

## 5. GARDEN FESTIVAL ORGANISATIONAL STRUCTURE

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### INTRODUCTION

The purpose of this report is to inform the Arts, Culture and Heritage Committee of the Festivals and Events Subcommittee's suggested process to further develop the Garden/Lifestyle Festival and to seek approval to establish a charitable trust to manage the Festival.

#### 1. Context of Report

The Festivals and Events Subcommittee has been working on the development of a major visitor icon garden/lifestyle festival for some time. During the process to consider the Draft Annual Plan a presentation was made and a scoping report tabled to the Annual Plan Working Party.

Subsequently the Council approved funding for festivals and events capped at \$2.5m for three years including funding for a garden festival.

The Festivals and Events Subcommittee has further considered the scoping report in the light of the Council's decision on funding and determined that the festival should take place biennially with the first festival in October 2004. The Subcommittee has further considered the next steps in advancing the development of the Garden Festival.

#### 2. Governance/Management Structure Options

The Scoping Report prepared by Deloitte Touche Tohmatsu identified the following possible operational structures:

- Council (internally),
- Trusts: Charitable or otherwise,
- Incorporated societies,
- Companies; charitable or otherwise,
- Combinations of the above.

The Scoping report also identified several factors that impact on the decision as to which structure to utilise, namely;

- *Distancing the event from Council will help in attracting sponsor and grantor support. If it is run by Council there may be an impression that Council should pay. In addition, if it is operated by Council, the event could become more exposed to political pressures and personal agendas;*
- *To succeed, the proposed Garden Festival needs to stay focused on its primary objective, and on delivering quality. If the event is going to become a world-class icon event it must be professionally managed, and be protected from the demands and agendas of local interest groups, and a 'volunteer mindset'. Whilst local interest groups are important and willing to support the Garden Festival, a world-class event is unlikely to be realised through an amalgamation of local garden societies. If the proposed event does not stay focused on its primary objective and on quality, and tries to be all things to all people, it will not succeed;*
- *Experience supports a professionally governed and managed structure. The A&P Society has restructured with a board of professional people governing society operations, a professional event organiser managing the core event, and an advisory group of interested parties advising and supporting the society's aims. Ellerslie, though owned by the Rotary Club of Auckland, is operated through a charitable company with a board comprising professional directors, and a professional management team.*

The Scoping Report concluded that a structure consisting of a charitable trust to own the Garden Festival brand and concept and to contract an event organiser (either management team or an event management company) to manage and operate the event would be most suitable. It also suggested that the Trust should incorporate a charitable limited liability company to contract the event organiser and operate the event so as to provide some liability protection to trustees.

It was also recommended that an advisory group be established including local interest groups, to provide some advice and input into the festival concept and operation. This group could provide advice to and report to the trustees.

The Festivals and Events Subcommittee believes that the structure recommended in the Scoping Report is the best one to take the development of the Garden Festival forward as it provides a sound governance structure with sufficient distance (although still an involvement) from the Council. Experience from other similar festivals and events indicates the need to have a board of people who are passionate about the area and prepared to work hard during the establishment phases to ensure the festival is a success. Creating a trust allows the opportunity to recruit people with the required skills and contacts.

The Festivals and Events Subcommittee is of the view that the further creation and development of the Garden Festival now requires the creation of its organisational structure, starting with the Trust. It is important not to lose the momentum created to date and to give the new Trust sufficient time to fully develop the events in preparation for its first festival. Consequently there is a need to progress the creation of the Trust as quickly as possible. However, the creation of the Garden Festival is dependent on Council funding. Whilst provision has been made in the Draft Annual Plan, funding is not certain until the Annual Plan is finalised in early July. The Festivals and Events Subcommittee would like to commence the development of draft charitable trust and charitable company documentation as soon as possible, so that, should the funding be confirmed in the Annual Plan, the organisation can be created with the minimum of delay. There is funding available in the current financial year to allow for the legal work involved in the creation of this documentation.

The Scoping Report identified that the development of a high quality, world class festival is dependent on utilising professional management. There are a number of options as to how this can be provided, including direct employment of a management team or use of an events company. Consideration of these options and the selection of the management structure is an early decision that the new Trust will have to make. Bringing the management on board is critical to progressing the development of the festival.

### **3. Details of Proposed Trust**

It is recommended that a Trust be created along the following lines:

Name:	New Zealand Garden Festival Trust
Purpose:	The creation and management of a major gardens/garden lifestyle festival attracting significant visitors and reinforcing the Christchurch's Garden City image.
Trustees:	Six to eight Trustees, one of which is to be a representative of the Christchurch City Council.

### **4. Recruitment of Trustees**

In the view of the Festivals and Events Subcommittee recruiting the right trustees will be critical to the success of the garden festival. In particular identifying a 'champion' for the festival as chairperson for the Trust is vital.

It is considered that between the trustees the following skills/capabilities are required:

- Passionate about gardens, garden produce and Christchurch.
- Financial stewardship.
- Strategic thinking.
- Ability to establish the direction, concept, timing etc of the Festival.
- Ability to secure sponsorship funding.
- Marketing and promotional skills.
- Contracting/employment relations.

It is important that those on the Board of Trustees do not have a business or related interest in the garden festival. The Advisory Group provides a good avenue for people with these sorts of interests to be involved and participate in the creation of the festival.

It is recommended that suitable candidates to be trustees, be identified by the Festivals and Events Subcommittee through a combination of public advertising, word of mouth and contacts. Representatives of the Festivals and Events Subcommittee will carry out selection interviews and subsequently recommend trustees to the Arts, Culture and Heritage Committee.

As funding for the Garden Festival will not be confirmed until the 2002/3 Annual Plan is finalised, suitable people will be approached to establish their interest in becoming part of the Trust. However no commitments will be entered in to until after the Annual Plan has been confirmed.

**Staff**

- Recommendations:**
1. That an organisational structure consisting of a trust incorporating a charitable company to provide governance and an advisory group to provide an avenue for involvement of local interested groups be approved for the Garden Festival.
  2. That the Festivals and Events Subcommittee establish a trust along the lines of that described in section 4 of this report, subject to confirmation of the funding for the Garden Festival in the 2002/3 Annual Plan.
  3. That the preparation of draft charitable trust and charitable company documentation along the lines described in this report be initiated.
  4. That the Festivals and Events Subcommittee seek suitable potential trustees and subsequently recommend them to the Arts, Culture and Heritage Committee, subject to confirmation of funding for the Garden Festival in the 2002/3 Annual Plan.
  5. That the process to identify potential trustees commence straight away to minimise the delay in establishing the Trust, should the funding be confirmed in the Annual Plan.

**Chairman's**

**Recommendation:** For discussion.