

**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 THURSDAY, 3 APRIL 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 Committee 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 - Wednesday, 5 March 2003

RECOMMENDATION

That the minutes of the Ordinary Meeting of the Regional Arts and Culture Funding Allocation Subcommittee held on Wednesday, 5 March 2003, as circulated, be taken as read and now be confirmed.



4 FUTURE USE OF REGIONAL ARTS FUNDS

PURPOSE OF THE REPORT

This report presents options surrounding the future use of Waitakere City's regional arts funds. In relation to these funds it provides:

- a brief background;
- a current balance of the funds;
- strategic context and direction from Waitakere City's Arts and Cultural Strategy;
- an outline of the decision-making steps required;
- options surrounding the key decision points.

Decisions are sought from the Subcommittee on how to proceed with these funds at this meeting.

BACKGROUND

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 \$10million 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 proposed 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 \$1m 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 newly established regional trust (ART);
- **March 2002** - Waitakere again declines the invitation above;
- **December 2002** - The Arts and Cultural Strategy is approved by the City Development Committee;
- **February 2003** - this Subcommittee considers options and seeks a presentation from the Arts Regional Trust, as to how it might benefit from joining ART and contributing to the regional arts fund;
- **March 2003** - the Arts Regional Trust presents to the Subcommittee.

CRITERIA

The Subcommittee is also aware of the criteria, set down at the time of the original disbursement of the Auckland Regional Trust funds to the seven TLAs, for the allocation of these monies. In general the funds were to be used for 'significant projects in the Auckland Region in the area of arts and culture'.

This was further defined in the criteria for the first Waitakere City ARST Funding allocation as follows:

Priority will be given to projects, activities or events that:

- help to meet an identified and proven need in the region;
- promote innovation and/or excellence in the area of arts and culture;
- reflect the demographics of the region
- provide opportunities for participation to occur across the region
- raise the profile and promote arts and cultural development in the region
- promote and celebrate cultural diversity across the region.

The current balance of the funds is in the vicinity of **\$1,050,000**.

STRATEGIC CONTEXT

Waitakere City's Arts and Cultural Strategy sets out a range of 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, the government's 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 (although this is already being addressed through the Toi Whenua strand of creative Solutions)
Maori - kapa haka groups as cultural ambassadors	Possibly
Support for youth - staff, venues, resources (especially music oriented)	Possibly
Performing arts venue - feasibility study	Possibly
Creative/Arts 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;
- Lopdell House Arts Precinct development.

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:

- local versus regional decision-making and disbursement of the funds (or a bit of both);
- how much of the funds to allocate (some, all or none) and what for.

ISSUES AND OPTIONS

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. At the last meeting of this Subcommittee a presentation from the Arts Regional Trust was given by Dr Hinemoa Elder (Chairperson of the Trust), Sandi Morrison (a Trustee) and Riki Moeau, who is involved with Toi Whenua, the Maori arm of one of the Trust's two current projects, Creative Solutions/Toi Whenua.

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.

At this presentation Dr Elder confirmed that if Waitakere City contributed funding it would be provided the opportunity to become a Settlor on the Trust. She also made it clear that ART is committed to a regional arena of activity, not confined to the Auckland and Manukau TLA boundaries. ART is also committed to growing the existing fund to \$20 million over time and to working with the interest on the capital fund only.

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 direct 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 (probably the Mayor or CEO) would be involved in appointments of future Trust members	Waitakere City contribution to ART may not have any influence on the benefits received from ART locally (i.e. Waitakere City would receive local benefit without contributing to ART)
Ongoing long term regional benefits (a sustainable fund - allocation of interest only)	
Larger funds allows more funding to be allocated for ART projects	

If Waitakere City was to contribute some funding, the advice is that this be a reasonable rather than a token amount (i.e. no less than \$500,000). 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.

While the presentation from ART was persuasive it would be hard to justify allocating the entire funds to ART, given the high level of local arts needs and the importance of building local arts and cultural infrastructure.

One option is that the Subcommittee allocates \$500,000 to ART, but allocates the remainder locally, for arts projects of regional significance. This would mean making a significant contribution to an ongoing and sustainable regional arts fund that would undoubtedly have ongoing benefits for Waitakere City, while retaining the ability to allocate some funds in a way that has more direct local impact. It is a gesture of regional goodwill, may catalyse North Shore City to do the same and still leaves a significant amount of money to allocate locally.

The other option for the Subcommittee is to make a more hardnosed decision that given that Waitakere City is likely to benefit from Arts Regional Trust regardless, it will choose not to contribute any funding.

Allocating the entire Waitakere City portion to Arts Regional Trust is not recommended.

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 (i.e. allocating interest only and trying to build the fund into a larger amount) is not feasible as:

- \$1million (or less) 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:

- spend all of the funds in the short to medium term, for example via allocation rounds, or use all the funds available for one or two significant projects that would provide a major city wide and regional benefit;
- 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)	<ul style="list-style-type: none"> • opportunity to make significant contributions to major regional projects • ‘quality’ versus ‘quantity’ effect in terms of impact • no ongoing administration/allocation costs • provides a major and immediate boost to arts infrastructure for the City and the Region, i.e. meets needs more immediately • decisions made may have ongoing benefits depending on projects supported 	<ul style="list-style-type: none"> • unable to fund projects of regional significance in an ongoing way • funding decisions made on projects available or known now - future worthy projects excluded

Option	Pros	Cons
Spend over the medium to long term	<ul style="list-style-type: none">• 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• 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	<ul style="list-style-type: none">• likely to mean smaller amounts of funding provided with possibly lower impact

The amount of funds available is likely to guide whether allocation should be short or long term - i.e. if there is \$500,000 then allocation would be more short term, if more then possibly longer term. Some options for allocation are:

- develop a regional scholarships funding programme;
- standard allocation rounds that call for applications;
- choose one or two key projects to allocate the funds towards (for example Corban Estate, Lopdell House Arts Precinct);
- utilise the incubator concept to allocate the funds, similar to the Creative Solutions process;
- incorporate the priorities identified via the Arts and Culture Strategy to guide allocation decisions (i.e. focus on these priorities only);
- a mixture of the above.

Discussion of these issues by the Subcommittee and guidance on fund allocation is sought.

CONCLUSION

Decisions required, and issues and options surrounding the future use of the regional arts fund are presented. It is proposed that the Regional Arts and Culture Funding Allocation Subcommittee undertake a robust and thorough discussion of these issues, and make clear recommendations to Council on the future use of the funds.

RECOMMENDATIONS

1. That the information be received.
2. That the Regional Arts and Funding Allocation Subcommittee comes to a decision regarding the allocation of the remaining ARST funding and recommends to Council how it wishes to allocate these funds.

Report prepared by: Rachael Trotman, Strategic Leader and Naomi McCleary, Arts Project Manager.

