

NOTICE OF ORDINARY MEETING

REGIONAL ARTS AND CULTURE FUNDING ALLOCATION SUBCOMMITTEE

I hereby give notice that an Ordinary Meeting of the Regional Arts and Culture Funding Allocation Subcommittee will be held on:-

DATE: **Wednesday, 12 February 2003** **TIME:** **7.00 pm**

VENUE: **Civic Centre, 6 Waipareira Avenue, Lincoln, Waitakere City**

to consider the business as set out herein and to take any necessary action connected therewith.

7 February 2003

Audrey Chan
COMMITTEE SECRETARY

Telephone (09) 836 8000 extn 8603

MEMBERSHIP:

Councillor	DA Yates, JP (Chairperson)	
Ms	Anna Crighton	(Professional Artist {nominated annually by Lopdell House Society})
Mr	Daniel Greig	(Business Sector)
Ms	Jocelyn Reece	(Titirangi Community Arts Council)
Ms	Janet Holtrichter	(Waitakere Central Community Arts Council)
Mr	Te Warena Taua	(Te Taumata Runanga)
Mrs	Mihi Te Huia	(Te Taumata Runanga)
Mr	Taha Fasi	(Pacific Islands Communities)

(Quorum 5 members)

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(The reports and recommendations contained in all agendas are reports and recommendations only and are not to be construed, in any way, as Council policy until adopted.)

**AGENDA FOR AN ORDINARY MEETING OF THE REGIONAL ARTS AND CULTURE
FUNDING ALLOCATION SUBCOMMITTEE TO BE HELD IN THE CIVIC CENTRE,
6 WAIPAREIRA AVENUE, LINCOLN, WAITAKERE CITY,
ON WEDNESDAY, 12 FEBRUARY 2003,
COMMENCING AT 7.00 PM.**

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1 APOLOGIES



2 URGENT BUSINESS

Section 46A(7) and (7A) of the Local Government Official Information Act and Meetings Act 1987 provides that where an item of business is not on the agenda, it may only be dealt with at the meeting if:

- (i) the item is a minor matter; and
- (ii) the Chairperson has explained at the beginning of the meeting (when open to the public) that the item will be raised for discussion, why the item is not on the agenda, and why it cannot be delayed until a subsequent meeting; and
- (iii) the Subcommittee resolves to deal with the item.

No resolution, decision, or recommendation may be made in respect of the item except to refer the item to a subsequent meeting for further discussion.

NOTE: Urgent Business need not be dealt with now and may be delayed until later in the meeting.



3 CONFIRMATION OF MINUTES

Ordinary - 22 April 2002

RECOMMENDATION

That the minutes of the Ordinary Meeting of the Regional Arts and Culture Funding Allocation Subcommittee held on Monday, 22 April 2002, as circulated, be taken as read and now be confirmed.



4 FUTURE USE OF REGIONAL ARTS FUNDS - DISCUSSION PAPER

PURPOSE OF THE REPORT

This report presents a discussion paper on issues surrounding the future use of Waitakere City's regional arts funds. In relation to these funds it provides:

- A history of events to date;
- Current balance of the funds;
- Strategic context;
- Decisions required;
- Issues to consider;
- Proposed next steps;
- Conclusion;
- Recommendations.

Guidance is sought from the Subcommittee on the issues raised at this meeting, to inform a report to the Subcommittee at its next meeting, on how to proceed with the remaining regional arts funds.

BACKGROUND - EVENTS TO DATE

The story behind the regional arts funding will be familiar to the Subcommittee. In brief the events to date are as follows:

- **October 1998** - Waitakere receives \$1.45 million as its per capita share of \$10 million funding for arts projects of regional significance, dispersed to local Councils upon the dissolution of the Auckland Regional Services Trust;
- **March 1999** - Council rejects a proposal to join Waitakere's funds with a Manukau/Auckland regional trust;
- **March 2000** - This Subcommittee commissions research on regionally significant arts and cultural needs in Waitakere City to inform its decision making;
- **August 2000** - This Subcommittee resolves that \$1million be retained in a capital fund and reviewed in one year, and that the remaining funds be allocated (\$655,000 including interest);
- **June 2001** - the allocation process is completed, with 18 successful applications. The Subcommittee part funds applications (almost all receive between 10 to 50% funding). Between them the Waitakere Arts and Cultural Development Trust, Lopdell House, McCahon House Trust and Waitakere Playhouse Theatre Trust receive over half of the funds (\$380,000);
- **June 2001** - Council approves \$30,000 from the ARST to develop a Waitakere Arts and Cultural Strategy;
- **August 2001** - Council defers making any more decisions on the funds until an Arts and Cultural Strategy has been developed;
- **December 2001** - Sir Barry Curtis asks Council to reconsider joining Waitakere's funds with the regional trust;
- **March 2002** - Waitakere again declines the invitation above;
- **December 2002** - The Arts and Cultural Strategy is approved by the City Development Committee.

Now that the Arts and Cultural Strategy has been adopted, it is time for the Subcommittee to consider next steps for the funding.

CURRENT BALANCE OF FUNDS

The balance of the funds as at 1 July 2002 was \$1,052,033. Expenditure to the end of December 2002 was \$24,712 (for the Arts and Cultural Strategy) plus \$15,000 as the contribution given to the regional Creative Solutions process. Interest earned from July 2002 to December 2002 was \$35,619. The current balance is \$1,047,940.

STRATEGIC CONTEXT

Waiting until the completion of Waitakere City's Arts and Cultural Strategy before making further decisions on the regional arts funds implies that the Strategy will inform decision making on the use of the funds. The strategy sets out the following priorities - these are identified below, along with an assessment as to which may be construed as regionally significant (although clearly virtually any project could be argued to be regionally significant).

Arts and Cultural Strategy Priority (in no order)	Regionally significant?
Continuation of art: design practice	No
Cultural groups – neighbourhood festivals	No
Develop governance of arts/cultural groups	No
Current and developing communications	No
Develop partnerships – business, education	No
Festivals – neighbourhood/current	Not neighbourhood festivals, but potentially some of the larger events
Oral histories	Possibly
Creative industries strategy	Possibly - (although a local Creative Industries Strategy is in Council's draft work programme for 2003/2004, governments Growth and Innovation Framework has Creative Industries as one of three key sectors to target – a regional project on this could be developed)
Protocols for Maori initiatives	Possibly
Maori - kapahaka groups as cultural ambassadors	Possibly
Support for youth - staff, venue, resources (especially music oriented)	Possibly
Performing arts venue - feasibility study	Possibly
Creative incubator pilot	Possibly
Maori led art projects	Possibly
Corban Estate Arts Centre development, including PI development	Possibly
Lopdell House precinct development	Possibly - however alternative external funding sources are likely to be available (eg Portage Licensing Trust)

Thus the key possibilities for regional arts projects arising from the strategy relate to:

- Capturing local heritage of regional significance;
- Developing industries, career paths and employment through the arts;
- Major events;
- Maori focused and led arts projects;
- Supporting young people into the arts and youth participation in arts;
- Performing arts venue;
- Development of Corban Estate as an arts hub;

The above could be seen as potential criteria to guide the application of the funds (alongside others). Some projects could contribute to a number of these criteria.

DECISIONS REQUIRED

The decisions required are:

1. Local versus regional decision-making and dispersment of the funds (or a bit of both);
2. How much of the funds to allocate (some, all or none) and what for.

ISSUES TO CONSIDER

1. Local versus regional decision-making and disbursement

The first issue for the Subcommittee is whether decisions on the funds are made locally (by this Subcommittee and ultimately Council), regionally (through the Auckland/Manukau 'Arts Regional Trust'), or a mixture of both, by allocating some funds to the regional trust and the rest locally. In short:

1. Does the Subcommittee (and Council) wish to contribute to the regional Arts Regional Trust fund?
2. If so, how much?

To date, this Council has twice resisted an invitation to join the Waitakere funds to the Auckland/Manukau developed Arts Regional Trust. Since the last decision on this issue was taken there have been changes in this Subcommittee and the Arts Regional Trust has developed. An update on this Trust is given below. A Trust member will also be present to provide a brief presentation on Arts Regional Trust and answer questions.

Arts Regional Trust (ART)

Auckland and Manukau City Councils joined their share of the ARST funds together in 1999, and they currently have \$6 million in a professionally managed fund. The Arts Regional Trust was formally incorporated in October 2001, and current Trustees are:

- Dr Hinemoa Elder (Chairperson)
- Nigel Arkell
- Walter Hirsh
- Rosemary Horton
- Gerda McGechan
- Sandi Morrison
- Isabella Rasch
- Linda Schofield
- Beverley Smail

A1 - A24

The Trust Deed is attached at pages A1 - A24. Trustees are competency based, and are sought via public advertising rather than being appointed by the Councils involved, and are selected via an interview process that has Council representatives on the interview panel. If Waitakere City provided a significant share of funds to the Trust it may apply to be a Settlor to the Trust, which would allow a Waitakere City Council member to take part in the appointment process for future Trustees (see 5.2, page 11 of the Trust Deed). There are between 5 and 10 Trustees at any one time, and at every Annual General Meeting from 2003 one Trustee must retire.

The objects and purpose of Arts Regional Trust are to:

- Fund significant projects in the Auckland region in the areas of art and culture (as per the legislative purpose of the funds);
- Contribute to the development of a flourishing arts and culture sector in the Auckland region;
- Promote arts and culture;
- Promote cultural diversity;
- Raise the profile of arts and culture;
- Promote innovation and excellence;
- Meet identified and proven needs.

Trustees should also actively seek to grow the fund, to the desired level of \$20million. The Trust has its own strategy for the use of the funds based on the objects of the Trust, and seeks other delivery mechanisms for the funds such as processes run by Council officers, to avoid putting any money into administration and allocation.

A25 - A27

Arts Regional Trust is currently investing in two significant partnership projects (see also pages A25 - A27):

Creative Solutions/Toi Whenua

Using an incubator and mentoring model, Creative Solutions focuses on building arts infrastructure and business skills for artists throughout the region. It is a partnership between Arts Regional Trust, Auckland, North Shore, Waitakere and Manukau Councils, and the Community Employment Group. It also has funding from Creative New Zealand's Regional Strengths Strategy (Waitakere provided \$14,500 in 2002 from the interest on its regional funds, and also significant staff time into the process). Projects are identified, a portion is workshopped and a small number are selected from this process for funding.

Toi Whenua will use a parallel strategy to provide support for Maori arts infrastructure development.

Creative Solutions/Toi Whenua is operating with \$350,000 for 2003.

ArtWeb

This is a region wide interdisciplinary planning tool for urban development. Driven by artists, landscape architects, urban and environmental designers, this large-scale project is currently being developed as a partnership between Arts Regional Trust and researchers at UNITEC. This project uses computer technology to identify spaces for art works that can also be linked 'virtually' via the Internet.

For the next three years Arts Regional Trust plans to focus on the projects above, and may invest in others. Funding depends in part on the interest derived from the managed funds which hold the capital fund - the last year was a low interest yielding year due in large part to the impact of the events of September 11 2001.

The following pros and cons refer to Waitakere contributing some or all of its funds to Arts Regional Trust.

Pros	Cons
Strengthens the regional fund	Loss of control over allocation
Waitakere City is perceived to be acting regionally	Harder to see direct benefit to Waitakere City (but that doesn't mean that the benefits would be greater or lesser than local allocation)
A Waitakere City representative may be involved in appointments of future Trust members	
Ongoing long term regional benefits (a sustainable fund)	
Larger funds allows more funding to be allocated	

If Waitakere City was to contribute some funding, the advice is that this be a reasonable rather than a token amount (ie no less than \$400,000). This is in order to make a significant contribution to the fund, to make a worthwhile impact and to allow for Waitakere input into the nomination process of Trustees.

Naomi McCleary can also speak to the regional situation.

2. How much of the funds to allocate and what for

Once the issue of contribution to the regional fund is decided, the question then becomes how to handle the distribution of any remaining funds, in terms of 'how much', and 'for what'? Clearly these two issues are connected.

A key issue is whether an attempt should be made to have an ongoing source of funds or to allocate the entire funds over the short to medium term. In August 2000 an option was presented to the Subcommittee of setting up an independent Trust to grow the funds – this option was rejected. The advice to the Subcommittee is that growing the funds into a capital fund (ie allocating interest only and trying to build the fund into a larger amount) is not feasible as:

- \$1 million is too small a foundation;
- There is not the staff resource available to put into growing the fund to a realistic level (say \$6 to \$10million);
- It would be competing with Arts Regional Trust for funds;
- There are clear existing needs that are pressing;
- The interest off a small amount would make little impact.

Given this, the remaining options are to:

1. Spend all of the funds in the short to medium term (for example via allocation rounds and contributing a percentage to Arts Regional Trust, or use all the funds available for one or two significant projects that would provide a major city wide and regional benefit;
2. Spend the funds over the medium to long term (including the possible use of loans to perpetuate the fund).

Option	Pros	Cons
Spend the funding over the immediate to short term (2003 up to 2007)	<p>Opportunity to make significant contributions to major regional projects</p> <p>'Quality' versus 'quantity' effect in terms of impact</p> <p>No ongoing administration/allocation costs</p> <p>Provides a major and immediate boost to arts infrastructure for the City and the Region, ie meets needs more immediately</p> <p>Decisions made may have ongoing benefits depending on projects supported</p>	<p>Unable to fund projects of regional significance in an ongoing way</p> <p>Funding decisions made on projects available or known now – future worthy projects excluded</p>
Spend over the medium to long term	<p>Compromise between desire to spend funds in the short term and trying to grow a sustainable funding source – only option that could meet both aims.</p>	<p>Likely to mean smaller amounts of funding provided with possibly lower impact</p>

Spend over the medium to long term (continued)	Will provide a short term boost to arts infrastructure Will provide ongoing source of funds. Opportunity to capitalise on opportunities as they arise over time Opportunity to make significant contributions to the regional arts and culture scene on an ongoing basis Unique opportunity to build an arts funding base to attract further funding	
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Some options for the use of the funds that have been identified by staff include:

- Develop a regional scholarships funding programme;
- Provide loans;
- Utilise the incubator concept to allocate the funds, similar to the Creative Solutions process;
- Incorporating the priorities identified via the Arts and Culture Strategy to guide allocation decisions (ie focus on these priorities only);
- A mixture of the above.

Discussion of these issues by the Subcommittee and guidance on options to pursue are sought.

PROPOSED NEXT STEPS

It is proposed that after discussion by the Subcommittee at this meeting, officers prepare a report with recommendations on the future use of the regional arts funds.

CONCLUSION

Decisions required, and issues and options surrounding the future use of the regional arts fund are presented. The regional situation with regards to Arts Regional Trust is presented. It is proposed that the Subcommittee undertake a robust and thorough discussion of these issues, to guide staff to come back to the next meeting with recommendations.

RECOMMENDATIONS

1. That the information be received.
2. That the Regional Arts and Culture Funding Allocation Subcommittee signals the options it would like pursued from this meeting.
3. That the Regional Arts and Culture Funding Allocation Subcommittee meets to consider options and recommendations for future allocation of the regional arts funds.

Report prepared by: Rachael Trotman, Strategic Leader and Joy Hames, Policy Development Manager.

