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## **REPORT BACK ON TE PAPA AGREEMENT**

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### **1. Purpose of report**

During the final deliberations on the 2012-22 Long-Term Plan, it was agreed that there would be a report back to the Strategy and Policy Committee on contract negotiations with Te Papa.

### **2. Executive summary**

Officers have completed negotiations with Te Papa on a new funding agreement. The agreement marks the beginning of a new stage in the relationship by instigating new ways of working together to improve the delivery of economic, social and cultural benefits to the City of Wellington, and by demonstrating the successes from this relationship.

The agreement includes a requirement for an annual 'forward plan' which outlines the use of Council's funding. The plan for the 2012/13 financial year has also been agreed.

A presentation on the key aspects of these documents will be made by officers and representatives from Te Papa at the pre-meeting session for this paper. Te Papa will also present its report for the first 6 months of the 2012/13 year.

### **3. Recommendations**

Officers recommend that the Strategy & Policy Committee:

- 1. Receive the information.*
- 2. Note that the new agreement with Te Papa has been finalised and that the 2012/13 Forward Plan has been agreed.*

### **4. Background**

During the final deliberations on the 2012-22 Long-Term Plan, the following amendment was passed:

- 2. Agree that the Draft Long-Term Plan is amended as follows for recommendation to Council as follows:*

- (a) *Te Papa*
  - (i) *Agree to fund Te Papa to the level of \$2.25 million per annum in the 2012-22 Long-Term Plan*
  - (ii) *Delegate to the Chief Executive the authority to finalise the contract for service agreement with Te Papa which should include:*
    - (a) *Clear accountability arrangements including 6-monthly reports*
    - (b) *A requirement that Te Papa submit a forward plan for its use of Council's funding, to be submitted in March each year. This will be reviewed by officers and agreement reached before it is enacted from July that year.*
    - (c) *agree that the contract be reviewed in the 2015-25 long-term plan ie it is a three year contract*
  - (iii) *Agree to report back to the Strategy and Policy Committee on contract negotiations with Te Papa.*

A new funding agreement and the 2012/13 Forward Plan have been developed to meet these requirements. The agreement was signed by the chief executives of both organisations on 12 December 2012. The forward plan details Te Papa's programme of activities, the benefits to Wellington City, and how these align with Council's priorities and strategic documents.

## **5. Discussion**

### **5.1 Key components of the new relationship:**

Wellington City Council and Te Papa have shared a partnership since July 1996 when Wellington City Council became a *Founding Partner* of Te Papa for a period of four years. That agreement expired on 30 June 2000 and subsequent to that, the parties continued the relationship and entered into an agreement each year, which outlined the objectives and deliverables of the partnership.

As a result of the Council's process to develop its 2012-22 Long-Term Plan, it was agreed that the relationship would be re-established on a new footing. It was to recognise that the Council had developed a new set of strategic priorities and consequently, the deliverables of the new agreement should clearly align with, and deliver to, those priorities.

To give effect to this, the agreement would include a requirement for Te Papa and the Council to agree an annual forward plan that would outline Te Papa's use of Council funding. It was also agreed that a clear reporting regime would be established to monitor progress against the plan and the achievement of the objectives within the agreement. This includes 6-monthly reports and a set of annual performance measures.

The agreement itself is to be reviewed every three years.

### **5.2 The negotiation process:**

The negotiation process was undertaken with both parties demonstrating goodwill and a willing desire to achieve the outcomes sought by Council.

A wide range of Council business units were consulted during the negotiation process, as were Positively Wellington Tourism and Grow Wellington.

Legal advice was sought on the agreement by both parties and recommended changes made as a result. The Council's Arts & Culture Portfolio Leader was also kept informed throughout the negotiations and the Mayor briefed on the final agreement.

### **5.3 Key changes to the relationship:**

Council's working relationship with Te Papa has been re-established on a new footing. Te Papa's understanding of Council's strategic priorities, and what it seeks from the relationship, has increased greatly. Consequently, Te Papa has willingly agreed to deliverables in the agreement and the 2012/13 Forward Plan that are more clearly aligned to those priorities.

Two key examples of this alignment relate to Te Papa's events activity and its international activity. In terms of events and exhibitions, Te Papa is clear about how its exhibitions and events programme can contribute to Council's economic and cultural priorities. It has been agreed that, through regular meetings between officers, Te Papa will keep the Council informed of opportunities and its plans in relation to events and exhibitions. Te Papa will also be an active participant in the Wellington Events Forum. The above will enable Council to identify those opportunities that align most closely with its strategic priorities, and discuss how they can be leveraged in partnership with Te Papa, and by the City more widely.

Council's partnership with Te Papa also provides international opportunities to leverage Wellington's cultural identity for economic, social and cultural benefit to both Wellington and Te Papa. Through Te Papa's international programme, it showcases Wellington as New Zealand's capital city and home to innovative and creative enterprises. Both parties have agreed to work more closely to maximise the opportunities and mutual benefits that can be delivered through each other's international activities.

The above approaches will ensure that key objectives, aligned with Council's Smart Capital vision, are achieved through the partnership including the retention and attraction of visitors, investment, businesses and talent to Wellington.

It is noted that many of the benefits included in the previous funding agreement have been carried over into this agreement. This includes;

- a comprehensive range of branding opportunities for the Council,
- complimentary venue hires for use by Council or community organisations,
- a requirement for Te Papa to ensure its services and activities are accessible to diverse communities, including those with physical and other impairments
- Wellington City Ratepayers and Residents being offered on one day annually, a complimentary pass to a short-term exhibition that carries an admission charge, and,
- a commitment from Te Papa to work co-operatively with Positively Wellington Tourism and other Wellington City attractions, both to encourage visitors to seek out Wellington's key attractions, and to share resources or profile.

#### **5.4 Consultation and Engagement**

Extensive consultation with Council business units and relevant Council Controlled Organisations was undertaken during the negotiations with Te Papa.

#### **5.5 Financial considerations**

The financial implications of the funding agreement match the provisions made in the Council's 2012-22 Long-Term Plan.

#### **5.3 Climate change impacts and considerations**

There are no known climate change impacts from this agreement.

#### **5.4 Long-term plan considerations**

The agreement is consistent with the resolutions made during the adoption of the Council's 2012-22 Long-Term Plan.

## **6. Conclusion**

Negotiations with Te Papa on a new funding agreement have been completed. The process has resulted in Te Papa having a new and deeper understanding of Council's strategic priorities and how it can contribute to these as a highly valued and critical part of the cultural capital infrastructure of Wellington.

The new funding agreement and accompanying forward plan clearly outlines how this contribution will be made. Progress against the provisions and performance measures will be regularly reported back to Council.

Taken as a whole, the new arrangements will result in greater alignment of Council's investment in Te Papa with its strategic priorities and clearer accountability around the deliverables within the agreement and forward plan.

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## SUPPORTING INFORMATION

### 1) Strategic fit / Strategic outcome

The agreement supports Council's overall vision of Wellington Towards 2040: Smart Capital.

### 2) LTP/Annual Plan reference and long term financial impact

This agreement gives effect to decisions made during the 2012-22 Long-Term Plan.

### 3) Treaty of Waitangi considerations

No Treaty of Waitangi implications have been identified in relation to this paper.

### 4) Decision-making

This agreement gives effect to decisions made by Council during the long-term planning process.

### 5) Consultation

#### a) General consultation

Funding for Te Papa was consulted on by Council during the long-term planning process.

#### b) Consultation with Māori

No additional consultation was undertaken with Māori.

### 6) Legal implications

Legal advice was sought and followed in the development of the agreement.

### 7) Consistency with existing policy

The agreement is consistent with relevant Council policies.