because of its small size and uncertain lease tenure	Gives greater future certainty to Stardome and creates a new organisation better able to tell the technology, science and transport story	■ May be resisted by Stardome unless it sees clear benefits
A new Science, Technology and Transport Museum	Form a new science, Technology and transport museum by combining MOTAT, the Maritime Museum and Stardome	The three organisations all tell parts of the transport, technology and science story without coordination	A more effective transport and science organisation better able to tell the story and attract visitors	■ Variably difficult, depending on the operating model chosen. Would require amendment or repeal of the MOTAT Act and the other two organisations to want to join
Create a separate Heritage Rail and Tramway Museum and a separate new Science Technology and Transport Museum (Model 5 – see Figure 17)	Remove the heritage rail and Tramway components from the existing MOTAT and separately incorporate that as a transport heritage museum, and create a new separate museum covering science, technology and transport, potentially including the Maritime Museum and Stardome.	Currently, MOTAT has internal divisions over whether priority should be given to its heritage transport functions, and/or to a more contemporary transport and technology function. These divisions are constraining the ongoing development of MOTAT	A separate heritage transport museum would harness the passions of the existing and a potentially larger volunteer pool, while the new Museum would be squarely focused on the contemporary and future view of transport, technology and science. If done well the audience should grow.	■ Difficult, as it would require the repeal of the existing MOTAT Act and the support of the MOTAT Society. Funding would need to be found for the heritage transport entity, as well as ongoing funding for the new transport, technology and science entity

5.3.2. The Structural Option Models

The following set of diagrams graphically illustrate the models referred to in Section 5.3.1 above. They are deliberately provided in sequential order to enable the reader to move quickly between them. The explanation and rationale for each of them are provided in section 5.3.1 above and further commentary to assist in determining the relative merits of them are provided in sections 5.3.3 - 5.3.5.

Figure 9: Model 1

New culture CCO but separate AM and MOTAT

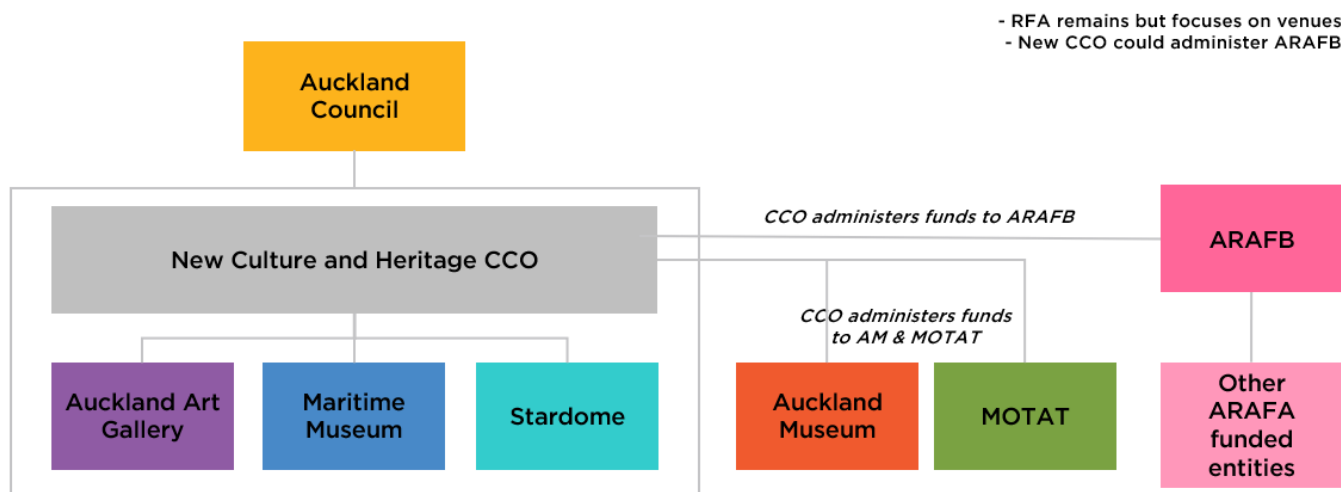


Figure 10: Model 1a

New statutory culture authority but separate AM and MOTAT

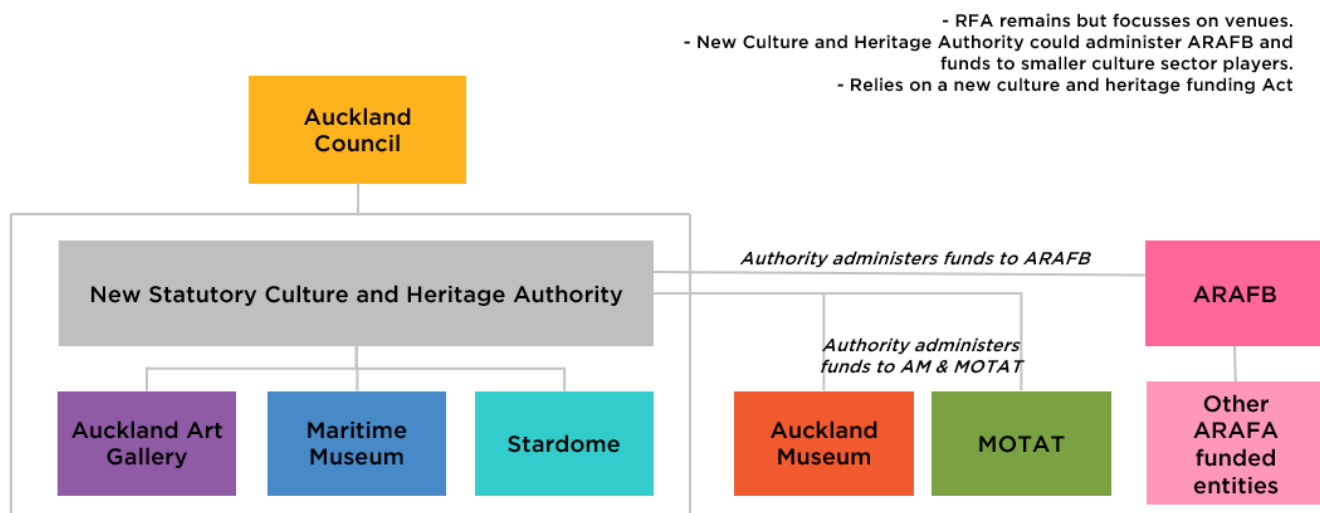


Figure 11: Model 1b

New statutory culture authority, separate AM and MOTAT, plus funding to small visual arts organisations

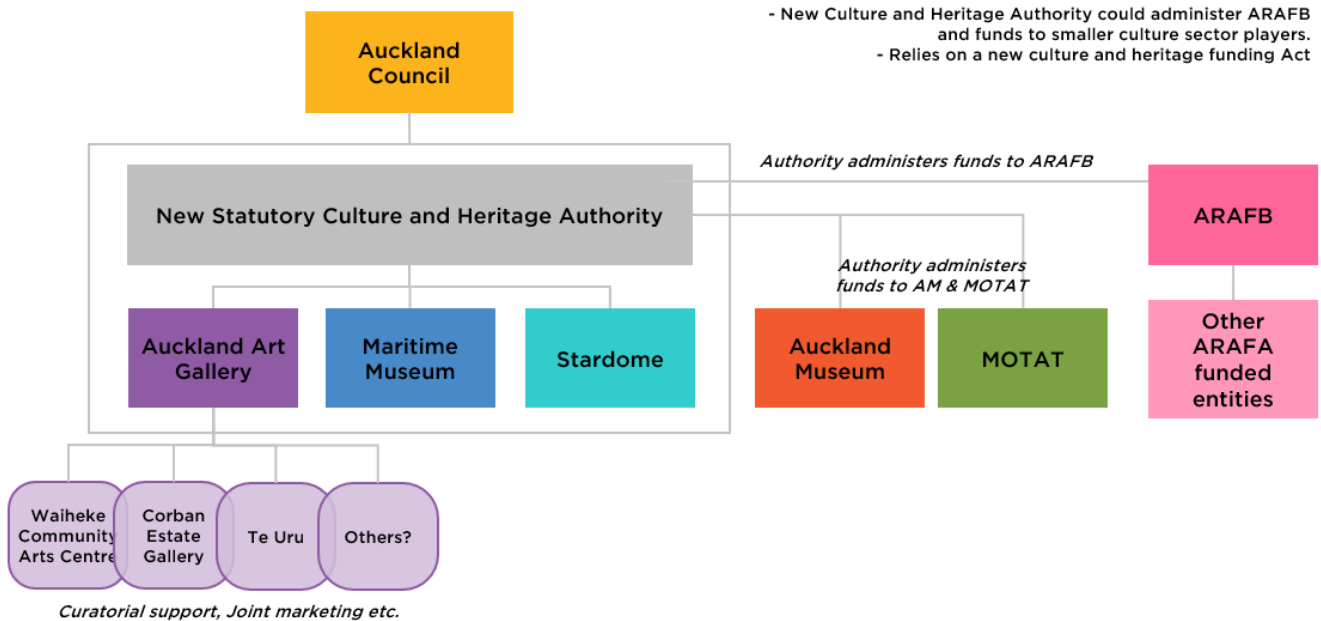


Figure 12: Model 2

New culture CCO incorporating AM and MOTAT

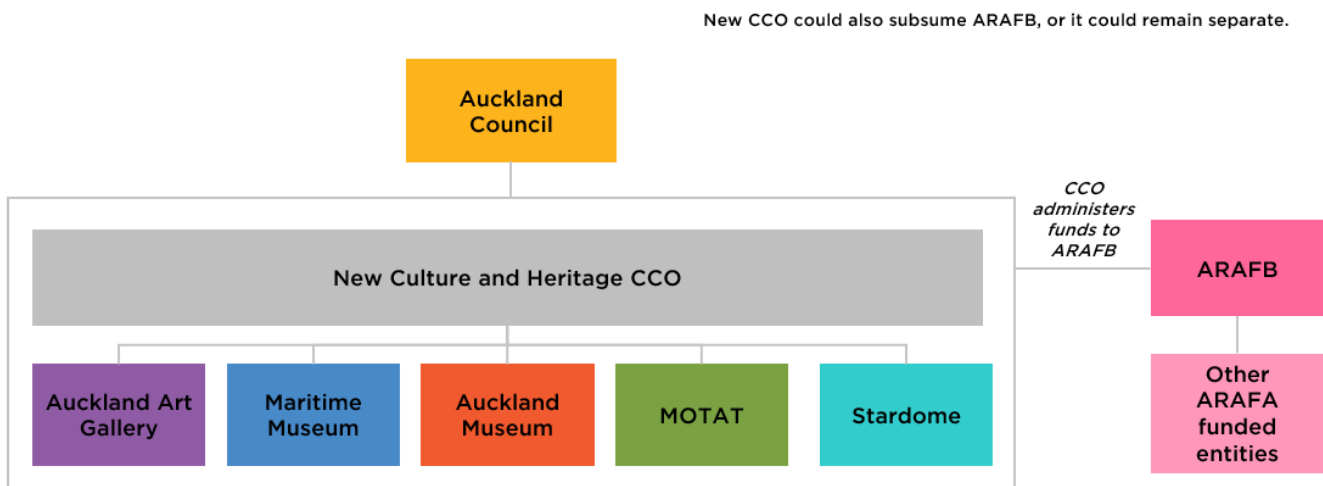


Figure 13: Model 2a

New culture & heritage authority incorporating AM and MOTAT

- New Authority could also subsume ARAFB, or it could remain separate
- New Authority could manage funds to ARAFB and/or smaller cultural organisations
 - Relies on new culture and heritage Act

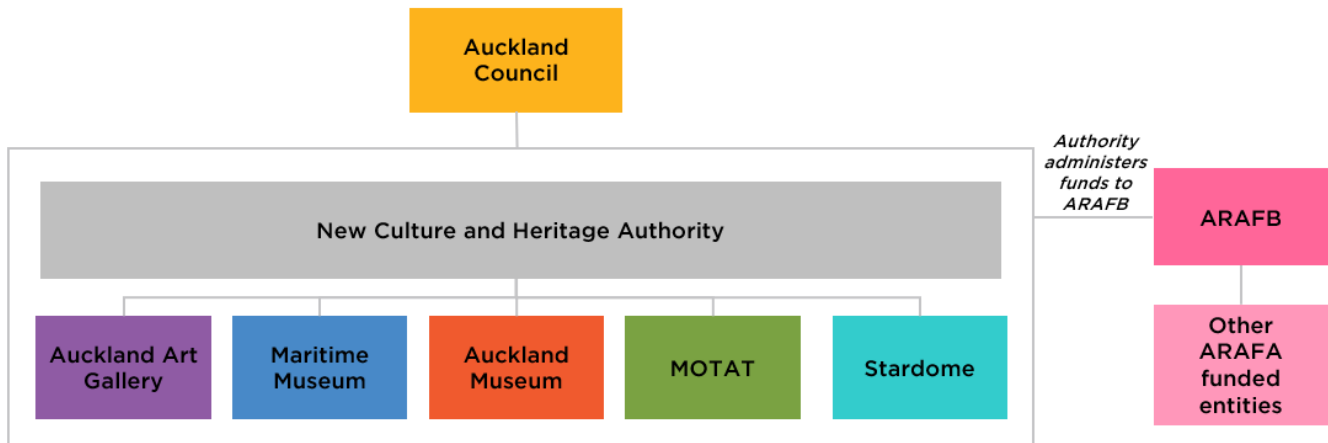


Figure 14: Model 2b

New culture & heritage authority or CCO, with separate advisory boards

- New Authority or CCO could also subsume ARAFB, or it could remain separate
- New Authority or CCO could manage funds to ARAFB and/or smaller cultural organisations
 - Relies on new culture and heritage Act
 - Allows each institution to have an advisory board

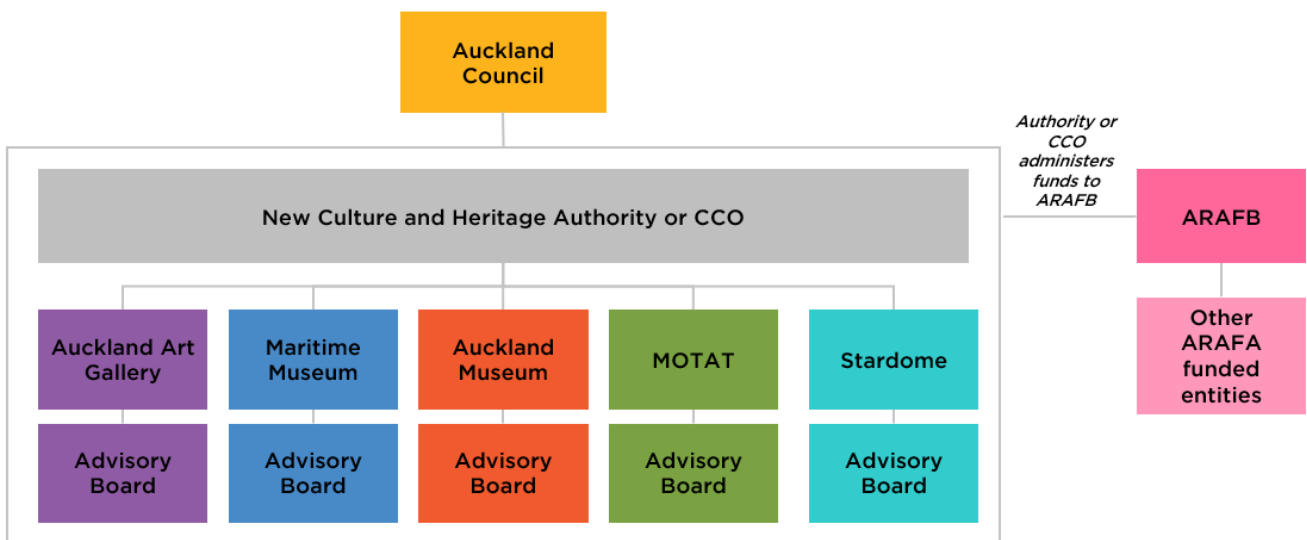


Figure 15: Model 3

Auckland Museum as lead agency

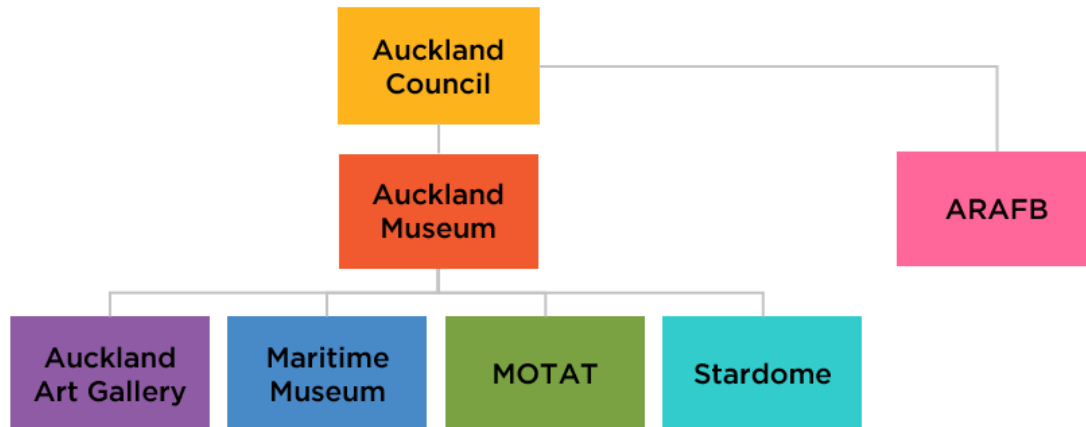
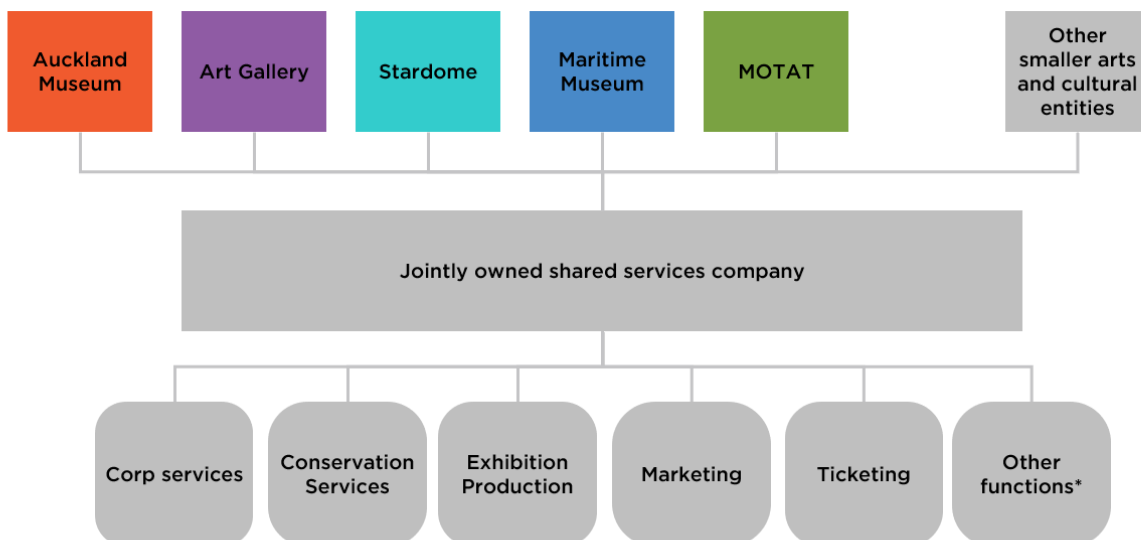


Figure 16: Model 4

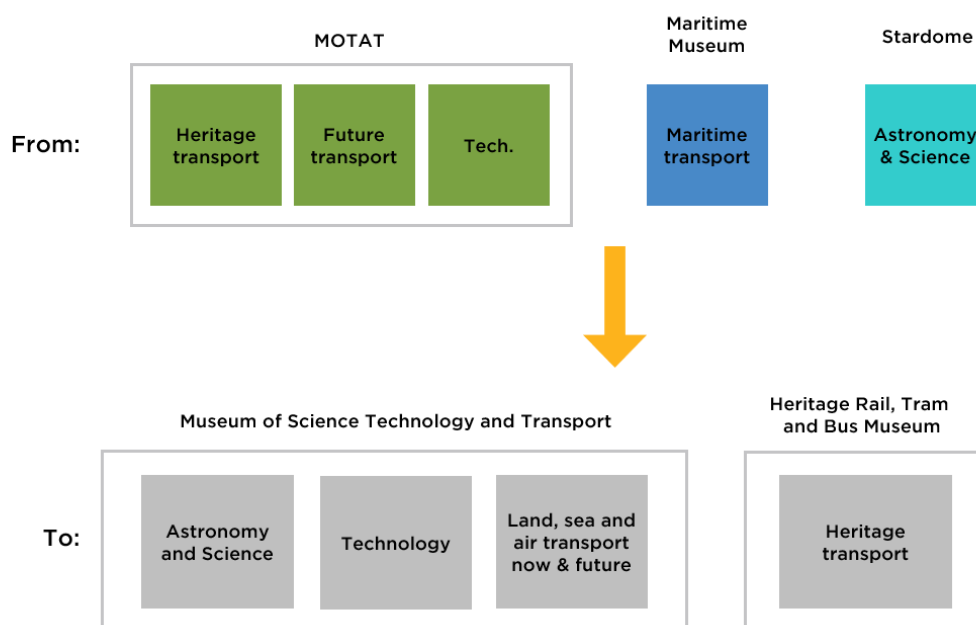
New incorporated collaboration vehicle



*Could include: Food and beverage, Retailing, Digital and social media, Collection storage, Collection access, Venue management

Figure 17: Model 5

New Transport, Science and Technology Museum



5.3.3. Changes at Council level

The first stage of the review identified that while Toi Whītiki provides good higher-level guidance to Auckland’s cultural sector, it is primarily an aspirational strategic document that lacks specific targets, timeframes or performance measures. The five organisations that are the primary subject of the review are unsure about exactly what is expected of them in response to Toi Whītiki, or indeed in return for their funding from Auckland Council.

Stafford recommends that Council work with stakeholders to add a specific measurable action plan to Toi Whītiki that sets out clearly what Council expects of the culture and heritage organisations it funds. If this is done, the five organisations specifically and RFA and ARAFB can be held accountable for implementing the action plan so far as it affects them, and in return for the funding they receive from Council.

A number of stakeholders expressed concern to the review team that they found it difficult to access Council as a whole or at the committee level. This concern was accompanied by a perception that culture and heritage are not adequately valued by Councillors. In addition, some stakeholders felt that Council executive staff were also too disconnected from the sector.

In view of this perception, Stafford recommends that Council improve its focus on the culture and heritage sector, recognising the value that a vibrant sector brings to Auckland. Options for achieving this include creating a new Council Committee more specifically focused on culture and heritage than the current Community Development and Safety Committee, or, putting aside more specific meeting times were culture and heritage sector stakeholders (including the five organisations the subject of this Review) can access Councillors. We note that Council may not wish to increase the number of council committees which may necessitate modifying the Terms of Reference for the current Community Development and Safety Committee to better accommodate the cultural sector.

Any new or modified Council committee should cover all cultural entities, including the five which are the subject of this Review, along with those performing arts groups funded through ARAFB, and those smaller cultural entities which get funding through the local board network. When combined, there are quite a few cultural sector entities.

5.3.4. Less complex changes

5.3.4.1. Changes to RFA

The art gallery, in particular, has the strong perception that RFA is overly focused on commercial outcomes and doesn't recognise the particular needs and interests of the Art Gallery. Stafford also notes that the culture and heritage sector is not strongly represented on the RFA Board. A clear option for consideration is to increase the number of cultural sector RFA Board Members and for the organisation to more clearly recognise the needs of the Art Gallery and Maritime Museum and the wider benefits that arise from the success of those two components of RFA.

5.3.4.2. Greater collaboration

Stafford is aware of the initial collaboration that has occurred within the Museums Auckland initiative for joint marketing and potentially joint ticketing. This collaboration could be expanded to cover "inward facing" functions such as corporate services, materials conservation, shared collection storage and exhibition production. In addition to the current focus on marketing and ticketing, the collaboration could also cover "outward facing" functions such as access to jointly stored collections, food and beverage, retailing, digital access and social media, and on a fee-for-service basis conservation services.

Stafford notes that a significant expansion of this collaboration initiative on a voluntary basis only is unlikely to be resilient in the longer term. An option that may give greater resilience is for the participating organisations to create a joint wholly-owned not-for-profit company as a vehicle for delivering these services (Model 4 – see Figure 16). Such an incorporated shared services model has been in place for several years in Copenhagen and is called Parkmuseerne (see: <http://parkmuseerne.dk/en/the-museums/>). It covers six museums and three parks (including one botanic garden). Currently, this collaboration only covers marketing, joint ticketing and exhibition coordination but is considering further expansion.

The key benefits of expanding the collaboration include reduced marginal costs to deliver a range of services both inward and outward facing, and increased audiences through better-coordinated marketing, ticketing and programming.

Both the voluntary collaboration and incorporated models could also include other arts and cultural organisations in Auckland.

5.3.4.3. Multiyear funding in return for a negotiated levy.

A key concern expressed to the review team by Council stakeholders is that the levy which currently funds both Auckland Museum and MOTAT is effectively non-negotiable. That is, a perception that the legislation which enables the levy is highly favourable to the two institutions and that if Council were to dispute the amount being sought, the arbitration mechanism that would be invoked would most likely favour the two institutions.

Stafford suggests that an option for consideration that does not involve legislative change would be for Council to offer multi-year (preferably three-year) rolling funding, thus guaranteeing greater certainty to the institutions, in return for greater negotiation around both the amount of the levy (as long as this is below the cap) and how the levy funding is to be used. This would be particularly important if an implementation/action plan is added to Toi

Whītiki. It is not uncommon in other places for government funding to be accompanied by a “statement of expectations” which sets out what the funder seeks to achieve with that funding. An example of this is the funding agreement between the Australian Government and the Australia Council for the Arts, which is set out in the Arts Minister’s statement of expectations to the Council.

In similar fashion, Central Government agencies in New Zealand negotiate a multi-year purchase agreement with their respective Ministers based on agreeing specific outcomes and services to be delivered in consideration of funding.

It is also understood that Council itself reviews its funding programs and commitments every three years as part of its strategic approach to service delivery.

The benefits of this arrangement would be for Council to get greater certainty that its priorities are being addressed by the funded organisations, and in return those organisations get greater multi-year funding certainty, thus allowing better planning and resource utilisation. This arrangement could also be extended to cover the ARAFB so that Council is able to influence the organisations funded by ARAFB.

5.3.5. Major changes to governance arrangements

5.3.5.1. A new culture CCO or statutory authority excluding Auckland Museum and MOTAT

The review team notes that RFA covers a range of sporting and arts venues, as well as Auckland Art Gallery, the Maritime Museum, and the Auckland Zoo (Model 1 – see Figure 9). The apparent tensions between commercial imperatives around the venues and the broader objectives of the three collection-based parts of RFA has already been noted. An option for consideration would be to create a new CCO that is focused exclusively on arts, culture and heritage. Such a new organisation would take the Art Gallery and Maritime Museum (and potentially the Zoo) from RFA, allowing RFA to focus more squarely on its venue management business.

The new CCO would also take over RFA’s current management of the levy-based funding between Council, Auckland Museum and MOTAT. It could also manage Council’s relationship with ARAFB, however, the review team notes that ARAFB covers a diverse range of organisations and that may need to be rationalised prior to any involvement between the new culture CCO and ARAFB.

An alternative to creating a CCO would be to create a new statutory authority through legislation passed through the national Parliament (Model 1a – see Figure 10). The advantage of this model is that the amending legislation could also include amendments to the levy arrangements for Auckland Museum and MOTAT, on the basis that new legislation will override older legislation. This potentially allows for a significant change in how the five organisations which are the direct focus of this Review, and potentially others in the arts culture and heritage sector including the performing arts and ARAFB, are funded. Model 1b (see Figure 11 illustrates how relationships between one of the constituent organisations, the Art Gallery, and smaller visual arts players in the Auckland cultural sector might work.

Needless to say, the changes to achieve either a new CCO or a statute based cultural authority would be complex, and in the case of the statutory authority would involve negotiations with Central Government and the support of Parliament to achieve the changes.

If either overarching legislation or specific legislation to repeal the Auckland Museum and MOTAT legislation was put in place, but there was a desire for Auckland Museum and MOTAT to remain separate from a new CCO or statutory authority, then both organisations would have to be re-formed on some other non-statutory model, for

example as incorporated not-for-profit entities. While this is theoretically possible, it is not clear that there are strong benefits to such an approach.

If either model of a new organisation is to incorporate Stardome, it would require the board of the private incorporated entity behind Stardome to agree to dissolve, in a manner similar to that done by the board of the previously incorporated Maritime Museum.

5.3.5.2. A new CCO or statutory authority incorporating Auckland Museum and MOTAT

The potential changes and models outlined in the previous section could be extended to incorporate Auckland Museum and MOTAT (see Models 2 and 2a – see Figure 12 and Figure 13), but this would in both cases require repeal of or significant amendment to the relevant acts covering those two organisations, or overarching legislation that overrides the older legislation.

There are potentially significant advantages in including both Auckland Museum and MOTAT within a new CCO or statutory authority, through better coordination and collaboration, and economies of scale. A key potential advantage would be around funding. Under either model, Council would presumably provide one funding stream to either the CCO or statutory authority, and then the CCO authority would determine how the funding is split between the organisations covered by the CCO authority. This element of contestability may be desirable in focusing the organisations on delivering the greatest value for that funding.

Incorporation of Auckland Museum and MOTAT adds significant complexity and a degree of difficulty in achieving change and the advantages may not be perceived as readily by each organisation's stakeholders as by Council as a whole.

5.3.5.3. Variations on the CCO or statutory authority models

If a new CCO or statutory authority was structured in a similar way to RFA, then it would have a single governing board and each of the cultural organisations would be business units as the Art Gallery and Maritime Museum are now within RFA. A variation to this approach would be to give each of the cultural organisations advisory boards, or boards that are part advisory and part governing.

While the overarching CCO or authority might own and control land, buildings and collections, the boards of each organisation could focus on elements such as exhibitions, programming and collection acquisition. Potential benefits of this arrangement would be greater ownership amongst the key stakeholders of each of the constituent cultural organisations, focused advice and experience, and greater philanthropic support.

Varying degrees of autonomy and ways of arranging a new CCO or statutory authority are possible. The Tyne and Wear Museums and Archives in the UK operate on a CCO style model with a single board and small staff at the centre, with each of the constituent museum and archive organisations being relatively autonomous except in overall governance, strategic direction and relationship with the five funding local government authorities.

The Singapore National Heritage Board is an example of a statutory authority which has its own governing board with substantial staff, and where each constituent museum is semi-autonomous with its own advisory board.

5.3.5.4. Auckland Museum as “lead agency”

Rather than create a new CCO or statutory authority, it would be possible to establish Auckland Museum as the lead agency for the five organisations (Model 3 – see Figure 15). In effect, it would take over relevant parts of RFA’s current role, including the direct relationship with Council. This option would require Auckland Museum to be augmented slightly so that it could take on the lead relationship and would almost certainly require amendments to its legislation and to that of MOTAT.

The advantage of this approach is that it draws on the fact that Auckland Museum is substantially larger than any of the others and could provide a range of inward facing and outward facing services to the other organisations. This model is used in Western Australia and Queensland where the Western Australian Museum and the Queensland Museum respectively manage a substantial network of other smaller museums around the two states.

A hybrid option of this could be to establish both Auckland Museum and the Auckland Art Gallery as separate lead agencies, noting the separation possible between art and social history and heritage. Art focussed smaller entities such as Te Uru etc. could come under the Art Gallery and link for a variety of services as noted above, and similarly, the Howick Historical Village and other entities would come under The Auckland Museum. The challenge, however, is that the resources within the Auckland Museum already exist to deliver a lead agency role, but don’t appear to do so for the Art Gallery.

5.3.5.5. Changes involving specifically MOTAT, the Maritime Museum and Stardome

The three institutions, MOTAT, the Maritime Museum and Stardome cover in various overlapping ways the fields of transport, technology and science. All three also have complicated location issues, with MOTAT operating from two separate sites, and both the Maritime Museum and Stardome having uncertainty over whether they will be able to remain in their current locations, given that their leases expire within the next few years.

In addition, MOTAT has developed an ambitious Master Plan that would require substantial investment, presumably by Council and involves a significant change to both sites. There are three possible changes to these organisations which may have benefits.

5.3.5.6. Amalgamate MOTAT and Stardome.

Stardome is the smallest of the five organisations and faces some challenges as a result of that. Its mission of science (particularly astronomy) and technology (particularly satellite and space travel) overlaps the technology and future transport interests of MOTAT. In order to maximise the ability to tell the transport technology and science story, it may be beneficial to amalgamate MOTAT and Stardome, with or without relocation of Stardome onto one of MOTAT’s two sites. These changes could only occur if Stardome’s Board was willing to dissolve Stardome as an independent organisation and agree to its incorporation into MOTAT (which would also probably require amendment to MOTAT’s legislation).

5.3.5.7. Amalgamate MOTAT, the Maritime Museum and Stardome.

Arguably, there would be benefits in the ability to tell a more coherent Auckland transport technology and science story if the three organisations that cover this area were amalgamated into one. To do this would require significant organisation change, including removal of the Maritime Museum from RFA, dissolving the current Stardome organisation and likely amendment to the MOTAT legislation to incorporate the other two organisations. This option would only be worth pursuing if it was decided not to create a new cultural sector based CCO or statutory authority, or to view this amalgamation as an interim step towards a new CCO or authority.

A variation on this model would be to create the new transport technology and science museum as proposed above but separate out the heritage land transport elements to create a separate Heritage Rail Tram and Bus Museum (Model 5 – see Figure 17). This could be based around the current MOTAT Society which clearly desires a greater focus on the heritage and history of transport and less on the future of transport and on technology. This separation into a future-focused organisation and a heritage focused organisation may create a clearer and more coherent focus for both organisations and may satisfy one key group of stakeholders.

5.3.6. Other issues and variations for consideration

The following reflect a variety of other issues and potential variations worthy of consideration.

5.3.6.1. A more coherent telling of the Auckland story

Auckland has aspirations of being a well-recognised and highly liveable global city, noting that it is the largest Polynesian city in the world. Evidence of this is hard to find currently. Each of the five institutions has elements to tell part of this story which covers:

- Pre-colonial times;
- Colonial times;
- Post-colonial period; and
- More recent immigration and related changes.

5.3.6.2. Better Linking to the Visitor Economy

Currently, Auckland is recognised by its domestic and international visitor markets as New Zealand's largest city and major international gateway, but a disconnect exists between the broader tourism industry and the five cultural institutions. There are few major cultural events which tie into ATEEDs major events program and limited synergy and understanding.

The way the cultural institutions collect and report visitor data is inconsistent, leading to challenges for Council in trying to compare the delivery of outcomes by each institution. Creating a uniform data model across all cultural institutions, including the data sets gathered and reported on, will offer benefit to allow each institution to compare its data metrics for visitation on a more equitable basis, and will also support Council in its need to compare visitation performance and related variables.

5.3.6.3. Bringing Small Cultural Institutions into the arrangement

Opportunities exist to potentially bring smaller local board funded organisations in the arts, culture and heritage area into any new arrangements. Whilst the focus of this Review is clearly the five cultural organisations, some of the models put forward illustrate that there are pathways to encourage other smaller cultural entities to also benefit from any restructure offered.

Discussions with some of these smaller entities illustrate their strong desire for a dedicated cultural CCO or statutory body allowing them to come under the larger cultural institutions to benefit from various areas of professional support including curatorial and conservation services, marketing and promotion, and for the potential to offer shared events.

5.3.6.4. Managing the Council funding of the cultural sector overall

An opportunity exists to reassess how funding from Council might be managed, including how it is shared amongst the constituent parts. Funding models might include one where there is a base level of funding to each organisation or business unit and then a contestable funding pool above that.

Currently, Council contributes approximately \$73m to all of the various cultural entities its supports (visual and performing arts, heritage and historic), either via RFA, ARAFB or through local board contributions. Approximately 63% of this is provided directly to Auckland Museum and MOTAT, leaving the balance of approximately \$27m (37% of available funding), to the plethora of other cultural entities. This factor alone leads to consternation within the sector about funding inequity, particularly as the demands and opportunities for many cultural institutions continue to expand.

The determination of what is appropriate funding levels is deliberately not part of the terms of this Review, but the issue is significant, and the array of ways Council currently manages the funding of the various cultural institutions has led to a degree of bitterness and concern over institution viability going forward.

5.3.6.5. Whether any of the cultural tourism marketing and event functions of ATEED should be added to any new CCO or authority

Improving the coordination and leverage from major cultural events is well recognised by ATEED and improved informal relationships with the cultural sector already exist. Whether part of the ATEED major event funding program stays within ATEED but with a working committee from the cultural sector to help guide its use, is an option to consider. As is the alternative of moving this cultural event funding into a new CCO or cultural statutory authority where ATEED expertise is also involved in determining how best to leverage funding and resources from other sources.

5.3.6.6. National level Roles Performed by AM and the Art Gallery

Auckland Museum and Te Papa are, by far, the two largest museums in New Zealand. Auckland is also home to New Zealand's War Memorial Museum, although noting that a number of other museums nation-wide also have a smaller war memorial function. Its mandate is broader than the Auckland region, and it often is the first major museum which international visitors to New Zealand visit, to learn about the country and its people.

Auckland Museum achieves grant funding from time to time from Central Government for specific projects. But no recurrent annual funding comes from Central Government. The issue is whether Auckland Museum should be playing a more dominant role in both telling the NZ story (as well as the Auckland story) internally, and also externally, through working more closely with smaller regional museums throughout New Zealand.

It is understood that many regional museums are struggling to fund their ongoing operations, some have closed and others may need to unless funding and/or support from others is forthcoming. The net effect is that the importance and role performed by the country's major gateway museum into New Zealand, to support the domestic and international visitor markets, along with the large local Auckland resident market, will grow. As such, should it be supported to perform a wider national level role, and if so, should it receive some financial support from Central Government if linked to specific service delivery outcomes.

Similarly, the same argument might exist for the Auckland Art Gallery; but in the case of the Art Gallery, it does also operate as the surrogate national art gallery for New Zealand. Though the space designated for the national art gallery collection at Te Papa has recently been extended, the scale of exhibition space in Auckland Art Gallery

is far larger, the significance of the collection is greater, and the fact it is the first major art gallery visited by international visitors especially, indicates the wider role which the Auckland Art Gallery needs to be playing.

There are clearly many competing needs which Creative NZ and the Ministry of Culture and Heritage need to resource across the country. However, offering support to get both the Auckland Museum and the Auckland Art Gallery to step up to a more national level role to physically support the curatorial, conservation and other specialist needs of many regional institutions, may be worthy of consideration and offer a not dissimilar role to that shown in Model 4 (Figure 16) with each institution taking on a leading agency role, but with a broader mandate than merely the Auckland region.

5.4. Supporting Documentation 4: The Legislative Pathway (Detailed)

The following is provided to illustrate that there is a legislative pathway forward should the recommendations put forward in this Review be supported by Council and relevant stakeholders.

By way of summary, the process for achieving legislation to implement the proposed new statutory model is complex. The best option for initiating the necessary legislation is likely to be to sit down with the relevant Minister and convince them of the need for the legislation. Assuming Government can be persuaded to include a Bill on the legislative programme, the legislative process to bring the Bill into law would likely be 2-3 years. That said, the chances of success, and the rate of progress, are likely to be directly proportional to the level of support able to be obtained for the proposal.

5.4.1. Proposed Auckland Cultural Heritage Board model

The legislation would be an overarching piece of cultural public policy legislation which would offer a legislative framework to provide certainty and equity of funding to certain Auckland cultural and heritage institutions.

To that end, the legislation would provide for a new body (for the time being referred to as the Auckland Cultural Heritage Board or CHA) to be created. The CHA Board would be established by statute and would not be a council-controlled organisation (as that term is defined in the Local Government Act 2002).

The legislation would replace the Auckland War Memorial Museum Act 1996 (“the AWMM Act”) and the Museum of Transport and Technology Act 2000 (“the MOTAT Act”) and would remove cultural and heritage organisations from the Auckland Regional Amenities Funding Act 2008 (“the ARAFB Act”). In their place would be an overarching regime, which would provide for a levy to be paid to all of the organisations the subject of the review, namely:

- the Auckland War Memorial Museum *Tāmaki Paenga Hira* (“Auckland Museum”);
 - the Museum of Transport and Technology (“MOTAT”);
 - the Auckland Observatory and Planetarium (“Stardome”);
 - the New Zealand Maritime Museum *Hui Te Ananui A Tangaroa* (“the Maritime Museum”); and
 - the Auckland Art Gallery *Toi o Tāmaki* (“Auckland Art Gallery”),
- (together, “the 5 cultural organisations”).

The legislation may also provide for a levy to be paid to other organisations, with a particular focus on those with curated programmes. Examples may include:

- The National Museum of the Royal New Zealand Navy *Te Waka Huia o Te Taua Moana o Aotearoa*;
- Te Uru Waitakere Contemporary Gallery;
- Te Tuhi;
- The Gus Fisher Gallery at The University of Auckland;
- The George Fraser Gallery at The University of Auckland;
- The Pah Homestead TSB Bank Wallace Arts Centre;
- Corban Estate Arts Centre;
- Howick Historical Village;
- Auckland Zoo.

The levy would be based on a percentage of rates, as is the case currently for MOTAT and the Auckland Museum. However, the decision as to how much each entity receives would be at the discretion of the CHA. A suggested

arrangement is that 80% of levy funding would be allocated, with 20% reserved as a discretionary fund to be distributed based on a business case to support specific projects.

The levy would fund only operating expenditure. Any capital expenditure needs would not be provided for under this model and would be funded separately via a business case to Auckland Council or through non-government funding programmes.

Each entity would build on its existing Iwi relationship and partnership approach.

Transitional arrangements, which may or may not need to be provided for in the legislation, may include:

- creating a governance group to drive through change;
- specific funding for MOTAT over 4 years to assist it to leverage other funding for its master plan, in return for MOTAT agreeing to a repeal of its legislation (the MOTAT Act) by year 4;
- developing new all-encompassing art and cultural heritage strategy across Auckland;
- creating a list of agreed key performance indicators, which may include: increased visitation, increased ratio of alternative funding streams, stronger education sector outcomes with a wider range of schools visiting;
- expanding and growing the Museums of Auckland model of shared centralised services, potentially encompassing information technology, human resources, data gathering, asset management, storage, curatorial support and conservation services;
- creating a combined storage facility, particularly for MOTAT, Auckland Art Gallery and the Maritime Museum but allowing for the involvement of other collection-based institutions.

Consequential amendments would include:

- ultimately, the repeal of the MOTAT and AWMMA Acts, although this may occur through a staged approach; and
- the removal of Stardome and the Maritime Museum from the list of specified amenities in schedule 1 of the ARAFB Act.

it is not yet certain whether the proposed CHA model is limited to issues of funding and accountability, or whether it will also extend to ownership of assets. Specifically, it is not clear whether Auckland Art Gallery, the Maritime Museum and any other entities that are currently business units of Regional Facilities Auckland would cease to be so, and ownership of their respective assets transferred to the CHA. If ownership of assets is to be included in the new entity, an issue may also arise with Stardome, which is currently governed by a charitable trust.

5.4.2. Legislation to implement the proposed CHA model

- There are a number of means by which over-arching legislation to affect the proposed CHA model might be implemented, including:
 - (i) a local bill with consequential amendments (provided any amendment of the affected Acts would indeed be “consequential”);
 - (ii) an omnibus Bill under Standing Order 263 (provided that the agreement of the Business Committee can be obtained, or if not, that the House suspends Standing Orders under Standing Order 4 to permit such a Bill to proceed);
 - (iii) a Government Bill dealing with a “matter of public policy”, using the Local Government (Auckland Transitional Provisions) Act 2010 as a precedent.

Option (iii) would be preferable, if it can be achieved, because of the advantages that Government Bills have in their passage through the House.

This raises the question of whether a new CHA model for Auckland is a matter of public policy properly the subject of a Government Bill, as required by Standing Order 253(1)(a). Arguments in favour of the proposition might include the following:

A new funding framework for the Auckland cultural heritage sector, that rationalised the governance arrangements of at least the 5 cultural organisations, is arguably simply a continuation of the amalgamation of Auckland Council. The amalgamation of Auckland Council was itself achieved by 3 public Acts (the Local Government (Tamaki Makaurā Reorganisation) Act 2009, the Local Government (Auckland Council) Act 2009, and the Local Government (Auckland Transitional Provisions) Act 2010) even though it clearly related to a local area. The amalgamation process for Auckland Council was complex and difficult, and issues of cultural and heritage taonga arguably require further consideration as part of the transition process.

It may also be possible to argue that a new governance framework to address the challenges currently facing the Auckland cultural and heritage sector, and to position it as well as possible to maximise its potential for the future, is a matter of public policy properly the subject of a Government Bill, in and of itself, in the same way that the amalgamation of Auckland Council was.

We recommend that preliminary discussions are held with the Clerk of the House before commencing any particular legislative process, to consult on matters such as the correct classification of the bill.

As the Clerk has noted, proceeding by means of a Government Bill would then be reliant on the Government to pass the legislation. It would also need to fit with the Government's other legislative priorities. These will be key factors impacting on timing.

Even if option (iii) is chosen, the development of Government legislation is a complex and time-consuming process requiring careful planning and coordination. However, Parliament is sovereign, and with sufficient political will, it should be possible to pass legislation of this nature. The key issue will be garnering sufficient political will to usher through a bill, or a cluster of bills, that may not "fit" exactly within the Standing Orders, and may need compromises, suspensions, agreements and/or general perseverance to get through the Parliamentary process.

5.4.3. Initiating a Government Bill

Turning to the question of how to bring about legislation to implement the proposed CHA model as soon as possible, assuming option (iii) is chosen, the first goal would be to obtain a Government decision to pursue the proposed policy of a new CHA model by means of legislation. In other words, Government would need to be persuaded of the case for legislation to implement the proposed CHA model and ultimately to have the proposed Bill approved as part of the legislative programme.

The best way to achieve this is likely to be to sit down with the relevant Minister and convince them of the need for the legislation. The Minister for Arts, Culture and Heritage is the Rt Hon Jacinda Ardern, who is also the Prime Minister and the MP for Mt Albert. That said, the Prime Minister will have many competing demands on her time and may not be the best Minister to approach. Other possible Ministers may include:

- Hon Nanaia Mahuta, Minister for Local Government and MP for Hauraki-Waikato (a Maori electorate which covers the following population centres within the Auckland region: Waiheke Island, Papakura, Pukekohe, Waiuku, Clarks Beach, Ramarama, Bombay and Pokeno);
- Hon Grant Robertson, Minister of Finance but also Associate Minister for Arts, Culture and Heritage;
- Hon Carmel Sepuloni, Minister for Social Development and MP for Kelson, but also Associate Minister for Arts, Culture and Heritage; and
- Hon Peeni Henare, Minister for the Community and Voluntary Sector (a Minister outside Cabinet) and the MP for Tāmaki Makaurau (the Maori electorate covering the Auckland area).

As a former Labour Cabinet Minister, the Mayor of Auckland will be very familiar with the process and will likely have good insights as to who would be best to approach.

It would also be advisable to seek cross-party support for this legislation: essentially, the more political support that can be obtained, the better the chances of success. In this context, the more compelling the case for change, the better the chances of success at every stage.

Assuming the proposed bill is ultimately approved as part of the legislative programme, the Minister will likely drive the process from there. However, the Minister may seek Auckland Council's input into developing fully the policy that will form the basis of the Bill, for ultimate submission to the appropriate Cabinet committee and Cabinet.

Impact analysis may also be needed, to ensure that Cabinet has the best available information on the nature and extent of the policy problem, policy options, and risks and impacts. It may be necessary to consult with the Regulatory Quality Team at Treasury to determine what type of impact statement or summary will be required and who will need to review it before it is submitted to Cabinet.

The relevant Minister will also need to undertake consultation with colleagues during policy development and before submitting draft legislation to the Cabinet Legislation Committee or Cabinet, both on the substance of the Bill and the proposed process for its Parliamentary consideration. Consideration may need to be given as to how best to support the Minister in this role.

5.4.4. Timeframes

There is no means of determining precisely in advance how much time would be needed to (hopefully) persuade Government to include a Bill to implement the proposed CHA model in its legislative programme, and then for the consultation process prior to such a Bill being introduced to be undertaken. However, one thing that can be said is that progress is likely to be directly proportional to the level of support, as discussed above.

Assuming a decision is ultimately made to give the Bill a place on the legislation programme, drafting instructions will need to be provided, once all appropriate consultation has taken place, and Cabinet has approved the developed policy. In this context, it may be necessary to consult with the Parliamentary Counsel Office and the Legislation Design and Advisory Committee, and it would be advisable to allow time for this consultation in considering timeframes.

Once drafted, the Bill will also need to be approved by Cabinet, or the Cabinet Legislation Committee, before being introduced. The Minister will also need to maintain levels of consultation to ensure the support of a majority of the House for the Bill to progress and to facilitate aspects of the Parliamentary process.

Once introduced, the Parliamentary process can then take several months.

Overall, in the ordinary course of events, it could be expected to take years rather than months for legislation to implement the proposed CHA model to be implemented. It is possible for Bills to proceed under urgency under Standing Orders 51 to 61. However, again the rate of progress is likely to be directly affected by the level of support able to be obtained for the proposal.

Although one could and possibly should try to persuade Government to include a Bill in the legislative programme for 2019 or 2020, achieving the introduction of a Government Bill to implement the proposed CHA model within this term of Government may be very optimistic. A more realistic approach may be to try to obtain broad consensus and then seek to persuade political parties to have it included in their manifestos for the 2020 election, with a view to legislation in the next term of Government. However, much will depend on initial conversations with the relevant Minister, as discussed above.

