



## 8. CANTERBURY MUSEUM – DRAFT ANNUAL PLAN 2008-09

<b>General Manager responsible:</b>	General Manager Regulation & Democracy Services, DDI 941-8462
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### PURPOSE OF REPORT

1. The purpose of this report is to submit to the Council the Draft Annual Plan of the Canterbury Museum Trust Board (**Attachment 1**) for the year ending 30 June 2009 to enable the Council to consider the plan to make, if it wishes to do so:
  - (a) Submissions on the draft annual plan.
  - (b) An objection to the levies proposed in the draft plan.

### EXECUTIVE SUMMARY

2. The increase in the levies proposed to be made in the 2008/09 Draft Annual Plan from contributing local authorities are the same increases as those forecast in the 2007/08 Annual Plan. Christchurch City Council's share of the increase in levies is \$240,801, and this has been factored into the 2008/09 Draft Council Annual Plan. The increase will bring the Council's levy to \$5,181,042.

### FINANCIAL AND LEGAL CONSIDERATIONS

3. The Canterbury Museum Trust Board Act 1993 requires the Canterbury Museum Trust's Board ("the Board") to prepare and adopt an annual plan for each financial year. The plan includes the levies to be paid by the contributing local authorities.
4. The draft annual plan is referred to the four contributing local authorities (Christchurch City Council, Selwyn District Council, Hurunui District Council and Waimakariri District Council) for a period of consultation which concludes on 31 May of each year.
5. The levies proposed in the draft Annual Plan may be objected to by the Christchurch City Council or two or more of the remaining contributing authorities and if an objection is received the Board must convene a meeting. The Christchurch City Council or not less than three other contributing authorities may resolve that the levy be reduced to an amount which is not less than the total levy made in respect of the previous year. The proposed levies are binding on the four contributing authorities, unless the Council or three of the other contributing authorities resolve to hold the levies. (Section 16 of Canterbury Museum Trust Board Act 1993)
6. Submissions may be made to the Museum requesting them to amend the plan.
7. Given that the operating levies are the same as forecast in the 2007/08 year it is recommended that the Council advise the Canterbury Museum Trust Board that it does not wish to make an objection to the Trust Board's 2008/09 Annual Plan.

### STAFF RECOMMENDATION

It is recommended that the Council:

- (a) Consider what submissions it wishes to make on the Board's draft 2008/09 Annual Plan.
- (b) Authorise a Councillor to represent the Council at a meeting of contributing authorities to be held on 9 June 2008.
- (c) That the Councillor representative to support the Museum's 2008/09 operating levies at the meeting to be held on 9 June 2008.

## **BACKGROUND ON CANTERBURY MUSEUM 2008/09 DRAFT ANNUAL PLAN**

8. The draft Annual Plan sets out in broad outline the mission, vision and core values of the Museum together with detail on the organisation structure, performance objectives, financial summaries and an outline of the proposed operating, capital and revitalisation budgets.
9. The plan is available for consideration by the contributing local authorities until 31 May 2008.

## **OPERATING BUDGET**

10. This Council considered the Board's financial forecasts at its 2008 Annual Plan workshop in March 2008 and at the workshop supported the Museum's proposed 2008/09 operating levies for inclusion in the Council's draft 2008/09 Annual Plan.
11. While there are rights of objection if the levies have increased, it is considered inappropriate to object as those levies are the same as those in the Council's Annual Plan.

## **ANNUAL LEVY AND GRANTS**

12. The annual levy on local authorities is distributed according to an agreed formula based primarily on population. The share of the total operating levy for this Council is estimated at \$5,181,042.
13. As part of this Council's contribution to the Museum's revitalisation project, the following amounts have been previously approved by Council. Due to the delay in the revitalisation project the Council still holds these funds. The funds held separately for the Museum are as follows:
  - Grants of \$732,500 (2006/07) and \$250,000 (2007/08) were due to be paid from the Capital Endowment Fund. These have not been paid to the Museum.
  - A special capital grant was agreed to by this Council in 2003 for a finite period to 2007/08. Levies of \$337,000 (2006/07) and \$305,773 (2007/08) have not been paid to the Museum.
14. These funds are all held separately for the Museum and will be reprogrammed to 2009/10 for the Museum's revitalisation programme.

## **OTHER CONTENT OF THE PLAN**

15. The general content of the 2008/09 annual plan is largely the same as the previous year's plan.

## **THE OBJECTION PROCESS**

16. The Canterbury Museum Trust Board Act (Section 16) provides that either the Christchurch City Council or two or more of the remaining contributing local authorities may give notice objecting to the proposed levies. If this happens the Board must convene a meeting of the contributing authorities within a month. At that meeting the Christchurch City Council or not less than three other contributing authorities may resolve that the levy be reduced to an amount no less than the previous year.
17. Waimakariri District Council and the Hurunui District Council have both formally lodged objections to the levies proposed in the Museum's 2008/09 draft Annual Plan.
18. Selwyn District Council has already resolved to support the Board's proposed 2008/09 levies.
19. As required under the Museum's 1993 Act the Museum Trust Board has resolved to convene a meeting of the four contributing authorities to be held on 9 June 2008.

20. It is clear that Waimakariri District Council and Hurunui District Council can trigger the requirement for the Board to hold a meeting of the four contributing authorities for the Board to hear these two objections. However, given Selwyn District Council's already resolved position and the Act's requirement for Christchurch City Council or Hurunui District Council, Waimakariri District Council and Selwyn District Council to agree to hold the levy to the 2007/08 level, then unless the Council agrees, Waimakariri District Council's and Hurunui District Council's objections cannot succeed.
21. **Attachment 2** contains explanations forwarded by the Museum Trust Board to the Waimakariri District Council and the Hurunui District Council in response to the specific queries raised in the objections from those two District Councils.
22. The Council needs to resolve to appoint a delegate to attend the 9 June 2008 meeting and needs to resolve what position the delegate should take at that meeting.