

Grant O'Donnell
Chair
Caccia Birch Trust

19/12/2019

Dear Grant,

Statement of Expectation for Caccia Birch Trust
1st July 2020 – 30th June 2023

The Council values the important contribution Caccia Birch Trust is making to Council's vision of a city with Small City Benefits, Big City Ambition.

This Statement of Expectation provides direction to assist the Board in preparing its Statement of Intent for the three years 2020-2023. It also clarifies Council's expectations on how Caccia Birch Trust and Council can work together for maximum community benefit.

1. Strategic Direction

As one of Palmerston North's most significant heritage buildings you have an important role to play in helping Council reach its goals to achieving our vision:

- Goal 1: An innovative and growing city
- Goal 2: A creative and exciting city
- Goal 3: A connected and safe community
- Goal 4: An eco-city
- Goal 5: A Driven and enabling Council

These five goals are supported by five Strategies with a number of plans for each one. The Culture and Heritage Plan has been developed by Council to help us achieve Goal 2:

"To celebrate the city's history and diversity, and build on the strength of being a city of many cultures and languages."

Specific Actions from the Culture and Heritage Plan to which Council believes Caccia Birch Trust could be making a contribution are:

- Make use of, and invest in, Heritage Buildings to provide Council and community facilities.
- Investigate opportunities to develop and add value to Council heritage buildings and sites.
- Provide facilities to enable the ongoing collection of, and access to, local history.

Council is also interested in how Caccia Birch Trust is aligning its activities in general to Council's overall vision, goals and strategies.

2. Purpose

Council expects Caccia Birch Trust to:

- Maintain and enhance the heritage focus of the building and gardens,
- Be a viable commercial venue.

Council has reviewed the purpose statement in the Caccia Birch Trust's constitution and believes the constitution needs to be updated to include more of an emphasis on commercial viability. The existing purpose statement is:

"The objectives of the Trust are as follows:

- *To develop, promote, enhance and maintain the land and buildings described in the schedule hereto known as Caccia Birch House, in recognition of the Heritage status of the building, so that it may be utilised and enjoyed by the community.*
- *To commence, carry on, promote, undertake and encourage all such projects, fundraising campaigns, garden parties, fairs, lotteries, plans, clubs, organisations, matters or things of any other kind whatsoever that the Trustees may decide as necessary or desirable for the purpose of achieving or promoting any of the objects or purposes herein specified.*
- *To undertake, promote, support and encourage other charitable works within New Zealand as the Trustees shall from time to time approve.*
- *To complete and keep a good and true record of all donors and donations to the Trust Fund.*
- *To adopt such means of making known the activities and objects of the Board and facilities, displays, exhibitions, concerts and courses of tuition under its sponsorship as may seem expedient, and in particular by advertising in the press, by circulars, by publication of books, periodicals and pamphlets or any other form of literature or materials for the promotions of the Board's objects."*

3. Accountability, monitoring and transparency

The Caccia Birch Trust Board is statutorily required to meet its obligations under Part 5 and Schedule 8 of the Local Government Act 2002, Amendment Act 2019 (LGA) including achieving the objectives of the Council, be a good employer, and exhibit a sense of social and environmental responsibility. The Act was amended with changes applicable from October 2019.

The public expects a high standard of accountability and transparency from Council and Council organisations. It is important to the Council that the people of Palmerston North know that they can attend at least one public board meeting each year, even if the majority will not choose to do so. The Council sees Caccia Birch Trust's AGM as the ideal opportunity to do this and encourage Caccia Birch Trust to actively promote this to the public.

4. Development of the Statement of Intent

In the development of Caccia Birch Trust's SOI, we expect that you will:

- use the SOI template provided by Council officers to produce a tightly written document that includes all the core components required as per the LGA;
- 4-6 high-quality performance measures with officers which demonstrate Caccia Birch Trust's performance against key activities that contribute to Council's strategic outcomes;

Additionally, Council would like an indication of how you intend to address the following issues:

- good governance practices,
- financial sustainability,
- environmental sustainability,

The LGA 2019 amendment enables Council to request additional plans. Council would like to see the following developed:

- A Business Plan to achieve your objectives that addresses:
 - stakeholder relationships, partnerships and collaboration,
 - marketing and promotion,
 - organisational structure.
- A high level 10 year plan to feed into Council's Long term Plan which is being developed during 2019/2020:
 - aspirational growth
 - Operating budgets
 - Capital budgets – for new items as well as maintenance).

The Business and 10 Year Plans could be either attached to the SOI or you could attach an outline of how and when such a plan, or components of the plan, would be prepared. Council recognises that these may be new documents and encourage you to work with officers to ensure you get the support and information you need.

Council would also like to see the Board actively explore and report on commercial models (such as the shared risk/reward model that The Globe have initiated in some of their music programming) that might attract hirers who otherwise would not use the venue because of the cost but whose offering might enable the venue to expand into new audience areas or explore commercial opportunities.

5. Timeline of the next SOI

We expect Caccia Birch Trust to submit the first draft SOI 2019–2022 to Council by 1st March 2020 to comply with the LGA. However, due to the compressed timeframe it is acknowledged

that this may be a first draft only that is polished during March, possibly as a result of Officers seeking clarification. The timeline is:

By 20 Dec 2019	Statement of Expectation letters sent to the CCOs.
By 30 Jan 2019	Officers will meet with each CCO to discuss the expectations of Council for the SOIs, ensure understanding of what Council wants included, agree on a timeline for the additional plans and develop the non-financial performance measures.
On or before the 1st March 2020	Draft SOI delivered to Council by CCOs.
March and April - by the 1 st May 2020.	Officers give feedback to CCOs seeking clarification and suggesting amendments if required, <ul style="list-style-type: none"> • Draft SOIs presented to Arts, Culture and Heritage Committee of Council by, at the latest, 10th June 2020. • Officers meet with CCOs to discuss any comments and requested revisions to the Draft SOI.
By 30 June 2020	Final Statement of Intent delivered to Council

6. Council contacts

The following Council contacts are provided to ensure a timely response can be provided to the Board and/or Management.

Joann Ransom, Community Development Manager.
Joann.Ransom@pncc.govt.nz 021 828 234

Yours Sincerely,

Grant Smith
Mayor

Appendix 1 Responsibilities

The Council expects that Caccia Birch will:

- Achieve the objectives as determined through the Caccia Birch Trust Deed and annual Statement of Intent;
- Align its strategy, business plan and activities to reflect the vision, goals and strategic objectives of the Council;
- Work in collaboration with other CCOs to implement the Council's Strategy;
- Strive to engage with and respond to the needs of customers and the wider public;
- Be sensitive to the demand for accountability and transparency required by its status as a public entity;
- Avoid duplication, ensure efficient allocation of public resources, and seek opportunities to collaborate with Council and other cultural CCOs;
- Employ prudent financial management as a basis for decision-making;
- Retain good visibility over operational decision-making and manage risks in a proactive manner;
- Provide clear and transparent information to Council and the public.

The responsibilities of Council are to:

- Fund and enhance the cultural Council Controlled Organisations to help make Palmerston North a creative and exciting city, and an arts powerhouse;
- Support CCOs to achieve the objectives of this plan and wider Council strategy;
- Provide clear direction to Caccia Birch to inform their strategic and operational planning;
- Appoint members of Caccia Birch Trust in keeping with the Council's Appointment of Directors & Trustees Policy;
- Receive and approve the draft and final Statement of Intent;
- Monitor Caccia Birch's performance as informed through the presentation of six monthly and annual reports;
- Build and maintain a relationship of mutual respect and trust with;
- Respect that some information shared by Caccia Birch may be commercially sensitive;
- Communicate in a positive manner about Caccia Birch's successes.

Appendix 2 Working together

One of the Council's priorities is to establish and manage an effective working relationship based on mutual respect and trust with its CCOs. This means more than regular reporting – it means two-way dialogue and working together to achieve shared outcomes.

To achieve these aims, the Council has the following expectations:

- Caccia Birch will work in a collaborative manner with Council to ensure Caccia Birch's policies and decisions represent the best interest of the Council and ultimately the ratepayers;
- There is to be ongoing engagement between Caccia Birch and Council, both at a governance and operational level, to ensure that all parties are well-informed of each other's mandate and priorities. This may include engagement between Elected Members and the Trust, and between senior managers in both organisations;
- The Board is the most important monitor of Caccia Birch's performance. The Council expects the Board to advise Council regularly of its performance, implications for future performance, and risks and opportunities faced by the organisation;
- Caccia Birch will adhere to a "no surprises" approach to communication;
- Caccia Birch will participate in relevant network meetings including, but not limited to, the CCO bi-monthly meeting.

A "no surprises" approach is an expectation that Council will be fully informed on all matters that are likely to attract significant public interest, or which may require a Council response. Equally, you will be notified of any Council actions or announcements that may affect Caccia Birch before any public announcement is made. This no surprises approach applies to both parties.