

Arts, Culture and Heritage Activity Plan

Enriching the heart of our city through preserving and sharing the narratives of our people, land and culture.

Preface

Introduction/Summary

Every three years, the Invercargill City Council sets out its strategic direction and priorities for the next 10 years in Council's Long Term Plan. This involves a planning process of reviewing all our assets and activities and determining how best to use and provide for them to meet our vision, goals and objectives for Invercargill city.

Our activity plans are one of the building blocks of that process. Activity plans set out what we are planning for the activities that Council provides – what we'll do and why, how we'll resource what we plan to do, and how we plan to fund it.

The Arts, Culture and Heritage Activity Plan covers one of 12 activities addressed in the Invercargill City Council Long Term Plan (LTP). This plan is, therefore, strongly linked to the overall strategic direction for the District. The LTP is the document and process that alerts the Community to the key issues and strategies contained in this document.

The purpose of this Plan is to outline and to summarise in one place, the Council's strategic approach for the delivery of the Arts, Culture and Heritage Activity.

The AMP demonstrates responsible management of the function on behalf of ratepayers and stakeholders and assists with the achievement of community outcomes and statutory compliance. The AMP combines management, financial, and technical practices to ensure that the level of service required by the law and expected by the Community is provided in the most operationally effective and sustainable manner.

This AMP is based on existing levels of service, currently available information, and the existing knowledge / judgement of the Council staff.

1. What we deliver

What the activity is

Through our Arts, Culture and Heritage activity, we support the preservation of our cultural assets for our community now and into the future. Through these objects and their stories we are able to connect the story of our past, showcase the present and plan for the future through education, engagement and experiences.

Activity Overview

Council's involvement with Arts, Culture and Heritage is primarily focused on Invercargill City yet also extends in to the Southland region. This role encompasses funding, governance representation, management and support of entities providing arts, culture and heritage activities and direct delivery of services through He Waka Tuia. Through this participation, we seek to ensure the long-term preservation of, and public access to, Invercargill's arts, heritage and culture.

We are involved with:

- The Southland Museum and Art Gallery (SMAG) Trust
- Invercargill Public Art Gallery (IPAG) Trust
- He Waka Tuia, a transitional art gallery and museum space, which is a joint initiative between IPAG and SMAG
- Bluff Maritime Museum Trust
- Southland Regional Heritage Committee.

Why we are involved in this activity

The provision of public Arts, Culture and Heritage spaces and supporting cultural activity is important for the health and well-being of the Community. An authentic and dynamic expression of culture enriches society and contributes to the wellbeing of individuals, families and communities. Sharing the stories of our past and our present provides a means through which we can gain a collective understanding of the fullness and richness of who we are and where we have come from. It's about building identity. In providing spaces in which we can share those stories, it's also about community connection and social engagement. In these ways, Arts Culture & Heritage activities offer the potential to foster the wellbeing of a society as we live side by side and as we seek to navigate our future.

Invercargill City Council provides/funds the Arts, Culture and Heritage spaces and activity because it is unlikely that any private organisation would be able to provide such facilities for Community access.

The primary goal of the Arts, Culture and Heritage Activity is to support Arts, Culture and Heritage events, exhibitions, festivals and venues. It is the combination of these activities that help tell our story, by firstly reflecting, sharing and learning about Invercargill's rich history of Māori and Pakeha settlement. We also engage with the present society and help to shape our sense of place and identity for current and future generations. Such activities contribute to the health and wellbeing of the community, celebrate diversity, creativity and ideas which collectively increase our personal understanding and identity of culture; as well as our shared history, science of ourselves and each other.

Through this activity we see the potential to foster:

- Cultural wellbeing – through the preservation and reflection of past and present (narratives, artefacts, stories of people and place)
- Social wellbeing – through community building opportunities of connecting and engaging with one another as we share our stories, building a sense of belonging.
- Economic wellbeing – through the potential for our unique stories to attract others from outside our city and our region, and to grow visitation and exposure to creativity and innovation within our community
- Environmental wellbeing – through building and maintain a sense of place and identity.

The outcomes we seek from this activity have two distinct foci - the people who live and work in Invercargill and Southland, and visitors – from around New Zealand and internationally.

For our local community

Protecting, preserving and presenting the stories of Invercargill and Southland will continue to celebrate our identity and pride in who we are as a people, as a place and as a culture. Having spaces where Southland as a community can remember, commemorate and celebrate events and people, promote the understanding of how our past has shaped our present and provides inspiration to embrace the future.

Through ensuring there are places in which our stories can be told, we are also promoting access to community spaces; social places that allow people to gather, to connect and to engage.

Discovering our stories and ways to tell them provides opportunities to strengthen our engagement with our tangata whenua, and recognise tangata whenua as our partners.

Supporting places of interest within our city, especially spaces that draw people into the city centre and contributes to the vitality of the CBD.

Outside of our local community

The people, culture and stories of Invercargill - past and present - are unique. That distinction offers the opportunity to leverage regional, domestic and international tourism activity and contribute to the economic growth of the city.

Community outcomes

Table 1
Community Outcomes

Community Outcomes	Council's Role in Achieving	How the Activity Contributes
Enhance our City	New residents feel welcomed and embraced by Invercargill's culture	Securing the ongoing viability and sustainability of entities that provide access to Arts, Culture and Heritage activities, reflecting the city and region. Providing facilities that draw people, thereby contributing to the vitality of the CBD, city, and surrounds. Cultural activity via programmes, exhibitions and events that promote the stories of Invercargill & Southland Preservation, storage and curation of artefacts to ensure access and engagement for generations to come.
	Healthy and active residents utilise space, including green spaces, throughout the City	
Preserve its Character	Invercargill is celebrated for preserving its cultural narrative	Providing the means through which the narratives and cultural material of Invercargill's past are both preserved and publicly accessible, with a particular focus on tangata whenua. Encouraging activity providers to deliver engaging and educational opportunities on the City and region for residents and visitors.
	Our natural and existing point of difference are celebrated	
Embrace Innovation & Change	Invercargill's culture is embraced through Community projects	Encouraging new ideas and ways to collect, store and present the city's narratives and cultural material to ensure access and engagement for generations to come.
	Residents of, as well as visitors to Invercargill give positive feedback and have great experiences	
	Invercargill has the 'wow' factor with the right facilities and events to enjoy	

Bluff Maritime Museum Trust

Table 2
Community Outcomes – Bluff Maritime Museum Trust

Community Outcome	Intermediate Outcomes	Measure of Service
Preserve its Character	Bluff is celebrated for preserving its heritage character.	Provision of a facility that enables the collections, which focus on the Bluff and Foveaux Strait area, to be stored, maintained and exhibited in conditions that ensure their long term preservation; while providing a quality visitor experience.
Enhance our City	New residents feel welcomed and embraced by Bluff's culture	Provision of a facility that inspires and informs visitors of the Bluff and Foveaux Strait area's heritage and culture.

Our vision

Enriching the heart of our city through preserving and sharing the narratives of our people, land and culture.

Our activity objectives

The principle objectives of the Arts, Culture and Heritage Activity are to:

- Support and delivery of quality programmes, events, and exhibitions relating to Arts, Culture and Heritage
- Achieve high visitation to facilities provided, or supported by Council
- Provide a high level of customer satisfaction (as expressed in ratepayer, or other surveys)
- Ensure that collections are maintained to agreed Museum standards¹.

This activity has the potential to create:

- Cultural wellbeing – through the preservation and reflection of past and present (narratives, artefacts, stories of people and place)
- Social wellbeing – through community building opportunities of connecting and engaging with one another as we share our stories, building a sense of belonging.
- Economic wellbeing – through the potential for our unique stories to attract others from outside our city and our region, and to grow visitation and exposure to creativity and innovation within our community
- Environmental wellbeing – through building and maintaining a sense of place and identity.

2. How we determine what we do

Our Strategic Framework

Activity Management Plans underpin the engagement in the Long Term Plan, they record the current and desired Levels of Service and Maintenance, Capital Works Programmes and budgets (if applicable) required to ensure the activity meets the desired Levels of Service. Adoption of the budgets for the programmes is carried out through the Long Term Plan process. Changes to budgets for programmes may occur during the consultation process and adoption of Long Term Plan budgets.

¹ New Zealand Museums Standards Scheme (International Standard through ICOM in the NZ Code of Ethics) outlines expectations regarding: governance, management and planning, collection care, public programmes, customer service, and community relationships.
www.tepapa.govt.nz/SiteCollectionDocuments/NationalServices/HowWeHelp/Introduction_standards%20scheme%20Dec2007.pdf



Activity Management Plan Strategic Framework



Our Customers

Arts, Culture and Heritage have a wide range of customers including individuals and groups exhibitors, audiences and communities who attend exhibitions and events. Users include local residents of Invercargill, Southlanders, domestic and overseas visitors. Some of the regular types of uses are listed below.

Table 3

Arts, Culture and Heritage Stakeholders

Stakeholder and Community	Area of Interest	Engagement
Community	Cultural activities, programmes and events including exhibitions	Face-to-face, survey, consult
Regional	Cultural activities, programmes and events including exhibitions	Face-to-face, survey, consult
Special events	National/International exhibitions and events	Face-to-face, survey, consult

Levels of Service

The Arts, Culture and Heritage Activity **enhances our city** and **preserves its character** through actively engaging with communities, promoting a range of opportunities that enable people to access, learn from, and enjoy the city's heritage, arts and culture. It seeks to **embrace innovation and change** through ensuring the region's taoka are appropriately cared for and maintained.

The Arts, Culture and Heritage Activity enables the community to feel a sense of place and connection with their community.

Table 4

Arts, Culture and Heritage Services Measures for Levels of Service

MEASURE 2021-2031	TARGET
He Waka Tuia - Number of visits per head of Invercargill City population	12,000 visitors per year (average of 1,000 visitors per month)
He Waka Tuia - Customer satisfaction rating is satisfactory or above	He Waka Tuia Customer Kiosk annual satisfaction rating is an average of 7-8 (10 = high satisfaction)

Table 5*Arts, Culture and Heritage Services Baseline Measures and Targets*

Baseline	Measure	2020/2021 Target	2021/2022 Target	2022/2023 Target	2023/2024 Target	2024-2031 Target
N/A	He Waka Tuia - Number of visits per head of Invercargill City population	9,000	12,000	14,000	14,000	14,000
N/A	He Waka Tuia - Customer satisfaction rating is satisfactory or above	7-8	7-8	7-8	7-8	7-8

Assessing demand - current and future

Two community consultation projects undertaken in the last four years provided a clear picture of the community's desires for Arts & Heritage activities within the city. The feedback captured in 'Rejuvenating the CBD'² and 'Our Tale'³ showed firm public support for Arts Culture & Heritage facilities within the CBD and provided insights into people's preferences as to the form, content and delivery.

A strong theme running through the feedback was that people were keen to have dedicated, dynamic spaces that told Southland's story, including a stronger expression of culture and heritage. Key principles identified included: *People centred, relevant and meaningful experiences, Te Ao Māori centred, an ethos of partnership.*

Research First (August, 2020) results found that earthquake strengthening and redeveloping the Museum is the top priority project that residents would like to see the Council undertake.

Factors influencing demand

People seek a sense of belonging and understanding of history of place, through arts and cultural experiences, stories, narratives and artefacts. They are seeking satisfaction through experience – the value is in the narratives, and the places are backdrops to the experience.

Museums and galleries have the roles as facilitator, connector, activator, conductor, and co-creator within an ecosystem of partnerships and relationships. There is value in having a place for arts and material culture collections; but also to recognise that collections and places for exhibitions are not the same thing. Exhibitions can happen anywhere.

Cultural facilities and archives should provide a safe, secure and controlled environment for the storage and display of their collections, as well as managed access to these collections. New Zealand legislation sets out a range of requirements with which museums and archives must comply, a comprehensive list of which can be found in the appendices. Museum standards provide an internationally agreed set of principals through which collections should be cared for.

² 'Rejuvenating the CBD – a transformative arts centre for Invercargill', September 2017 - Tim Walker, Tim Walker Associates; Ken Davis, Ken Davis Architects; Rose Evans, objectlab. Report commissioned by Invercargill City Council.

³ 'Our Tale – Southland Museum and Art Gallery Redevelopment Project; Report on Public Consultation', August 2018. Report commissioned by The Southland Museum and Art Gallery Trust Board

Current audiences – changes in what people seek, or people seeking something new/different/ or wishing to repeat past experiences. Expectations from what ‘was’ (the previous Museum building) to what might be in future – a range of spaces for exhibitions, separate museum/ art gallery spaces, etc., especially so in the context of the transitional He Waka Tuia space.

Potential audiences – people who were not traditional Museum, Art Gallery or IPAG users may visit He Waka Tuia space, or other exhibition or programme/event spaces - different ways of presenting narratives and a re-focus on Te Ao Māori will attract different (and possibly wider) audiences.

The impact of the Covid-19 pandemic on venues has been devastating, with many shows and events needing to be cancelled in the 2020 year. It is uncertain when this current level of uncertainty will change. The future of touring exhibitions including international works is still an unknown and may impact on audiences. Government support and stimulus packages for the arts, culture and heritage sectors may conversely increase opportunities in Southland. People are seeking and engaging in social, artistic and cultural events following the move to Level One or business as usual.

What changes might occur?

- 1 Collections have an intrinsic value, both to local people and to New Zealand as a whole - but the opportunity for people to engage with the collections gives them meaning. Considerations include:
 - The collection policy of today will influence future generations - decisions made today have a future impact
 - Any potential space is inter-generational
 - Exhibitions can happen anywhere, for example pop-up installations in the CBD, street art and activities on the footpaths.
 - Stories can unfold in a place people can visit or be taken to them
 - Communities have opinions on what they want and can co-create solutions to suit.
 - There are new ways of engaging – contemporary approaches to telling stories that engage people in different ways than previously.

- 3 Responsibility in terms of Te Tiriti o Waitangi and public consultation reflecting a commitment for Te Ao Māori to be reflected in policy, planning and provision.

Expected Implications for the Activity

Long term planning

- Thinking beyond ‘providing another gallery/museum’ to what is possible in terms of places and spaces to tell Invercargill and Southland’s stories.
- Changed audience expectations based on experiences elsewhere and increased use of sensory technologies (audio, visual, kinetic).
- Stories of local interest
 - Southland telling Southland stories in its own way - and offering things that might be of interest to local community.
 - Stories that might be of interest to visitors from around NZ, and eventually, international visitors
- Ngāi Tahu are an integral part of Southlands’ story – and our relationship is key in developing future spaces, and new ways of telling Southland’s story. Consultation has reflected a strong desire for this already

Future Demand Issues and Challenges

- Sustainability – especially in terms of physical assets such as current, or proposed buildings
- Use of space
- Long term planning and expectation of resolution and provision of services relating to culture and heritage
- Changes in customer expectations
- Costs associated with care of current collections and acquisition of future art/artefacts
- Designing experiences that satisfy the evolving needs and expectations of the audiences (leisure, educational).

Managing Expectations

The closure of two important public spaces has prompted a significant community conversation. He Waka Tuia is a temporary public space where we can showcase exhibitions drawn from our public collections, as well as continue to provide opportunities for other exhibitions and installations to be presented.

Our continuing conversations with the community will enable the team who lead the redevelopment project to establish a safe and secure contemporary space where all of our community can celebrate who they are and where they have come from through the display of art, physical objects and taoka.

3. What we're planning

Key issues and challenges

The key strategic issues and challenges facing the Invercargill City Council are:

- Responding to the changing environment (both natural and technological) and retaining Invercargill's character including the built environment. Three key areas of focus are:
 - Planning for the impacts of climate change
 - Responding to changing community requirements for water quality outcomes, reflected in changing Central Government regulations
 - Revitalising the inner city.
- Meeting our long-term renewal expectations for infrastructure
- Encouraging growth projects whilst ensuring financial and operational sustainability for future generations
- Ensuring the Council works in a financially prudent manner that promotes the current and future interests of the community
- The City's changing demographic profile and its ability and willingness to pay

A significant consideration in this planning round is the recessionary impact of the country's response to COVID 19, with anticipated consequences of business shrinkage and closure, and job losses. The closure of the country's borders means the loss of international students attending Southland Institute of Technology (SIT) affecting the SIT's financial health and the local economy. An additional economic challenge for Southland is the stated intention of Rio Tinto to close the Tiwai Point aluminium smelter in August 2021.

We expect the impacts of the resulting contraction in the local economy to be in play for the next five years.

Tightening economic conditions coincide with a pivotal stage in the redevelopment of the Southland Museum and Art Gallery (SMAG), an anchor facility for the provision of Arts, Culture & Heritage activity in Invercargill and Southland. The Council owns the SMAG building and land and is a primary funder of the facility's operational costs.

In April 2018, Council closed the facility after critical structural weakness were identified in the Southland Museum and Gallery building. In the 12 months following the closure, several decisions were made, including:

- The investment of \$9.5 million to fast track redevelopment of the museum and art gallery.
- The provision of \$200,000 per year for four years for the development of an interim art gallery and museum space within the Invercargill CBD.
- The commitment of \$9 million for a regional storage facility.

In April 2020, an agreement was reached between the SMAG Trust Board and all funding councils to transfer the operational management of the SMAG to the Invercargill City Council. The Trust Board have continued act as kaitiaki of the collection, with the support of their funding partners.

Providing safe and secure storage of the collections and taoka is a priority of Council. Similarly our other priority has been the determination of a permanent location for the Museum and Gallery. We are investing in resources to advance these priorities.

The interim art gallery and museum space, He Waka Tuia, opened in the CBD in September 2020. He Waka Tuia is a collaborative exhibition space for the collections of SMAG and

IPAG. ICC is committing to developing its own Arts, Culture and Heritage plan that will form the basis for wider regional planning.

Challenges

- Meeting community expectations without a current art gallery/museum (only the exhibition space)
- Storage and management of existing collections
- Redevelopment schedule and costs
- Re-engagement of the public with a new building, new spaces, programmes, and activities once complete
- Potentially changed activity patterns of existing visitors (local and national) of Museum and Art Gallery
- Minimal overseas tourist numbers and impact on income for venues

Opportunities

- Re-think about what's on offer, and the potential of something new
- Engagement with Ngai Tahu and local runaka in the planning and development process from the start.
- Marketing entire 'Arts, Culture and Heritage' offerings (including buildings) as part of development - something lost, something gained
- Review, rationalisation and curation of existing collections

Recommended activity programme

The funding support we propose to provide to entities providing Arts & Heritage activities:

Table 6

Funding support for Arts, Culture and Heritage Services Activities

Entity	2021-2022	2022-2023	2023-2024
The Southland Museum and Art Gallery Trust			
Bluff Maritime Museum Trust			
Invercargill Public Art Gallery Trust			
Southland Regional Heritage Committee			
He Waka Tuia			

This section will be updated following completion of the budgeting process

What's changing?

During a restructure of Council's organisation in mid-2020, a Manager – Museum and Heritage Services role was created under a newly established Leisure and Recreation Group. With Council now assuming governance and management responsibility for SMAG, and the interim art gallery and museum now operating, this role was created to assist with the transition of the Museum and Art Gallery spaces and collections to a more permanent location.

During transition, the role will assist with the tasks of ensuring:

- new collections continue to be cared for, developed and researched
- existing collections are prepared, removed to and maintained in optimum condition in a storage facility
- the Southland Museum and Art Gallery relocation and redevelopment projects to more permanent locations continue to be progressed;
- The co-management arrangement for He Waka Tuia, with Invercargill Public Art Gallery (IPAG), continues to function effectively.

The assumptions we've made (covering risks and uncertainties)

The Invercargill City Council 2021-2031 LTP Assumptions document covers all of the assumptions used in the development of the Long Term Plan. The assumptions specifically relevant to the Arts, Culture and Heritage Activity are shown below. Economic pressures mean this discretionary activity will struggle financially.

Table 7

Key Assumptions from 2021-2031 LTP related to Arts, Culture and Heritage

Population				
	Assumption	Level of certainty	Impact of uncertainty	Council response
Significant Assumption	<p>Population growth At 30 June 2020, the estimated population of Invercargill was approximately 57,100⁴⁵.</p> <p>The population growth for Invercargill is around 1%⁶. This rate has been observed during eight of approximately the past twelve years, making it a reasonable assumption for the current plan.</p> <p>Based on a 1% growth assumption, the expected population for 2031 is estimated to be around 62,810.</p> <p>Covid-19 might significantly change the previous growth forecasts for Council. Population growth is expected to be minimal in the short term as a result of Covid-19 limiting the ability of students and migrant workers to travel, along with continued aging of the population.</p>	Medium	<p>Council is not planning for a major change in population during the life of the current plan.</p> <p>There are multiple uncertainties related to population growth in Invercargill:</p> <ul style="list-style-type: none"> • While International students currently in New Zealand are able to return to SIT for study, the number of EFTS⁷ to date for 2021 is only 337. This is compared to 775 in 2020. • Riding out recession impacts of Covid-19 Alert Levels 4 and 3 • Proposed Tiwai Aluminium Smelter closure • Mid-range population forecast but noting underlying increase in population that has already surpassed StatsNZ estimates 	<p>The critical infrastructure and resources that Council provides were designed for a city with a population larger than we are now. Council has appropriate infrastructure and resources to service our population without significant financial impact as we have plenty of room to grow.</p> <p>This is in line with the higher forecast of the Southland Regional Development Strategy.</p> <p>Council will continue to monitor change in population growth during the life of the current long term plan to prepare for/respond to any significant changes realised from the multiple uncertainties identified.</p>
Significant Assumption	<p>Diversity The population will continue to become more diverse. The Maori</p>	Medium	<p>Interruptions to travel may affect international migration although it is not expected to effect this assumption</p>	<p>Council continues to explore new ways of engaging and ensures a balanced sample in</p>

⁴ [Subnational population estimates \(TA, SA2\), by age and sex, at 30 June 1996-2020 \(2020 boundaries\) \(stats.govt.nz\)](https://www.stats.govt.nz/subnational-population-estimates-ta-sa2-by-age-and-sex-at-30-june-1996-2020-2020-boundaries)

⁵ [Stats NZ Overview of data quality ratings, interim coverage and response rates, and data sources for 2018 census](https://www.stats.govt.nz/data-quality-ratings-interim-coverage-and-response-rates-and-data-sources-for-2018-census)

⁶ As above.

⁷ EFTS – Equivalent Full Time Student

	population will grow from 17% to 19% ⁸ . The Asian population will grow from 6% to 9% ⁹ .		significantly. Impact of uncertainty is low.	customer research to ensure it understands changing needs and expectations.
Significant Assumption	Ageing population Those aged 65 and older will form 23% of the population in 2031, which is higher than the current aged population in 2020 ¹⁰ (estimated at 10,000 of 57,100, or 17.51%) ¹¹ .	High	The pattern of aging in the population is a long-term trend which is not expected to be disrupted.	The needs of older people and younger people are different from those in the working age and Council will continue to consider the needs of all users of its services.
Significant Assumption	Households The number of households will increase as the population ages. The size of households will decrease slightly and may vary between 2.35 and 2.25 people over the time of the infrastructure strategy ¹²	Medium	The impact of a potential decline in numbers of students and migrant workers on demand for housing is uncertain.	Council's infrastructure has sufficient capacity to accommodate the potential increase in population and/or demand.

⁸ Growth in line with NZ stats estimate of 2% growth in the Southland region (NZ. Stats, population projections)

⁹ Growth in line with NZ stats estimate of 3% growth in the Southland region (NZ. Stats, population projections)

¹⁰ NZ Census Area unit forecast

¹¹ [Subnational population estimates \(TA, subdivision\), by age and sex, at 30 June 2018-20 \(2020 boundaries\)](#)

¹² To calculate the projected average occupancy rates we took past and projected population data from Statistics New Zealand and cross referenced this to past and projected number of households. The average occupancy is the total population divided by the total occupied households.

Economy				
	Assumption	Level of certainty	Impact of uncertainty	Council response
Significant Assumption	<p>COVID-19 The lockdown and potential future impacts of COVID-19 may negatively impact residents' ability to pay rates. This could lead to a short term cashflow impact and increased rates arrears. Rates arrears could increase further.</p>	Medium	To date there has been little impact on our rates receipts and the response to the new rates postponement and remission policy has led to a number of ratepayers contacting Council to go onto a payment plan for their rates.	Council has adopted an additional policy for postponement and remission of rates. This policy allows ratepayers financially impacted by COVID-19, to delay payment of up to 1 year's rates. Council staff will work with affected ratepayers to set up affordable payment plans.
Significant Assumption	<p>Economy A recessionary period is expected for the first five years of the LTP and longer-term structural changes to the economy beyond this time. This will lead to higher unemployment and lower GDP.¹³</p>	Medium	The shape of the recession (u or v) is as yet unknown. The relative impact across regions, based on industries impacted most by COVID-19, as well as potential impacts of proposed Tiwai closure and SIT becoming a subsidiary of Te Pūkenga needs to be better understood by Council in order to reduce this uncertainty. Significant errors in this area could have a significant impact on Councils budgets over the forecast period ¹⁴ .	<p>Council will focus on efficiency savings. Investment will only be made in activities which can be serviced.</p> <p>Council will continue to review its work programme and priorities as the level of uncertainty reduces.</p>
Significant Assumption	<p>Community funding Council can expect to see increased funding applications from groups as a result of Covid-19 and its impact on Community Trust of Southland and Invercargill Licencing Trust's ability to fund.</p>	Medium	The immediate impact of Covid-19 has been seen in the local community, with reduced funding available from major community funders including the Community Trust of Southland and Invercargill Licencing Trust and Foundation.	Council acknowledges the potential community expectation that Council will be positioned to distribute grants to fund community wellbeing related activities.

¹³ BERL Local Government Cost Adjustor Forecasts – Three Scenarios Reference No: #6109

¹⁴<https://www.infometrics.co.nz/industry-concentrations-and-the-fall-of-think-big/> ; <https://www.infometrics.co.nz/examining-the-nz-industries-hit-hardest-by-the-covid-19-pandemic/> ; BERL Local Government Cost Adjustor Forecasts – Three Scenarios Reference No: #6109

Significant Assumption	Economic diversification Volatility in the global economy may affect one or more of Invercargill's key export industries. This will drive diversification but will slow growth. There may be a delayed effect through the risk of impacted industries abandoning properties.	Medium	The relative impact needs to be better understood by Council to reduce uncertainty, as significant errors could have a significant impact on Council budgets over the forecast period ¹⁵ . This may directly impact rates and ability of Council to fund projects.	Council will continue to monitor changes in the global markets.
Activity Report Level	Central Business District Following a period of static activity until 2023 when the City Block development is complete, the CBD will become more vibrant and have increased connectivity. Council will work in collaboration with others to enable strategic activities and initiatives to support the success of the CBD.	High	The city centre is at the centre of Council's vision. As with any major investment of this type there is a level of uncertainty as to the impact of the development on future use patterns within the city. If the development does not succeed in drawing people to the city centre it will have an impact on Council strategy.	Council strategic activities and economic development activities delivered through Great South will align to support the success of the city centre projects Streetscape works will be designed to support connectivity to the city centre. Council will need to plan for the structural change this is anticipated to involve. Council has support for heritage buildings through the Regional Heritage Strategy and associated funds to support businesses managing high costs of older buildings.
Significant Assumption	Tourism Tourism numbers will slowly increase, returning to 2019 levels by 2031.	Low	The tourism sector is the hardest hit in the economy and is not expected to fully recover out to 2030. This may have an impact on the Airport and other infrastructure needs that may or may not be required in short term as tourist numbers reduce.	Council expects some impact, but tourism is not a major proportion of Invercargill's GDP so the effect is expected to be relatively minor.
Significant Assumption	International education The numbers of International students studying at the Southern Institute of Technology will slowly increase back to 2019 levels by 2031.	Low	Students are an important part of the economy, creating significant demand. The impact on retail, hospitality and housing could be significant.	Council is working with Great South on economic development.

¹⁵ <https://www.infometrics.co.nz/industry-concentrations-and-the-fall-of-think-big/> and <https://www.infometrics.co.nz/examining-the-nz-industries-hit-hardest-by-the-covid-19-pandemic/>

Social and cultural				
	Assumption	Level of certainty	Impact of uncertainty	Council response
Activity Level	Māori culture Māori culture will become more visible in the city.	Medium	Increased awareness of the need to recognise Maori culture and tikanga (methodology), with a particular focus on partnership, participation and protection.	Council will invest more in Maori engagement to ensure strategic projects reflect Maori culture in the city.
Activity Level Significant Assumption	Socio-economic The impact of COVID-19 is yet to be realised, and there may be changes in Invercargill's socio-economic patterns over time. Māori have been disproportionately affected by the economic crisis brought about by the COVID-19 containment measures, and it is expected to continue to play out over the ten year recovery period. ¹⁶	Medium	With GDP softening the long range economic outlook will hinge largely on the ability for the current and successive governments to provide economic stimulus. This may have an impact on Council activities that rely on users discretionary spend for revenue	Council acknowledges the potential community expectation that Council will be positioned to distribute grants to fund community wellbeing related activities.

¹⁶ BERL (July 2020). Economic Scenarios to 2030. The post-COVID-19 scene.

Resilience				
	Assumption	Level of certainty	Impact of uncertainty	Council response
Significant Assumption	Community wellbeing The COVID-19 response measures will have long term impacts on the wellbeing of communities, requiring a long term perspective response.	Medium	The situation is evolving and will continue to be monitored.	Council has tasked Great South, the regional development agency, to focus on resilience and economic diversification. A Community Wellbeing Fund has been established.
Asset/ Activity Plan level	Community resilience The amalgamation of Southern Institute of Technology with Te Pūkenga, and the potential loss of zero fees advantage, will have an uncertain long-term effect on Invercargill's population and economy.	Medium	The effects of COVID-19 on immigration will impact student numbers in the short to medium term. The risk of losing the zero fees advantage could have an impact on our growth strategy.	Council funds Great South to promote the region and continues to monitor and plan for the impact.
Asset/ Activity Plan level	Community resilience Tiwai Point Aluminium Smelter will continue to operate until 31 December 2024.	Medium	A transition plan will be developed to prepare for the eventual closure. It is not yet clear where and how the impact will be felt in the community.	Council is working with the Just Transition team and Great South on economic diversification.
Significant Assumption	Natural disaster No natural disaster is expected to impact the City during the life of the plan.	Medium	The impacts of a disaster will be assessed at the time and an appropriate response prepared. Infrastructure renewals are undertaken using resilient design practices.	Council has a focus on resilience. Council continues to support and invest in Emergency Management Southland.

Environment – Climate Change				
Climate change impacts will vary across regions in Southland. The following is a summary of impacts taken from the <i>Southland climate change impact assessment, August 2018</i> report.				
	Assumption	Level of certainty	Impact of uncertainty	Management response
Significant	<p>Mean annual and extreme temperatures (days where temp. exceeds 25°C) are expected to increase with time:</p> <p>By 2040: mean annual temperature increase of 0.5-1°C with 0-10 more hot days per annum.</p> <p>By 2090: mean annual temperature increase of 0.7-3°C, with 5-55 more hot days per annum.</p>	High	<p>Water - Longer period of drought may result in increased demand, whilst flood events create turbidity and increase the cost to treat for consumption.</p> <p>Flood Banks – increased temperature results in more extreme weather events, with a corresponding increase in height and frequency of storm surges.</p>	A planned pathway for the review of these assumptions and the impacts will minimise large impacts upon activities.
Significant	<p>Annual rainfall is expected to increase:</p> <p>By 2040: +0-10%</p> <p>By 2090: +5-20%</p> <p>Increased frequency of high rainfall days, i.e. increase in intensity of rainfall.</p>	High	<p>Roading - increased frequency and intensity of rainfall may require extra drainage works in the road network that may alter long-term maintenance costs</p> <p>Stormwater – increased frequency and intensity of rainfall events resulting in increased demand on the network.</p> <p>Wastewater - Increased frequency and intensity of rainfall events results in infiltration and inflows that increase volumes to be treated.</p>	A planned pathway for the review of these assumptions and the impacts will minimise large impacts upon activities.
Significant	<p>Mean sea level is expected to rise.</p> <p>By 2040: 0.2-0.3 m</p> <p>By 2090: 0.4-0.9 m</p>	High	<p>Errors in modelling will have significant impact on capital works programme required</p> <p>Stormwater – increased tailwater levels require consideration for outfall design.</p> <p>Flood Banks – Renewals need to consider increased sea level during design life.</p> <p>Sewerage – Clifton outfall may need to be pumped long term.</p>	A planned pathway for the review of these assumptions and the impacts will minimise large impacts upon activities.

Council operations				
	Assumption	Level of certainty	Impact of uncertainty	Council response
Significant Assumption	Council services and structure Council is planning for the current structure to deliver the current set of services, with the exception of water and sewerage.	Medium	If amalgamation does occur, costs to the ratepayer will remain the same, although revenue and financing will be done by a different operator.	Council will proactively engage with neighbouring authorities and central government to ensure that the best result is achieved from any amalgamation.
Asset/Activity Level	Water Reform As a result of the Central Government directed Waters Reform, it is assumed there will be a change in water reticulation and sewerage delivery services within the life of the plan. This will result in a structural change for Council in relation to the ownership of assets and associated debt capacity. The services will continue to be delivered, but these will be provided by another party. This will include increased regulatory requirements as required by the new regulatory authority.	High	The services will continue to be delivered but these will be provided by another party. This will be managed in line with Government best practice, and will remain within the Council financial and 10-year assumptions.	Council will assess proposed reform options when Central Government has provided their final recommendations to Local Government entities. Council will proactively engage with neighbouring authorities and central government to ensure that the best result is achieved from any reforms. Council is incorporating management of this potential outcome through planning for management of debt.
Asset/Activity Level Significant Assumption	Legislative changes There will be changes to legislation that have an impact on how Council will provide services. These changes may affect the Council organizational structure but not change the level of service received by the customer/ratepayer.	High	Changes may affect the Council organizational structure but not change the level of service received by the customer/ratepayer.	Management will continue to engage with Government and plan for changes in services in response to policy and regulation changes as these arise.

Asset/Activity Level	Consents Council will continue to carry out legislation-directed ordinary functions while factoring in an increase to required quality for consent conditions.	Medium	If unexpected consent conditions are imposed there may be unexpected costs to compliance.	Council will work with the Regional Council early to minimise the risk of unexpected consent conditions. The cost of obtaining consents, knowing environmental standards are increasing, will be built into activities.
Asset/Activity Level	The Funding Assistance Rate (as advised from Waka Kotahi NZTA) will reduce by 1% each year until reaching 51% funding assistance in the 2023/2024 and then remain at 51% for the life of the plan.	High	Increase in demand on rate funding for roading activities, including the forecast NZTA portion of the city centre streetscape project.	Continue to engage with NZTA on funding assistance.
Asset/Activity Level Significant Assumption	Asset life Assets will remain useful until the end of their average useful life, assuming asset average life expectancy assumptions are correct. ¹⁷ Infrastructure installed in the 1920s are nearing the end of their lives and require renewal within the term of the Infrastructure Strategy.	High	Assets may need renewal earlier if this assumption is incorrect and change the renewal profile. Or may allow delayed renewal in other cases.	Review the appropriateness of assets at the time of renewal including, where appropriate, whole of life cycle assessment. Increase knowledge of asset conditions to better predict the average use of life if assumptions are lower than expected.
Asset/Activity Level Significant Assumption	Investment property and Forestry Investment Property and Forestry Assets are valued on a yearly basis. They are expected to increase in line with inflation. This is reflected in our Financial Strategy, and Accounting policies.	High	Variation in valuations have no cash flow implications for Council.	Continue to value Investment Property and Forestry assets on an annual basis.
Asset/Activity Level	Capital programme delivery Implementation of a Project Management Office will increase effectiveness of delivery of the capital programme over the Long-term Plan. 75% of the capital programme will be delivered In Year 1, 80% in Year 2, 85% in Year 3.	High	It may take longer to implement the Project Management Office than expected, including as a result of challenges in attracting qualified personnel. Availability of contractors may have a greater impact than expected. Delay in the programme will result in higher costs as a result of	Active management of project processes, including engaging consultants as required, active and early engagement with contractors. Management of the programme rather than individual projects will enable contractor availability as well as

¹⁷ Council will use national standards is asset revaluation.

			inflation.	funding levels to be actively managed. The financial risk of higher levels of delivery than expected across multiple areas will be monitored. Any impact of delayed capital expenditure on renewals on maintenance budgets will be actively managed.
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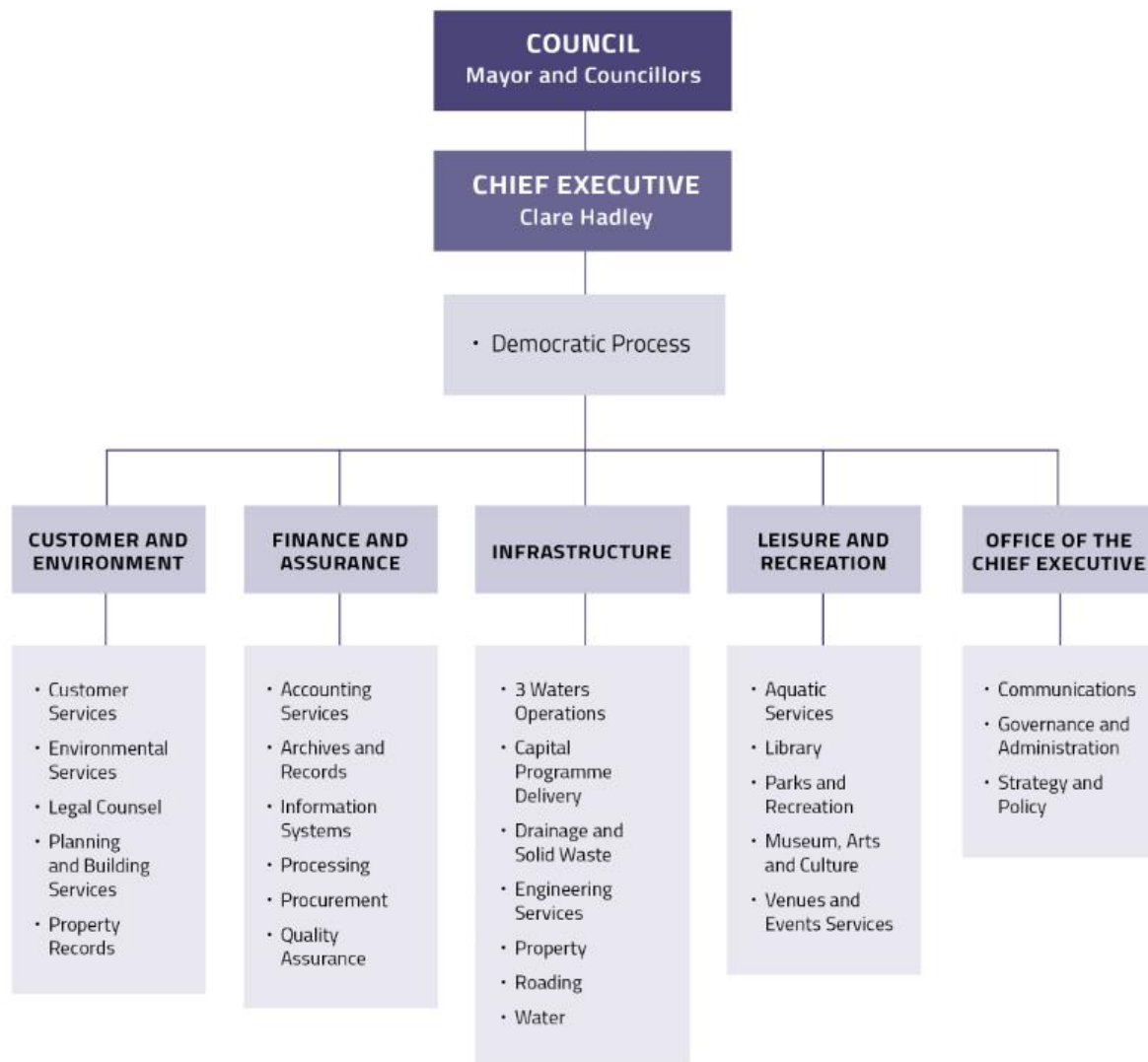
Financial forecasting				
	Assumption	Level of certainty	Impact of uncertainty	Council response
Significant Assumption	Inflation Operational forecasts and capital work programmes will increase by the accumulated Local Government Cost Index inflation forecast by BERL.	Medium	Cost change factors are based on information developed for Council's by Business and Economic Research Limited (BERL). Significant variations to inflation would have an impact on Council's financial management.	Council will continue on the planned pathway for the Capital Works programme and review operational revenue & expenses each year.
Significant Assumption	Asset revaluation Asset values will increase by the accumulated Local Government Cost Index inflation forecast by BERL on the last valuation value. Revaluation occurs in 2021/22 and every third year therefore.	Medium	Changes in the valuation or life of Council assets may have a significant impact on Council's financial management and capital programme.	Council will continue on the planned pathway for the Capital Works programme and monitor with after each revaluation cycle.
Activity Report Level	Interest rates - Borrowing Expected interest rates on borrowing will be 2.5%.	High	The treasury report from Bancorp projects the ICC Borrowing interest rate are currently at 2.20% in 2020, and is expected to fall and remain under 2% for the next 10 years. Significantly higher interest rates would impact Council's financial position.	2.5% would allow some upside if the situation changed (interest rates increase or credit rating decreases); but Council have potential to go to 2.25% or 2% to lower costs.
Activity Report Level	Interest rates – Cash and Deposits Return on cash and term deposits are forecasted to expect a negative rate at some stage within 2020/2021.	Medium	Term deposit rates currently vary from 0.5% for under 6 months to a flat 1% for longer. Most forecasts still expect a negative rate at some stage within 2020/2021.	An assumption of 0.5% should be comfortable and if rates do increase again in the future, this will put Council in a more positive position.
Activity Report Level	Dividends from ICHL will be \$4.8m + CPI.	Medium	This would have a negative impact on Council's overall revenue and cash position, which would increase the burden on ratepayers.	Council will consider strategic reliance on dividends noting increased levels of economic uncertainty.
Activity Report Level	External Funding It is assumed Council will achieve the level of external funding as estimated.	High	The immediate impact of Covid-19 has been seen in the local community, with reduced funding available from major community funders including the Community Trust of Southland and Invercargill Licencing Trust and Foundation.	Council acknowledges the challenge of obtaining external funding at this time. Should Council not be able to obtain funding as indicated this would impact project scope and in some cases require further consultation.

4. How we'll manage what we do

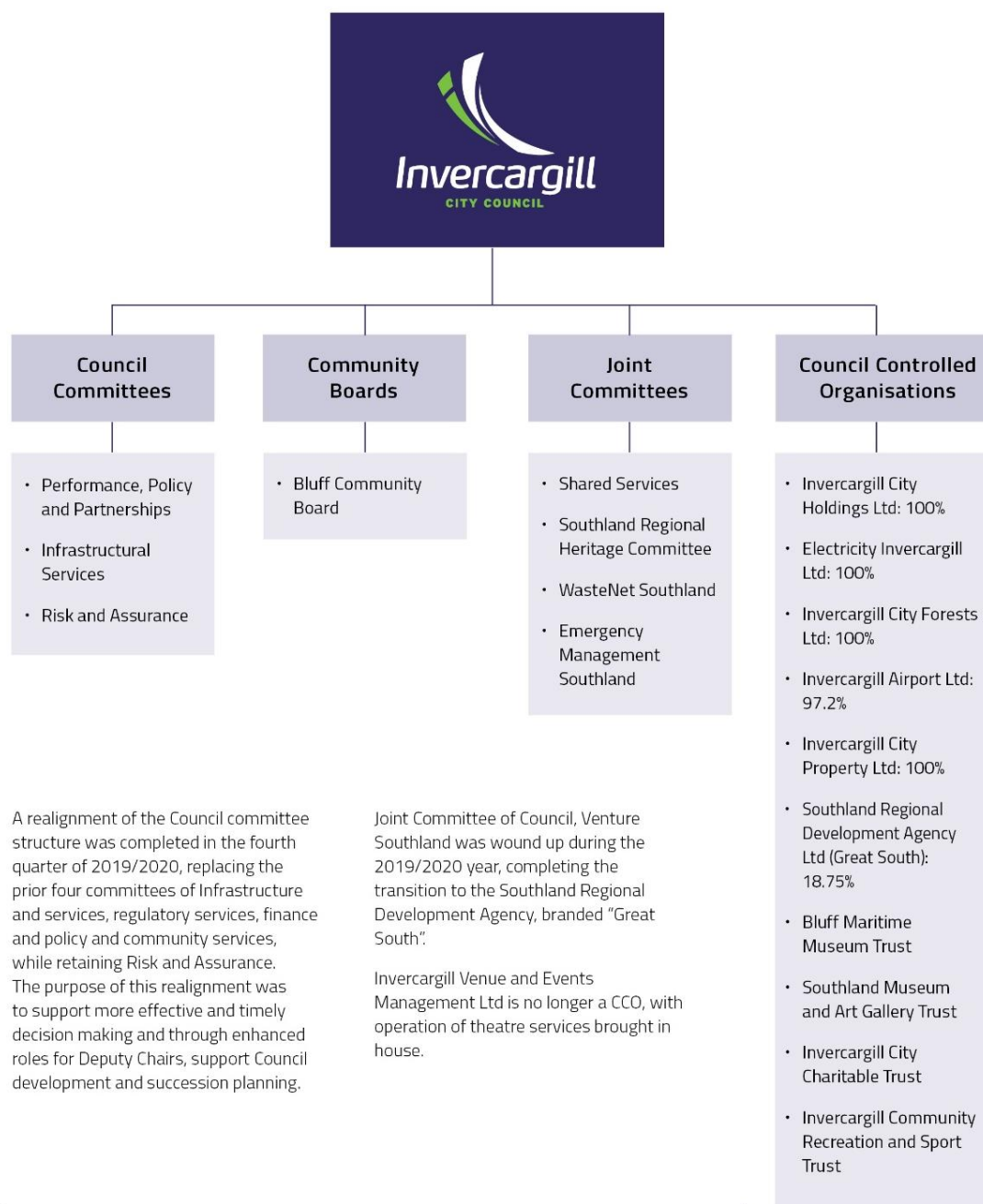
Responsibility and resourcing

Responsibility for Council's Arts, Culture and Heritage activity sits within the Museum and Heritage Services team that reports to the Group manager - Leisure & Recreation. Funding support that we provide to Arts, Culture and Heritage activities will be administered and monitored through the Leisure & Recreation Group.

Management Structure



Council Structure



The Southland Museum and Art Gallery Trust Board (Inc.) and the Bluff Maritime Museum are Council Controlled Organisations. Council also has representation on the board of trustees of IPAG.

He Waka Tuia is a collaborative partnership between SMAG and the Invercargill Public Art Gallery, and is governed by Awhi Rito, a co-governance arrangement including representatives from the SMAG and IPAG Boards. Council provides a grant directly to He Waka Tuia for the operational costs and also provides separate funding to IPAG as well as directly allocating salaries and other operating costs for the Museum and Heritage Services.

5. How we'll fund it

The venue services activity is funded by a mix of rates and direct charges revenue.

Table 8*Arts, Culture and Heritage Services Total Expenditure OPEX and CAPEX 10 years*

	2020/21 Annual Plan (\$000)	2020/21 Forecast (\$000)	2021/22 LTP (\$000)	2022/23 LTP (\$000)	2023/24 LTP (\$000)	2024/25 LTP (\$000)	2025/26 LTP (\$000)	2026/27 LTP (\$000)	2027/28 LTP (\$000)	2028/29 LTP (\$000)	2029/30 LTP (\$000)	2030/31 LTP (\$000)
OPERATING												
Rates revenue	2,125	2,125	1,899	1,966	2,031	2,099	2,170	2,244	2,309	2,379	2,450	2,523
Subsidies and grants (Capital)	-	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants (Operational)	(5)	(5)	(5)	(5)	(5)	(5)	(6)	(6)	(6)	(6)	(6)	(6)
Direct charges revenue	1,182	1,182	1,241	1,291	1,342	1,396	1,452	1,510	1,555	1,602	1,650	1,700
Rental revenue	-	-	-	-	-	-	-	-	-	-	-	-
Finance revenue	2	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-
Fines	-	-	-	-	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-	-
Total revenue	3,304	3,302	3,135	3,252	3,368	3,490	3,616	3,748	3,858	3,975	4,094	4,217
Employee expenses	821	649	690	710	728	746	765	1,466	1,505	1,546	1,586	1,628
Administration expenses	185	70	70	72	73	76	78	81	82	84	86	89
Grants & subsidies expenses	1,216	1,216	1,310	1,347	1,379	1,414	1,448	1,484	1,522	1,562	1,603	1,644
Operational expenses	771	858	988	1,017	1,042	1,069	1,097	1,464	1,502	1,543	1,585	1,626
Repairs & maintenance expenses	4	4	4	4	4	4	4	4	4	5	5	5
Depreciation and amortisation	14	14	14	14	14	14	14	14	14	14	14	14
Finance expenses	43	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	368	-	-	-	-	-	-	-	-	-	-	-
Total expenses	3,422	2,811	3,076	3,164	3,240	3,323	3,406	4,513	4,629	4,754	4,879	5,006
OPERATING SURPLUS / (DEFICIT)	(118)	491	59	88	128	167	210	(765)	(771)	(779)	(785)	(789)
CAPITAL EXPENDITURE												
• to meet additional demand	-	-	-	-	-	-	-	-	-	-	-	-
• to improve the level of service	-	-	-	-	-	-	-	-	-	-	-	-
• to replace existing assets	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE	-	-	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-	-

Table 9

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Arts, Culture and Heritage Services Total Expenditure OPEX and CAPEX 30 years

	2022-2026 LTP (\$000)	2027-2031 LTP (\$000)	2032-2036 LTP (\$000)	2037-2041 LTP (\$000)	2042-2046 LTP (\$000)	2047-2051 LTP (\$000)
OPERATING						
Rates revenue	10,165	11,905	13,769	15,921	18,433	21,366
Subsidies and grants (Capital)	-	-	-	-	-	-
Subsidies and grants (Operational)	(26)	(30)	(34)	(38)	(42)	(47)
Direct charges revenue	6,722	8,017	9,293	10,773	12,491	14,478
Rental revenue	-	-	-	-	-	-
Finance revenue	-	-	-	-	-	-
Dividends	-	-	-	-	-	-
Fines	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-
Internal charges	-	-	-	-	-	-
Total revenue	16,861	19,892	23,028	26,656	30,882	35,797
Employee expenses	3,639	7,731	8,693	9,698	10,807	12,052
Administration expenses	369	422	471	527	588	655
Grants & subsidies expenses	6,898	7,815	8,759	9,743	10,843	12,064
Operational expenses	5,213	7,720	8,680	9,681	10,794	12,035
Repairs & maintenance expenses	20	23	25	31	35	38
Depreciation and amortisation	70	70	70	70	70	70
Finance expenses	-	-	-	-	-	-
Internal charges	-	-	-	-	-	-
Total expenses	16,209	23,781	26,698	29,750	33,137	36,914
OPERATING SURPLUS / (DEFICIT)	652	(3,889)	(3,670)	(3,094)	(2,255)	(1,117)
CAPITAL EXPENDITURE						
• to meet additional demand	-	-	-	-	-	-
• to improve the level of service	-	-	-	-	-	-
• to replace existing assets	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE	-	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-

Figure 1

Arts, Culture and Heritage Services Operating Revenue – 10 Years

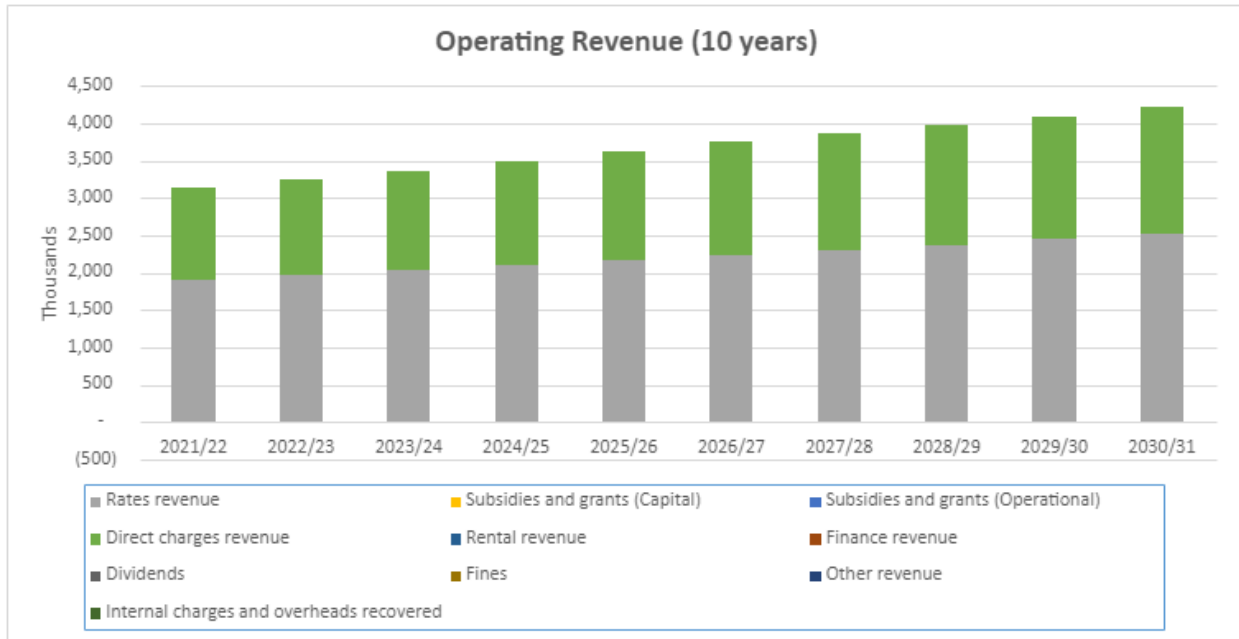


Figure 2

Arts, Culture and Heritage Services Operating Revenue – 30 Years

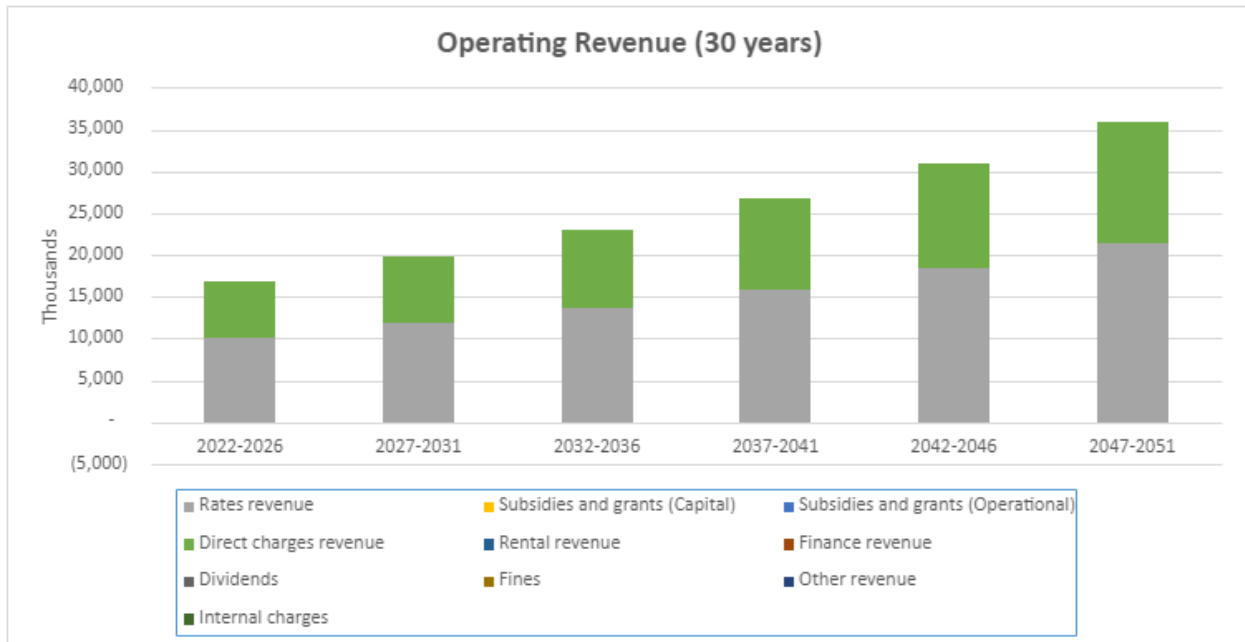


Figure 3

Arts, Culture and Heritage Services Operating Expenditure – 10 Years

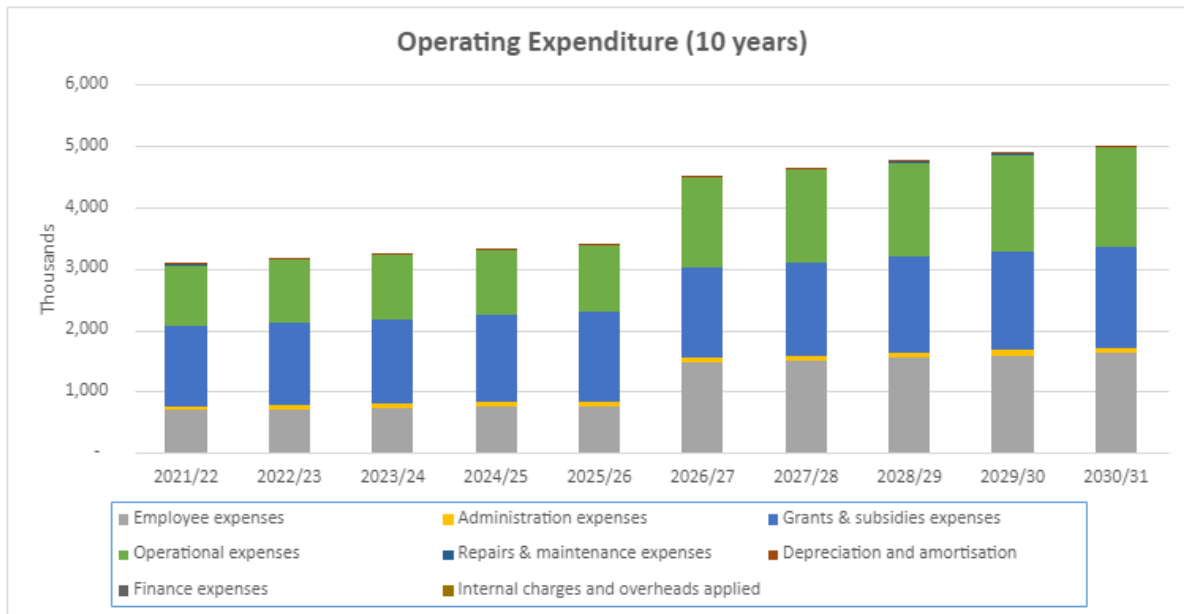
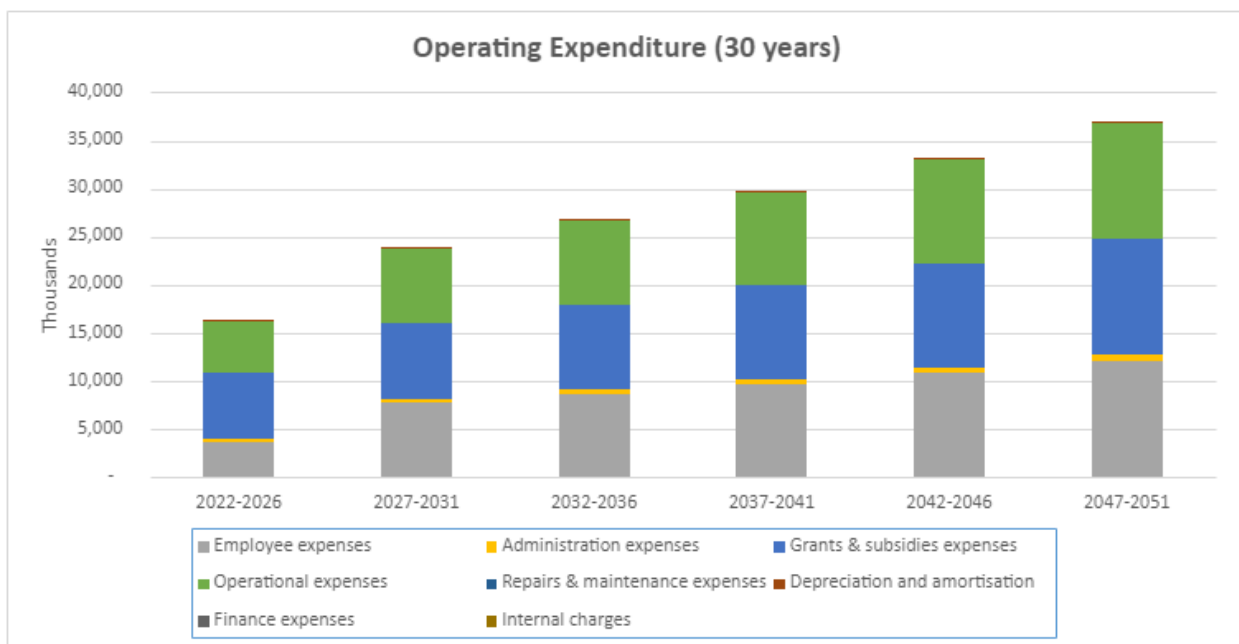


Figure 4

Arts, Culture and Heritage Services Operating Expenditure – 30 Years



6. How we'll know we're delivering

How we'll manage improvements

Council operates on a four-weekly cycle with meetings for the two committees of Infrastructural Services Committee and Performance, Policy and Partnership Committee. These Committees monitor and consider reports on levels of services for activities and assets alongside monthly financial accounts for each department. Committee members question these reports with Managers present to answer any questions that arise from the reports.

The information for these reports is entered into various software systems. This monitors the performance both fiscal, and service based against targets and budgets from Council's Long-term Plan. Targets can be key performance indicators, internally driven targets or provided from a Ministry that oversees that area, i.e. Department of Internal Affairs. At a full Council meeting these reports are then received.

Frequency of Review

Every financial year Council prepares an Annual Report that is the key document in ensuring the expenditure for the year was efficient and is pertinent in ensuring accountability to the community and ratepayers.

The Annual Report does not just show the current financial status, but also shows the levels of service for all Council activities and assets measured against the yearly targets set in the Long-Term Plan. These are measured and reported quarterly in the Council meetings. The Annual Report is a holistic overview of their performance.

Measures of success include:

- Securing of a permanent location for the Southland Museum and Art Gallery. (or alternative option]
- Collections previously stored in SMAG are safely and securely housed in an appropriate storage facility
- The interim art gallery and museum continues to curate and exhibit collections reflecting the diversity of the people and places of our past and present.
- Engagement with Iwi reflected in a greater number of Te Ao Māori exhibitions

Feedback from venues, exhibitions or events captures:

- Satisfaction levels including the quality of experience
- Visitor numbers and profile.

Appendices

Strategic Input	Impacts
Local Government Act 2002	<p>Outlines the expectations of councils.</p> <p>“The purpose of local government is: To enable democratic local decision-making and action by, and on behalf of, communities To promote the social, economic, environmental and cultural wellbeing of communities in the present and for the future [section 10 (1)].”</p> <p>Section 11A (e) defines museums as a core service for which a local authority must have particular regard: “In performing its role, a local authority must have particular regard to the contribution that the following core services make to its communities: (e) libraries, museums, reserves, and other recreational facilities and community amenities.”</p>
Te Tiriti o Waitangi - Treaty of Waitangi	The Local Government Act 2002, Section 4 requires local government to take account of Treaty principles – summarised as Partnership, Protection and Participation - providing opportunities for Māori to contribute to decision making.
Health and Safety at Work Act 2015	Sets out the obligations to ensure the events and facilities managed by Council do not in any way contravene the Act.
Protected Objects Act 1975	Regulates the export of protected New Zealand objects, the illegal export and import of protected New Zealand and foreign objects, and the sale, trade and ownership of objects relating to Māori culture.
AGS7 Guidelines for the finding of artefacts	Provides guidance on the legal responsibilities for the managing of archaeological artefacts – including finding, assessing and disposal.
Historic Places Act	Informs decisions and activities that support heritage activity within the District.
ICC Heritage Strategy 2019	Provides for the preservation of the city’s built environment heritage. Goal 1: A vibrant, sustainable, and active City Centre where heritage is highly valued.
Applicable Council Bylaws	???
Museums Aotearoa Code of Ethics 2020	Outlines the responsibilities of museums, galleries, governing bodies and staff, to each other and to the collections, as well as to the public who support, fund and visit a museum or gallery.
Public Records Act 2005	The Public Records Act 2005 (PRA) establishes a regulatory framework for information and records management across the public sector.
Code of Ethics for the Archives and Records Association of New Zealand 2005	Outlines the standards of professional behaviour expected of institutions, archivists, records managers, researchers and those occupied in related recordkeeping activities, who are members of the Archives & Records Association of New Zealand.