

19/12/2019

David Lea
Chair
The Regent Theatre Trust

Dear David,

Statement of Expectation for The Regent Theatre Trust
1st July 2020 – 30th June 2023

The Council values the important contribution The Regent Theatre 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 The Regent Theatre Trust and Council can work together for maximum community benefit.

1. Strategic Direction

As Palmerston North's premier theatre venue 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 Arts Plan has been developed by Council to help us achieve Goal 2:

"To develop the City into an arts powerhouse with a national reputation for creativity and the arts."

Specific Actions from the Arts Plan to which Council believes The Regent Theatre Trust could be making a contribution are:

- Support, profile and celebrate opportunities for young people to create and present their own creative experiences.
- Create and foster existing and new pathways that nurture new, developing and emerging artists and art forms and promote opportunities for people to participate in arts and cultural experiences in Palmerston North.

- Encourage and foster experimentation and arts activities that cross boundaries, increase cultural diversity, and make the arts more visible throughout the city area (Toi Māori, Pacific, Asian, people with disability, LGBTQI, and other cultural and community groups).
- Facilitate a coordinated approach to management and marketing of arts events.
- Facilitate the development of creative talent by promoting co-operation, collaboration, sharing of ideas, networks, and mentorship of others.
- Provide a platform(s) to advertise or make more visible arts events and activities in the city.

The Regent Theatre Trust also has a contribution to make to the Culture and Heritage Plan; specific Actions 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.

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

2. Purpose

Council expects The Regent Theatre Trust to:

- Be Palmerston's premier theatre attracting regional and national audiences to visit Palmerston North;
- Host a good quality range of events attracting diverse audiences;
- Deliver an increase in audience size and performance nights;
- Protect and futureproof this heritage building.

Council has reviewed the purpose statement in the The Regent Theatre Trust's constitution and believes the constitution needs to be updated. The existing purpose statement is:

"The purposes of the Trust are as follows:

To control, develop, promote, enhance and maintain The Regent Theatre so that it may be utilised and enjoyed by the inhabitants of the Manawatū area including:

- Securing the future of the Regent Theatre,*
- Preparing in consultation with Council a three year Strategic Plan and an Annual Plan for attaining the purposes."*

We look forward to agreeing with The Regent the revised purpose.

3. Accountability, monitoring and transparency

The Regent Theatre Trust 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 The Regent Theatre Trust's AGM as the ideal opportunity to do this and encourage The Regent Theatre Trust to actively promote this to the public.

4. Development of the Statement of Intent

In the development of The Regent Theatre 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 The Regent Theatre 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,

Council expects the Regent Theatre Trust Board to address its employee cost liabilities in its Statement of Financial Position to ensure that this liability reduces over the next three years.

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.
- to actively explore collaboration on a one-stop front of house booking operation that enables getting bookings in the right City venue for the event.
- actively explore bringing ticketing functions under one umbrella for city venues.
- identify your regionally/nationally significant events based on current delivery and explore what a stretch target for that would look like, and
- work with Palmerston North City Council and other agencies to develop Economic Impact reporting for those events, as used in the Significant Events report that CEDA has previously presented to the Economic Development Committee.

5. Timeline of the next SOI

We expect The Regent Theatre 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

Yours Sincerely,

Grant Smith
Mayor

Appendix 1 Responsibilities

The Council expects that The Regent will:

- Achieve the objectives as determined through the Regent Theatre 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 the Regent to inform their strategic and operational planning;
- Appoint members of the Regent Theatre Trust in keeping with the Council's Appointment of Directors & Trustees Policy;
- Receive and approve the draft and final Statement of Intent;
- Monitor the Regent'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 the Regent may be commercially sensitive;
- Communicate in a positive manner about the Regent'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:

- The Regent will work in a collaborative manner with Council to ensure The Regent's policies and decisions represent the best interest of the Council and ultimately the ratepayers;
- There is to be ongoing engagement between The Regent 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 The Regent'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;
- The Regent will adhere to a "no surprises" approach to communication;
- The Regent will participate in relevant network meetings including but not limited to the Arts Powerhouse Advisory Group and 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 the Regent before any public announcement is made. This no surprises approach applies to both parties.