

TE MOTU O POUTOA CIVIC MARAE AND CULTURAL CENTRE – GOVERNANCE AND MANAGEMENT STRUCTURE OPTIONS

STATEMENT OF PROPOSAL

Te Motu o Poutoa Civic Marae and Cultural Centre is a joint project between Rangitāne o Manawātū and us, Palmerston North City Council. We are proposing to establish a governance and management structure for the new marae and cultural centre.

We are keen to get community feedback on the options for the future governance and management of this facility. Our preferred option is to establish a stand-alone Council-Controlled Organisation (CCO) charitable entity with governance by us and Rangitāne o Manawātū.

Note: This consultation is **not** about the merits of the project itself, or its location and funding. Those decisions were made as part of the adopted 2024-34 Long-Term Plan. The designs and exact location for the new Te Motu o Poutoa Civic Marae and Cultural Centre will be required to go through any identified Resource Management Act 1991 and Building Act 2004 processes in the future. This consultation is focused on the proposed governance structure for the new facility.

This Statement of Proposal can be found in the following locations:

- Palmerston North City Council website pncc.govt.nz/civicmarae
- Palmerston North City Council, Customer Service Centre, 32 The Square, Palmerston North
- Any Council Library – Central, Ashhurst, Awapuni, Roslyn, Linton and Te Pātikitiki

You can give your feedback between 17 March and 17 April 2025. See page 18 of this Statement of Proposal for more details on how to do this.

We expect to make the decision on the future governance and management of Te Motu o Poutoa Civic Marae and Cultural Centre in June 2025. Any new entity would be established later in 2025.

Introduction

We (Palmerston North City Council) own the reserve land that is the location of Te Motu o Poutoa, the City's most significant cultural site and of great significance to Rangitāne o Manawatū, tangata whenua of the Manawatū.

In the 2024-34 Long-Term Plan (LTP), we consulted on Te Motu o Poutoa Civic Marae and Cultural Centre as a joint project by us and Rangitāne. The project includes public facilities, visitor and education attractions. The project was approved, subject to raising some external funding, and included in the adopted LTP as a key project with a budget of \$14.9 million and a completion date of 2027. In addition, an upgrade to Cliff Road is associated with the project that has a budget of \$4.3 million.

We are consulting with our community from 17 March to 17 April 2025 to gather feedback on the future governance and management structure for Te Motu o Poutoa Civic Marae and Cultural Centre.

Our preferred option for the governance and management structure for Te Motu o Poutoa Civic Marae and Cultural Centre is a stand-alone Council Controlled Organisation (CCO) charitable entity with equal governance between Council and Rangitāne o Manawatū.

Do you agree? Let us know what you think.

Background – Te Motu o Poutoa Civic Marae and Cultural Centre Project

Te Motu o Poutoa – Anzac Park is the City's most significant cultural site. Te Motu o Poutoa is situated on the cliff tops above the Manawatu River in Summerhill, and is accessed by Cliff Road from the City, and by walkway past the Observatory in Summerhill. Historically it was the site of the principal Marae of Rangitāne o Manawatū. We have been working in partnership with Rangitāne o Manawatū over the past 3 years to develop a plan to restore the mana and identity of the site. The development will include a civic marae at the site with public facilities and visitor and education attractions.

Key goals of Rangitāne o Manawatū, supported by us, include:

- to ensure there is proper and appropriate management of Te Motu o Poutoa as a key site of cultural significance in Palmerston North,
- to uplift and enhance the mana of Rangitāne and the Council through working in partnership and collaboration.

Includes Inflation	2024/25	2025/26	2026/27	Total
Programme	\$'000s	\$'000s	\$'000s	\$'000s
2239 – Design and Consenting	685	532		1,217
1895 - Development Plan Implementation		6,404	7,266	13,670
2456 – Cliff Road Upgrade	500		3,809	4,309
TOTAL	1,185	6,936	11,075	19,195

Source: Palmerston North City Council 2024 – 34 Long Term Plan.

- The LTP funding assumptions are that we will contribute \$9.8M to the development of Te Motu o Poutoa – Anzac Park, Rangitāne o Manawatū would fund \$2M, with the remaining \$3M funded by external parties.

As part of the annual budget process, the Council is considering bringing forward funding for Programme 2456 - Cliff Road Upgrade to ensure that it better aligns with funding for this project.

A Programme Steering Group (PSG) was established in September 2024 - comprised of representatives of Rangitāne o Manawatū and the Council.

We need to decide what the governance and management arrangement for the new Te Motu o Poutoa Civic Marae and Cultural Centre will be. In order to assist elected members in making this decision, we are consulting on the four identified governance and management options.

Other issues that we will ultimately decide on are the designation of the land under the Reserves Act 1977, and the length and conditions of any lease that may be granted over the use of any land. These issues are not part of this consultation process. It is expected that we will make these decisions (including any required public process) after the governance of the project has been decided and any new entity (if that is the decision) has been established.

Factors that have been considered when identifying options for consultation

Significance and Engagement Policy - Strategic Asset

We have identified Te Motu o Poutoa as a Strategic Asset in the Significance and Engagement Policy 2024. As such there are particular requirements under the LGA¹ to consider when making decisions on governance and control of the asset.

In general, if we make a decision about a strategic asset, we will use a greater degree of engagement than we will for a non-strategic asset. This requirement is addressed by the proposed consultation using the special consultative process.

There are also requirements around any decision process that seeks to transfer ownership or control of a strategic asset unless it has first consulted with the community through an LTP consultation document. We are not intending to transfer the ownership or control of the Strategic Asset – being Te Motu o Poutoa, the Reserve. We intend to lease that area of the reserve occupied by the new Te Motu o Poutoa Civic Marae and Cultural Centre and the immediate Atea around it to a new CCO that is jointly governed between us and Rangitāne o Manawatū. The lease of reserve land is subject to the requirements of the Reserve Act 1977. The ultimate control of the reserve will remain with us (Palmerston North City Council), managed in partnership with Rangitāne o Manawatū through the principles within the Kawenata.

As such, the decision to consult on setting up a CCO is not a significant decision in the context of the LGA ((s79(1) and (2))) and does not require an amendment to the LTP.

Relationship with current Council Policies

We have a range of Council policies and adopted plans that influence decision making around recreation and cultural activities that involves Council funding and take place on Council reserves (or Council-owned land that is not designated as a reserve under the Reserves Act 1977).

We are required to assess whether any of the decisions being consulted on are significantly inconsistent with or are anticipated to have consequences that will be significantly inconsistent with, any policy adopted by the local authority or any plan².

Long-Term Plan

The Te Motu o Poutoa Civic Marae and Cultural Centre project was included in the adopted Long-Term Plan (LTP) with a budget of \$14.9 million and a completion date of 2027. There is a requirement of external funding of \$5 million to be funded by Rangitāne o Manawatū (\$2 million) and external grants (\$3 million). The need for a governance and management entity is clear in order to progress the approved project.

Kawenata

A key Council agreement is the adopted Kawenata which is a partnership agreement with Rangitāne o Manawatū. The Kawenata sets out:

- A binding contract between Rangitāne o Manawatū and Council
- Expectations and aspirations through collaborative partnerships and good faith behaviours
- A broad framework for co-management wherever possible
 - Specifically, co-management of Te Motu o Poutoa as the first step
 - Reflects the significant importance of Te Motu o Poutoa to Rangitāne o Manawatū, which we have acknowledged by listing as a significant asset

¹ LGA s79(1) and (2)

² LGA s80

- Reflects the principles and commitments of Te Tiriti o Waitangi
- Embeds the shared values and respect between Rangitāne o Manawatū and Council, and Council recognises the mana of Rangitāne o Manawatū.

The Te Motu o Poutoa Civic Marae and Cultural Centre project is the result of the stated aspirations of Rangitāne o Manawatū in the Kawenata. This includes telling the story of Rangitāne o Manawatū in the context and importance of Te Motu o Poutoa.

District Plan

The land of Te Motu o Poutoa is zoned as Conservation and Amenity under the Palmerston North Operative District Plan – Recreation section. There is also a cultural heritage designation that lists Te Motu o Poutoa. The facility (Te Motu o Poutoa Civic Marae and Cultural Centre) will need to gain consent under these District Plan rules and processes set by the Resource Management Act 1991.

Reserve Management Plans and policies

We have a small number of specific reserve management plans, development plans and masterplans that relate to specific recreation land. Te Motu o Poutoa is not covered by a specific plan. As the land is not currently designated under the Reserves Act 1977 there is currently no specific requirement for a reserve management plan.

The four options identified

We have been working with the Project Steering Group (PSG) on identifying the options for the future governance and management structure. Research was carried out on the governance structures and performance of similar and comparable facilities around New Zealand. This research concluded that a focused Council-owned separate entity is the best model for governance of these sort of facilities.

Given the status, history and location of the land, we will continue to own the land. Options that include the sale or lease of the land to the private sector are assessed as being impracticable or contrary to legislation, Council policies and commitments.

The options identified for consideration are:

1. Wholly owned and governed by Council – Part of the Council Parks and Reserves
2. Part of Te Manawa - Te Motu o Poutoa Subsidiary Charitable Entity of Te Manawa
3. Stand-alone Council-Controlled Organisation, and a Charitable Entity with equal governance between Council and Rangitāne o Manawātū **(Preferred Option)**
4. Rangitāne o Manawātū - Wholly owned and governed by Rangitāne o Manawātū

Summary Assessment and Scoring of Advantages, Disadvantages by Criteria and Weighted Total

Criteria	Weightings	Council Parks and Reserves - Wholly Owned and Governed by Council	Part of Te Manawa - Te Motu o Poutoa Subsidiary Charitable Entity of Te Manawa	Stand-alone CCO and a Charitable Entity with equal governance between Council and Rangitāne o Manawātū	Rangitāne o Manawātū - Wholly Owned and Governed by Rangitāne
Weighted adjusted scores					
Fully Reflects Kawenata	20%	8	8	20	8
Skill-Based Governance with Strong Commercial Skills	10%	4	8	8	6
Mission Clarity with Strong Public Alignment	10%	4	8	10	6
Clear Market Focus and Agility	7.5%	1.5	4.5	7.5	4.5
Entrepreneurial Management	10%	4	8	8	8
Low Net Operating Cost Impact	12.5%	7.5	12.5	10	2.5
Low Costs of Governance	5%	4	4	2	4
Low Capital Funding Impact	15%	6	9	15	6
Stability	10%	8	6	6	6
Total Weighted Score	100	47	68	86.5	51

We believe that a stand-alone Council-Controlled Organisation and a charitable entity with equal governance between us (Palmerston North City Council) and Rangitāne o Manawātū is the best option for Te Motu o Poutoa Civic Marae and Cultural Centre.

Do you agree? Let us know what you think.

Analysis of options

A preliminary report³ reviewed the most appropriate structural options for Te Motu o Poutoa Civic Marae and Cultural Centre. It recommended that the preferred governance and management structure for the proposed legal entity for Te Motu o Poutoa is a CCO that is a charitable entity. This followed the report on Strategic Options and Business Case development for Te Motu o Poutoa to Council⁴.

We have limited options for the governance and management structure as the assumption is that land will remain in Council ownership. Selling or leasing Te Motu o Poutoa Civic Marae and Cultural Centre to a commercial entity would not be possible without significant obstacles and lengthy processes that are unlikely to be successful. The reasons for this include:

³ Te Motu o Poutoa Structural Review – SGL April 2024.

⁴ Strategic Options and Business Case Development for Te Motu o Poutoa, SGL, 2023

- The land is identified as a Significant Asset under the LGA by Council. A fully consulted proposal as part of a Long-Term Plan process would be required to consider changing ownership or control of the site. Substantial community opposition to doing this would be highly likely.
- As the City's most significant cultural site, and of great significance to Rangitāne o Manawatū, there would be a very high level of opposition from the Council's treaty partner.
 - Contrary to our Council plans and the agreed Kawenata with Rangitāne o Manawatū
- The assumed external funding of the facility is most likely to be achieved due to the public ownership of the site and partnership with Rangitāne o Manawatū.

For these reasons it is not practicable to fully explore options around private sector ownership or leasing for the governance and management of the facility.

The practicable options being considered for the governance and management of the facility (not the ownership / control of the land) are:

- a) Council Parks and Reserves - Wholly owned and governed by Council,
- b) Part of Te Manawa - Te Motu o Poutoa Subsidiary Charitable Entity of Te Manawa,
- c) Stand-alone CCO, and a Charitable Entity – Governed by Council and Rangitāne o Manawatū,
- d) Rangitāne o Manawatū – Wholly-owned (the facility), governed and managed by Rangitāne.

The analysis of options concludes that a stand-alone CCO that is a charitable entity with equal governance between Council and Rangitāne o Manawatū was the preferred structure for governance and management. The partnership approach for this project is in keeping with the partnership and collaboration principles of the Kawenata with Rangitāne.

To give clear focus to the analysis, a range of criteria was developed against which each option was assessed. Nine criteria were selected to do this. This results in a transparent scoring of each option. To explain the basis of the assessment, and to meet the requirements of the LGA⁵, each option has an assessment of the advantages and disadvantages. The overall assessment of each criteria is then weighted by the importance of each criteria.

The criteria

The focus of the criteria is their impact on the fit with Council and Rangitāne o Manawatū, viability, long term operating costs, flexibility and affordability of the project. These are weighted as shown in the table below.

The weightings are an assessment on the importance of each criteria in meeting Council and Rangitāne o Manawatū aspirations and for the success of the project.

Criteria	Weighting
Fully Reflects Kawenata	20.0%
Low Capital Funding Impact	15.0%
Low Net Operating Cost Impact	12.5%
Skill-Based Governance with Strong Commercial Skills	10.0%
Mission Clarity with Strong Public Alignment	10.0%
Stability	10.0%
Entrepreneurial Management	10.0%
Clear Market Focus and Agility	7.5%
Low Costs of Governance	5.0%
	100.0%

⁵ LGA s77(1)(a) and (b)

Criteria are scored from a project perspective - for example Low Net Operating Impact is a low net operating impact to the project. The scores are Low 1 to High 5 i.e. the higher the score the more favourable each criterion.

Detailed Analysis – Advantages and disadvantages of the options

Option a) - Council Parks and Reserves – Wholly-owned and governed by Council

Criteria	Advantages	Disadvantages	Explanation	Score 1 – 5 (Unweighted)
Fully Reflects Kawenata	Limited but there is some input through the Rangitāne o Manawatū Committee – but its advice only.	Does not reflect Kawenata i.e., a single organisation governance option	Council would have sole governance and management say. Rangitāne o Manawatū would be limited to input through the Rangitāne o Manawatū Committee and the joint steering committee for the project development phase.	2
Skill-Based Governance with Strong Commercial Skills	Dependant on local elections for specific skills.	Minimal Council governance focus available given overall scope/demands of Councillors' role. Required skills may not be available. This is for senior Council management as well.	Decision makers are elected and could have required skills, but unlikely to be a majority of Committee allocated the task.	2
Mission Clarity with Strong Public Alignment	Council has a public service focus.	Facility governance likely to be distracted by the many issues that arise in Council.	Broader public purpose and outcomes is role of Council rather than a specific and sharp focus on the cultural, visitor attraction, public engagement, and environmental outcomes for this project	2
Clear Market Focus and Agility	None	This is not a focus for Council governance and management. Agility is very difficult within 3-yearly Long Term Plans and annual budget rounds.	Directly managed Council operations within a wider public portfolio of services with multiple objectives does not usually lend itself to clear market focus, nor agility given nature of required Council decision-making processes	1
Entrepreneurial Management	Limited	There is a low tolerance for risk within Councils built around a 'no-risk' approach within set budgets that do not allow for much discretionary spending.	Councils do not necessarily attract entrepreneurial managers. Lower tolerance for risk within Councils.	2
Low Net Operating Cost Impact	Council has scale and a public service attitude in setting budgets to best meet ongoing net operating costs.	Under sole Council ownership will probably attract less ongoing grant funding (+ lower entrepreneurial focus will probably lead to the need for a higher operating subsidy). There may also be additional overheads allocated for the elected Council, admin support services and layers of management.	Council has the scale of financial resources to provide reliable funding (once budgeted for) regardless of external funding and other revenue fluctuations. This is offset by probably attracting less ongoing grant funding (+ lower entrepreneurial focus will probably lead to the need for a higher operating subsidy) as Council is often ineligible for grants.	3

Low Costs of Governance	Governance structures and support services in place (but obviously noting no dedicated governance)	Overheads are charged that can be quite high, with little options to reduce them. Decisions can take a long time to go through the process.	While existing systems are in place there would be overhead charges.	4
Low Capital Funding Impact	Council can borrow at relatively low costs – however Council has little debt headroom at present.	Without genuine partnership (and shareholding able to be held by Rangitāne), no Rangitāne or RIF equity investment would be available. Other external grants will be difficult to attract as a core Council operation.	The current Regional Infrastructure Fund has a focus on iwi partnership and employment generation. There is little chance of this being successful solely by Council. This adds another \$3 million to Council costs.	2
Stability	Ongoing stability and scale of Council organisation is possible	Funding is reassessed at least every 3 years during the LTP process. 3 year elections can dramatically change the support at governance level for any activity – resulting in more uncertainty for facilities such as this one that is a new non-core activity.	Changing support at governance level is an increasing reality across many Councils as a result of elections. While Council has been relatively stable for multiple terms this is by no means a certainty.	4
Total Unweighted Score				22

Option b) - Part of Te Manawa - Te Motu o Poutoa Subsidiary Charitable Entity of Te Manawa

Criteria	Advantages	Disadvantages	Explanation	Score 1 – 5 (Unweighted)
Fully Reflects Kawenata	Limited benefits as the entity would be a subsidiary entity to Te Manawa. Would be a partnership, but reporting to another governance group.	Does not reflect the dual mana and direct mutual governance by Council and Rangitāne - with Te Motu o Poutoa potentially subject to Te Manawa direction	As a subsidiary governance group the partnership lacks the recognised mana agreed to in the Kawenata. Rangitāne o Manawatū may not engage fully.	2
Skill-Based Governance with Strong Commercial Skills	Under this option both Te Manawa and Rangitāne should still be able to appoint calibre governance	Possible risk the best quality governance remains focussed at a Te Manawa Board level and not on Te Motu o Poutoa level.	Independent governance Boards with high community standing / mana are required to attract the highest calibre governance. This is a step below this.	4
Mission Clarity with Strong Public Alignment	Te Manawa should have similar mission and public alignment outcomes	Full and specific clear focus for Te Motu o Poutoa may not necessarily occur	Te Manawa, as a public focused entity, would provide good clarity covering art, culture and heritage.	4
Clear Market Focus and Agility	Access to existing marketing channels and management focused on arts, culture and heritage.	Would be part of another organisation with its other focus areas and larger assets. Te Motu o Poutoa may struggle to be sufficient allocated resources and focus.	Te Motu o Poutoa may not have full flexibility to have the required market focus nor agility for its own success within Te Manawa's broader objectives and operation	3
Entrepreneurial Management	With a separate Te Motu o Poutoa subsidiary quality entrepreneurial management should still be able to be achieved.	Te Manawa appears to have had a mixed track record regarding entrepreneurial focus.	Te Manawa has existing quality entrepreneurial management that should be able to provide expertise to Te Motu o Poutoa.	4
Low Net Operating Cost Impact	Currently receives substantive annual subsidy funding from Council that could be increased to fund / support Te Motu o Poutoa. Some operating synergies should also be able to be achieved between Te Manawa and Te Motu o Poutoa, and Te Manawa-wide financial performance improvements may be able to minimise the net operating subsidy requirement for Te Motu o Poutoa by Council.	Council may not increase funding to cover the required net operating cost – putting the expanded Te Manawa entity under considerable pressure.	Given the projected relatively low operating subsidy support per visit Te Motu o Poutoa should retain operating funding support by Te Manawa and Council. This would put more pressure on Te Manawa to attract more funding through available grant funders.	5

Low Costs of Governance	CCO compliance costs already fundamentally addressed by Te Manawa	There may be some separate Board member compensation required for Te Motu o Poutoa.	Separate governance board already in place. The added responsibilities would likely see additional board members at the Te Motu o Poutoa level, and possibly increased remuneration at the Te Manawa level.	4
Low Capital Funding Impact	Could possibly tap into existing funding sources for Te Manawa	Rangitāne have not indicated their support for this option so may be less inclined to co-invest. If so the RIF grant / loan would be unlikely.	Rangitāne have not indicated their support for this option so may be less inclined to co-invest, putting at risk other possible grant funding.	3
Stability	Ongoing stability and scale of Te Manawa organisation	Funding and governance could be disrupted if Council decided to review the Te Manawa structure – with Te Motu o Poutoa caught up in wider reviews.	Te Manawa is a long running organisation that has relatively stable funding. Changes in local government structures or a shift in the support at governance level as a result of elections could lead to instability.	3
Total Unweighted Score				32

Option c) - Stand-alone CCO, and a Charitable Entity with equal governance Council and Rangitāne o Manawatū

Criteria	Advantages	Disadvantages	Explanation	Score 1 – 5 (Unweighted)
Fully Reflects Kawenata	Genuine governance reflecting the Kawenata	None	Genuine governance	5
Skill-Based Governance with Strong Commercial Skills	Focus on both primary partners appointing a skills-based Board	Likely to be a tendency to appoint a few senior governance representatives to the Board that may not have strong commercial skills.	Both primary partners can appoint a skills-based Board that also represents the partners. There is likely to be some appointments that are from the existing governance groups.	4
Mission Clarity with Strong Public Alignment	Focus on both primary partners appointing a skills-based Board	None	The governance Board and the management of Te Motu o Poutoa will be solely focused on the success of the facility.	5
Clear Market Focus and Agility	One clear focus that is not clouded by other activities. Small entity that will have the ability to be agile and make quick decisions.	Operating within the funding envelop available.	Dedicated entity enables clear market focus and ready agility (with no potentially distracting wider objectives) to adjust strategy to market conditions	5
Entrepreneurial Management	Dedicated entity able to put priority focus on the importance of entrepreneurial management.	Small entity will have limited resources to employ a wide range of skilled staff.	Additional funding / revenue going directly into the facility.	4
Low Net Operating Cost Impact	Entrepreneurial and sole organisational focus should optimise operational performance. Separate iwi-linked charitable entity is well placed to secure operating grant funding. Backstop of Council being a shareholder / project partner.	Limited staff resource to continually seek and apply for grants. Lack of access to wider financial and admin support	Smaller public entities can have lower internal overheads, but generally have to outsource more support services. The ability to find the time to apply for grant funding can be a challenge with limited staff.	4
Low Costs of Governance	None	Need to meet compliance (and any Board members') costs of a separate CCO	CCO's under the LGA have to meet reporting and auditing standards that many private entities do not. These result in costs that cannot be avoided.	2
Low Capital Funding Impact	Genuine partnership approach by Council and Rangitāne plus a charitable company enabling shared ownership by Council, Rangitāne o Manawatū, and Government (via Rangitāne) is the most favourable capital funding positioning.	None	Investment by Rangitāne o Manawatū, and access to government plus other grant funding, results in the most favourable option for the community to fund this facility.	5
Stability	Ongoing stability and scale of Council organisation structure, with support if required.	Succession planning is required for governance and management with a limited pool available in-house.	Good second or third generation governance and management calibre with the required skill-sets and entrepreneurial focus can sometimes diminish over time	3
Total Unweighted Score				37

Option d) – Wholly-owned (the facility), governed and managed by Rangitāne

Criteria	Advantages	Disadvantages	Explanation	Score 1 – 5 (Unweighted)
Fully Reflects Kawenata	Places Rangitāne o Manawatū in governance role	Does not reflect Kawenata i.e., a single organisation governance option	This would not be the partnership governance stated in the Kawenata and would not deliver a shared responsibility for the project.	2
Skill-Based Governance with Strong Commercial Skills	Rangitāne o Manawatū would be able to select who they want to be on the governance board.	Multiple Rangitāne demands on key personnel with the required experience and skill sets may mean challenges to achieve Board with required skill sets	Rangitāne o Manawatū is a small organisation with limited staff and governance resources This could result in the Board not being able to have the required skill sets.	3
Mission Clarity with Strong Public Alignment	Likely to be a governance with shared outcomes and cultural knowledge.	Governance focus could be more targeted at the outcomes wanted for Rangitāne o Manawatū, rather than public in general.	Wider Rangitāne objectives may shift project focus to have a higher cultural as opposed to visitor focus. A dual partner approach is potentially more conducive to achieving broad-based buy-in	3
Clear Market Focus and Agility	Single partner allows for agile and responsive decision making.	More emphasis on cultural outcomes and processes rather than the visitor and museum attraction market and changing visitor demand.	With a single partner requires ongoing disciplined market focus - could be potential to place greater emphasis on wider cultural objectives.	3
Entrepreneurial Management	Focus on achieving quality entrepreneurial management should be able to be achieved.	Lack of resources in Rangitāne o Manawatū will likely limit the operational budgets available to employ sufficient staff to allow for a wider range of skills with time to develop entrepreneurial plans.	The Board could employ the appropriate entrepreneurial management. This may be limited by budget constraints in the time available to focus on these skills.	4
Low Net Operating Cost Impact	None	Lack of resources in Rangitāne o Manawatū would restrict the ability to fund ongoing operating subsidies that are projected. The project is unlikely to be viable on a strictly commercial basis.	Without Council as partner requires Rangitāne to fully underwrite net operating cost of the project which may then not make the project sustainable, as current operating projections show the requirement for some ongoing operating subsidy.	1
Low Costs of Governance	No CCO compliance costs	Some Board member compensation and additional reporting costs may be required	As a stand alone entity outside of Council processes there are no CCO compliance costs. Board compensation costs would fall onto the entity itself.	4
Low Capital Funding Impact	Some grant sources open that Council governance would preclude.	Likely reduced Council capital funding under this option as no direct involvement as a partner. Likely to result in project being not viable.	Without the capital input from Council the project would be reliant on investment from Rangitāne and the government. Commercial loan costs would increase operating deficits.	2
Stability	Rangitāne are a long term entity that are not going to leave.	Succession planning is required for governance and management with a limited pool available in-house	Good governance and management calibre with the required skill-sets and entrepreneurial focus can sometimes diminish over time.	3
Total Unweighted Score				25

Summary of unweighted scoring

Criteria	Council Parks and Reserves - Wholly Owned and Governed by PNCC	Part of Te Manawa - Te Motu o Poutoa Subsidiary Charitable Entity of Te Manawa	Stand- Alone CCO, and a Charitable Entity with equal Governance Council and Rangitāne o Manawatū	Rangitāne o Manawatū - Wholly Owned and Governed by Rangitāne
Fully Reflects Kawenata	2	2	5	2
Skill-Based Governance with Strong Commercial Skills	2	4	4	3
Mission Clarity with Strong Public Alignment	2	4	5	3
Clear Market Focus and Agility	1	3	5	3
Entrepreneurial Management	2	4	4	4
Low Net Operating Cost Impact	3	5	4	1
Low Costs of Governance	4	4	2	4
Low Capital Funding Impact	2	3	5	2
Stability	4	3	3	3
Total Unweighted Score	22	32	37	25

Summary assessment and scoring of advantages, disadvantages by criteria and weighted total

Criteria	Weightings	Council Parks and Reserves - Wholly Owned and Governed by PNCC	Part of Te Manawa - Te Motu o Poutoa Subsidiary Charitable Entity of Te Manawa	Stand- Alone CCO, and a Charitable Entity with equal Governance Council and Rangitāne o Manawatū	Rangitāne o Manawatū - Wholly Owned and Governed by Rangitāne
		Weighted adjusted scores			
Fully Reflects Kawenata	20%	8	8	20	8
Skill-Based Governance with Strong Commercial Skills	10%	4	8	8	6
Mission Clarity with Strong Public Alignment	10%	4	8	10	6
Clear Market Focus and Agility	7.5%	1.5	4.5	7.5	4.5
Entrepreneurial Management	10%	4	8	8	8
Low Net Operating Cost Impact	12.5%	7.5	12.5	10	2.5
Low Costs of Governance	5%	4	4	2	4
Low Capital Funding Impact	15%	6	9	15	6
Stability	10%	8	6	6	6
Total Weighted Score	100	47	68	86.5	51

Council Community Organisations (CCOs) explained

We provide some of our services and facilities through CCOs. These organisations are run by independent boards that manage our Council facilities or deliver specific services and developments on behalf of residents.

CCOs are established under the Local Government Act 2002 and Council is required to:

- appoint members of the CCO's governing body in keeping with the local authority's policy for such appointments.
- consider and comment on the CCO's draft statement of intent.
- describe the significant policies and objectives for the CCO in its long-term plans and annual plans.
- regularly monitor the performance of the CCO to evaluate its contribution to the local authority's objectives for the CCO and the local authority's overall aims and outcomes.

CCOs must prepare an annual statement of intent, a half-yearly report, and an annual report, and are subject to the Local Government Official Information and Meetings Act 1987, ensuring that decisions are publicly available and accountable. CCOs are also required to show a sense of social and environmental responsibility by having regard to the interests of the community in which they operate and endeavouring to accommodate or encourage those interests when able to do so.

Council controls at least 50 percent of the CCO's voting rights or has the right to appoint at least 50 percent of its directors or trustees. CCOs bring business and community expertise that Council may not be able to access easily. They can also attract funding from sources other than ratepayers.

Each year (or in some cases every three years) the Council works with the CCO Boards to develop Statements of Intent. These set out the services each CCO will provide, along with appropriate performance measures. Council then provides funding so the Boards can implement their Statements of Intent.

- Central Economic Development Agency (CEDA) – (This is a joint CCO with the Manawatu District Council).
- Globe Theatre Trust Board
- Te Manawa Museums Trust
- The Regent Theatre Trust.

Council also has one Council Controlled Trading Organisation: Palmerston North Airport Ltd (PNAL). A Council Controlled Trading Organisation is a CCO that operates with the intention of making a profit.

Consultation process

You can view and grab a copy of this Statement of Proposal at the following locations:

- Our website at www.pncc.govt.nz/civicmarae
- Our Customer Service Centre at 32 The Square, Palmerston North
- Any of our libraries – Central, Ashhurst, Awapuni, Roslyn, Linton and Te Pātikitiki

Anyone can make a submission. To get your submission to us, either:

- Fill in the online submission form at pncc.govt.nz/civicmarae
- Mail to: Governance and management arrangement for the Te Motu o Poutoa Civic Marae and Cultural Centre Submissions, Governance Manager, Palmerston North City Council, Private Bag 11034, Palmerston North 4442
- Deliver to: Palmerston North City Council Customer Service Centre, 32 The Square, Palmerston North, (please label clearly as a Governance and management arrangement for the Te Motu o Poutoa Civic Marae and Cultural Centre Submission)
- Email to: submission@pncc.govt.nz (put Te Motu o Poutoa Civic Marae and Cultural Centre in the subject line)

Submissions close at 4pm, 17 April 2025.

All submissions may be made publicly available on our website and at our Customer Service Centre, and some of our libraries. Your contact details (but not your name) are confidential and will not be published. Elected members receive all submissions without contact details so they can consider the views and comments expressed.

We collect your contact information so we can keep you up to date with the proposal. For more information, see our privacy statement at pncc.govt.nz/privacy.

Hearing of submissions

If you'd like to speak to elected members in-person or via Microsoft Teams, please indicate on your submission form whether you wish to do this.

Speaking slots will be 10 minutes, including time for questions from elected members. The hearing is open to the public and will be on 30 April and 1 May 2025, at the Palmerston North City Council Chamber, First Floor, Civic Administration Building, Te Marae o Hine, 32 The Square, Palmerston North.

Deliberations

Elected members will consider all submissions, written and verbal, during public deliberations. More details about this will be published on our website.