

2. REVIEW OF THE CHRISTCHURCH ART GALLERY

Chris Kerr, Business Improvement Manager, reported on the findings of the review of the Christchurch Art Gallery.

The report noted that the review was carried out at a difficult time both in terms of the Review Team being able to get a real understanding of the new operation and for the Art Gallery Team whose efforts and energies are focused on the opening of the new facility.

Despite this a number of worthwhile issues have been scoped, often for further evaluation, and from a budget scrutiny perspective, potential savings and additional revenue generating opportunities have been identified.

As a result of the Review Team's work the net cost of operating the new facility has been reduced from \$6,013,000 to between \$4,276,000 and \$4,526,000. This represents a rates reduction in the range of \$702,000 to \$952,000.

The Budget Scrutiny and Audit Special Committee decided to recommend to the Council:

1. That the savings identified of \$1,157,000, the savings for the late night of \$30,000 and the additional revenue identified of \$300,000 to \$550,000 be included in the first three years of the draft 2003/04 Art Gallery financial plan.
2. That the Art Gallery Team complete a merchandising plan for the new Art Shop as quickly as possible with this to be reviewed by an external retail consultant and the Review Team.
3. That the Art Gallery Team complete a marketing plan for the new Christchurch Art Gallery by November 2002 with this to be reviewed by the Review Team.
4. That the Art Gallery Team complete an education plan for the new Christchurch Art Gallery by November 2002 with this to be reviewed by the Review Team.

In line with the review protocol the report, together with the above recommendations, has been referred to the Arts, Culture and Heritage Committee for its consideration and recommendation to the Council.

Note: The recommendations of both Committees will be included in the report when it is submitted to the Council.