



CHRISTCHURCH CITY COUNCIL AGENDA

THURSDAY 4 AUGUST 2005

AT 9.30AM

IN THE COUNCIL CHAMBER, CIVIC OFFICES

Council: The Mayor, Garry Moore (Chairperson).
Councillors Helen Broughton, Sally Buck, Graham Condon, Barry Corbett, David Cox,
Anna Crighton, Carole Evans, Pat Harrow, Bob Shearing, Gail Sheriff, Sue Wells and Norm Withers.

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- 1. APOLOGIES**

- 2. CONFIRMATION OF MINUTES - COUNCIL MEETING OF 28.7.2005**
Attached if available, otherwise to be separately circulated.

- 3. DEPUTATIONS BY APPOINTMENT**

- 4. PRESENTATION OF PETITIONS**

- 5. CORRESPONDENCE**

6. FESTIVALS AND EVENTS FUNDING 2005/06

General Manager responsible:	General Manager Public Affairs
Officers responsible:	Marketing Manager & Research and Policy Manager
Authors:	Richard Stokes, Marketing Manager, DDI 941-8587 Alan Bywater, Recreation and Community Policy Leader, DDI 941-6430

PURPOSE OF REPORT

1. The purpose of this report is to recommend funding for a programme of festivals and events in the 2005/06 financial year. Note: Detailed funding allocations for the core funded events are provided in a separate report in the public excluded section of the agenda. This report is in public excluded as the trusts and companies involved have not been informed of the funding recommendations. It is anticipated that following the Council meeting this information should be open to the public.

EXECUTIVE SUMMARY

2. The Council has made provision for the funding of festivals and events produced in-house and core funding of festivals and events in its 2005/06 Annual Plan. In total this commitment is \$1.887m of direct funding.
3. This sum includes funding for events produced internally such as SummerTimes and Kidsfest, core funding of festivals such as the Christchurch Arts Festival and World Buskers Festival and Events Marketing and Research (includes the Be There website, evaluation of festivals and events).
4. The Council has effectively made a commitment to funding a programme of festivals and events through the current LTCCP. This report focuses on the specific allocation of funding to the individual parts of that programme.
5. As this is the second year of the existing LTCCP, it is anticipated that no substantive change is made to the allocation process. The budget for 2005/06 effectively assumes a roll-over of the funding allocation from 2004/05, with some additional provision to meet identified needs. It is recommended that the Council confirm funding decisions on a programme of festivals and events for 2005/06 as soon as possible, based largely on the 2004/05 allocations except where valid needs are identified to adjust the allocation to specific festivals.
6. The report also notes a range of strategic issues which will need to be considered in the future, relating to the Council's involvement in the festivals and events activity. A review of the Festival and Events Strategy has already been signalled to the Council in discussions on the annual work programme.

FINANCIAL AND LEGAL CONSIDERATIONS

7. The Council has allocated budgets for festivals and events through its LTCCP and confirmed its intention in this area through the Annual Plan. In total the funding available for direct expenditure on festivals and events is \$1.887m. The programme of funding for festivals and events recommended within this report is within the overall allocation already signalled by the Council.
8. The Council has a well established process for funding festivals and events which has largely been developed by the Festivals and Events Subcommittee in recent years. At this point the Council has not signalled any change to that process to event trusts and organisers.

STAFF RECOMMENDATIONS

It is recommended that the Council:

- (a) Approve the recommended programme of funding to in-house events, SummerTimes and Events Marketing and Research as indicated in Appendix 12 (attached).
- (b) Note that a strategic review of the Festival and Events Strategy, to include consultation with other agencies, is required.

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BACKGROUND ON FESTIVALS AND EVENTS FUNDING 2005/06

9. The Council has indicated its commitment to funding a programme of festivals and events through the current LTCCP. The Council now needs to address specific decisions about the allocation of the funding budgeted for festivals and events. In previous years the Festivals and Events Subcommittee reviewed the internally and core-funded festivals and events and recommended a programme of funding, usually in June-July each year. Under the current Council structure recommendations for funding are being made by staff with the responsibility for decision-making on this funding remaining with the full Council.
10. It is considered important to determine the funding for the 2005/06 year promptly, in order to provide sufficient certainty and lead time to organisations planning festivals over the next year. While it is noted below that a range of strategic issues need to be considered by the Council in relation to the future development of its Festivals and Events Strategy, any decision not to allocate funding until these issues have been resolved would have significant negative consequences including the possible cancellation of a number of festivals and events, potentially some valuable festivals deciding to relocate to other cities, potentially permanent loss of event organisers, customers and sponsors for a number of festivals and events and a much less vibrant city over the next year. For this reason it is recommended that the funding allocation is determined now on the basis of existing policy and process.
11. Staff have developed recommendations for the 2005/06 year largely based on the comprehensive analysis framework previously developed through the Festivals and Events Subcommittee. This process ensures that the programme of funding for all core-funded and internally produced events is considered together, rather than individual festivals and events being looked at in isolation. As this is the second year of the existing LTCCP, no substantive change is proposed to the funding allocation. The budget for 2005/06 effectively assumes a roll-over of the existing funding, with some additional provision to meet specific identified requirements. In determining the allocation of the budget, the recommendations largely follow the allocation pattern from 2004/05, except where valid needs have been identified to adjust the funding for particular events or festivals.
12. By way of background, information, if provided, on the funding history, organisation funded and the length of funding agreement for the core funded festivals is provided in Appendix 1 (attached).

CURRENT POLICY

13. The primary policy of relevance to this area is the Festivals and Events Policy (Appendix 2 - attached).
14. Other policies are also of relevance for specific festivals and events e.g. the Arts Policy for the Christchurch Arts Festival. This is consistent with the Council's Community Outcomes: A Prosperous City and A Cultural and Fun City.
15. The current programme of festivals and events has been analysed to identify which policy outcomes each of the festivals and events contribute to, using criteria within each policy outcome developed by the Festivals and Events Subcommittee (Appendix 3 - attached). Each festival/event was assessed against this criteria to determine whether it contributed significantly to the policy outcome. This process of matching policy criteria to individual festivals subsequently allows the process of establishing objectives for each festival in the core funding agreements for externally produced festivals and events.

PROCESS

16. The programme of festivals and events has been analysed using a number of criteria in order to determine the degree of balance:
 - Policy outcomes (i.e. the degree to which the programme contributes to the various Festivals and Events Policy outcomes) - Appendix 4 (attached)

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- Comparison of the festivals and events programme funded against the ideal picture of the festivals and events programme developed by the Festivals and Events Subcommittee - Appendix 5 (attached) and Appendix 6 (attached)
- Type of participation opportunities afforded (i.e. the degree to which the festival/event affords active/hands on participation opportunities or largely passive/audience opportunities) - Appendix 7 (attached)
- Life cycle – (i.e. where in the life cycle the various festivals/events are currently) - Appendix 8 (attached)
- Content areas covered by the festivals/events - Appendix 9 (attached)
- Target audience/market (i.e. what types of people the festivals/events aim to attract) - Appendix 10 (attached)
- Calendar – (i.e. distribution of festivals/events across the year) - Appendix 11 (attached)

17. The following comments are made in relation to these analyses:

(a) **Policy Outcomes**

- Collectively the festival programme contributes to growing business in related industries and contributing to employment opportunities. Whilst each festival may be of limited duration, between them they contribute to continuing employment opportunities. There is a history of events-related industries and businesses developing in Christchurch largely as a result of the Council's funding. These businesses are of benefit to a wider range of events.
- The programme is weighted more towards residents' well-being outcomes, compared to those with an economic development focus. The intention had been to redress this balance to some degree through the creation of an icon garden/lifestyle festival. This is no longer progressing, and thus some imbalance remains. This is one of the major strategic issues to be addressed.

(b) **Fit with the Ideal Balanced Programme of Festivals and Events**

- There are visitor enhancer characteristics in a number of the festivals in the community and specialist/niche categories i.e. they enhance the stay of visitors who are in Christchurch but do not drive significant additional visits in themselves.
- There are about the right number of community festivals and slightly too many specialist/niche festivals.
- There is currently one visitor icon festival (Showtime Canterbury). The intention had been to add a further one through the garden festival.

(c) **Type of Participation Opportunities Afforded**

- Most festivals have some degree of participation to a smaller or larger degree.
- The balance of participation-type festivals compared to audience-type festivals is about right.

(d) **Life Cycle**

- It is recognised that all festivals and events eventually reach the decline stage of the lifecycle. The rate of progress through the stages of the lifecycle for different festivals varies.
- The Council aims to maintain a healthy number of festivals coming through the introductory and growth phases.
- The current balance between the life stages for the programme as a whole shows relatively more festivals in the maturity stage than in the introduction and growth stages. This has some advantages in that the initial investment and building up stages have been completed with most now having an established audience base. The key to these festivals remaining attractive is innovation within their programmes to keep them fresh and to give people a new reason to attend each year.

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- There are relatively few festivals in the Introduction phase - only the Chinese Lantern Festival (currently funded through Event Seeding) and Canterbury Fashion Week. There are two festivals currently being developed that may move into the introduction phase and beyond over the next few years, being Harvest Canterbury and the Antarctic Festival. With the amount of Council funding for festivals limited it is becoming increasingly difficult for new festivals to receive funding due to the number of existing ones at the maturity stage that require ongoing Council support. This is a longer term, strategic issue that needs to be considered over the next year.

(e) **Content Areas Covered by the Festivals/Events**

- The programme is largely meeting the content need not provided for in other ways (i.e. through other funding sources or by other providers).
- There is no film content in the programme but this is adequately provided through the commercial sector.
- There is little sport in the programme but this is largely provided by others and supported through the Council's sports events and promotion work.

(f) **Target audience/market**

- Overall the programme covers virtually all the demographic targets identified.

(g) **Calendar**

- There are many festivals over the summer period. However, this is to be expected due to the desire/need to run many in good weather.
- With the number of festivals and events taking place in Christchurch and the country as a whole there are inevitably date overlaps. For many of these the different festivals have clearly different target markets. Probably the one that stands out for overlaps is a weekend in February during which the Festival of Flowers and Romance, Starry Nights, and the Chinese Lantern Festival are all taking place.
- Key months with few festivals to encourage new festivals are April, May and June.

Strategic Issues

18. In discussions with external stakeholders, event organisers and the Creating Strong Communities Portfolio Group, a range of significant issues has been identified in relation to the Council's role in festivals and events. These issues include:
 - Adopting a 'four seasons' approach to festivals and events.
 - Advancing a 'host-city' approach to festivals and events.
 - Reinforcing the city's 'Garden City' image and utilising festivals and events to contribute to visitor marketing.
 - The development of icon and/or signature events.
 - Further developing the Council's events activities to complement and integrate with those of other events providers.
 - Considering holistically the Council's roles in the funding of festivals and events.
 - How to encourage new and exciting events to develop whilst continuing to support well established events that are successful.
19. The Council's existing Festivals and Events Strategy is now five years old, and the events 'landscape' has changed significantly in that time. It is considered that a review of the Strategy is timely, and this move has previously been signalled to the Council in discussions on the annual work programme. A major review of the Strategy is thus proposed for the latter half of 2005, and would lead into the 2006-16 LTCCP process.
20. Key steps to be undertaken in the review would include benchmarking of the Council's investment in festivals and events, and wide consultation with events, tourism and other related sectors.

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21. Other drivers for the review would include:
 - Improved integration across the Council's event activities
 - Integration with tourism, economic development, sports, arts and culture and other strategies
 - Positioning Christchurch competitively against other events centres
22. The review would also benchmark and review current funding processes, criteria and decision-making options, including opportunities for improved integration and coordination across funding streams.
23. A further emerging strategic issue is the impact of reducing funding to festivals and events from the gaming machine charities. In response to reducing revenues the gaming machine charities seem to be reducing their funding to festivals and events. Analysis of the core funded events indicates that the proportion of funding from this source ranges from 0–30% and that in total it amounts to several hundreds of thousands of dollars per annum across the programme. Staff are aware of one festival already that has been badly affected by the reduction in gaming machine charity funding. It is anticipated that others may well be adversely affected as well. The Council will need to consider its position with regards funding festivals and events in relation to funding by the gaming machine charities.
24. The development and programming of the review of the Festivals and Events Strategy will be undertaken with the involvement of the Creating Strong Communities Portfolio Group.

Funding Recommendations – In house

25. In-house events includes Kidsfest, Showtime Canterbury, Fireworks (Guy Fawkes Day), Kids in Town, Cathedral Square Concerts, Municipal Bands (for Sunday Bandstand and other events such as the Burwood War Memorial unveiling) Parades/special events (such as Crusaders parades) and alcohol prohibition advertising targeting event audiences.

(a) **Proposed Funding Changes**

The proposed budget for 2005/06 is for an increase of \$75,000. This is for:

- \$15,000 increase for security across all events. The proposed increase eliminates any concerns about adequate security levels at Council events. The increase is due to rising costs over recent years while the budget has not increased.
- \$60,000 for development of an Antarctica Festival. This covers an increase in activity around the season opening in October 2005 and preparation for a full Festival in 2006. This proposed Festival is supported by Antarctic Link Community and will be jointly developed and implemented by the Council's International Relations and Events Team. This acknowledges the contribution that the Festival activity can make to our relationship with Antarctica partners.

(b) **Showtime Canterbury**

This Festival is an 'icon' event for Christchurch which targets visitors to Christchurch. Over 14,000 visitors come to Christchurch and spend over \$25 million (not including any multiplier for transferable expenditure). Current funding is \$71,300 which is mainly used for marketing of the Festival to visitor audiences.

Auckland City has seen the value of this Festival and will launch a similar format in March 2006 through the creation of the Auckland Cup Carnival. The Auckland Galloping, Trotting and Greyhound Cups will be transferred to that week with other activities likely to be packaged around them. The Auckland Galloping Cup will be a mid-week race day, like our New Zealand Trotting Cup.

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It is important for Christchurch that we establish Showtime Canterbury as New Zealand's pre-eminent social and fashion festival in New Zealand. It is likely that Auckland will pull more corporate support for their festival. However we have an established base to work from to maintain the icon status of our Festival.

It is recommended that in 2005/06 we do not increase the direct funding support to Showtime Canterbury. However we propose two 'strategic' changes to the Festival:

- Funding of Canterbury Fashion Week within the Festival. Rationale and recommendations for this are included in the report on core-funded festivals.
- Changing the name of the Festival to 'New Zealand Cup and Show Week'. The Canterbury A&P Show is New Zealand's largest A&P Show and in combination with the New Zealand Trotting Cup, New Zealand Galloping Cup and New Zealand Greyhound Cup, the festival can lay claim to 'national' status for all of its core events. The name change to New Zealand Cup and Show Week will enhance the status of the event at a time when a competing Festival is being developed in Auckland. With national status communicated through the name of the festival we would maintain the presence of Christchurch in our marketing and communication through use of the Garden City logo and strong identification of Christchurch with the events within the Festival.

All major stakeholders (Racing, A&P Show and Fashion) support a name change. Additionally our research confirms that the brand name Showtime Canterbury is not gaining adequate recognition.

Four Seasons Marketing and 'Host City' Co-ordination

26. Planning for implementation of these initiatives has highlighted the need for adequate resource to ensure quality implementation that would add value to the events and visitor business sectors. This could not be funded from existing Festival and Events budgets in 2004/05, which were allocated directly to individual events.
27. It is anticipated that individual festivals and events will contribute to production of Four Seasons marketing. However, resource is required for development of generic materials and implementation of tactics to effectively communicate to the residents and visitors of Christchurch (initial design then production of materials on a quarterly basis).
28. It is recommended that \$70,000 which is 4% of direct costs of festival and events (core funded, in-house and SummerTimes) be provided as funding for these initiatives.

SummerTimes

29. (a) **Classical Sparks**

In 2004 the budget for Classical Sparks was reduced by \$8,000. This meant a reduction in the length of the fireworks finale. To compensate, additional elements were drawn into the finale (cathedral bells, brass band). However public expectation is for a 'show stopping' fireworks display and it is recommended that \$8,000 is added to the 2005/06 budget to deliver this.

- (b) **Marketing**

\$20,000 increase for marketing of SummerTimes. This will allow distribution of the SummerTimes brochure to all mailboxes that take promotional material and advertising of the two big free concerts (Starry Nights and Classical Sparks) at a frequency to effectively communicate to all in Christchurch.

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OPTIONS

30. The Council has made provision for festivals and events funding in its LTCCP and in the Annual Plan for 2005/06. It has a few options about how it now allocates that funding to individual festivals and events.
- Make funding decisions for 2005/06 now and based on existing policy and assessment processes.
 - Delay making funding allocations for the 2005/06 year until strategic issues determined.

PREFERRED OPTION

31. Make funding decisions for 2005/06 now based on existing policy and assessment processes.

ASSESSMENT OF OPTIONS

The Preferred Option - Maintain the Status Quo unless good reason not to.

Allocate funding for a programme of Council produced and core funded festivals and events based largely on the level of funding provided in 2004/5, unless there is a significant reason for alteration.

	Benefits (current and future)	Costs (current and future)
Social	Over a number of years the Council has supported a programme of festivals and events that provide social benefits including promoting healthy lifestyles, enabling residents to participate in community life, developing a sense of belonging and identity, improving understanding of cultural diversity and helping to make Christchurch a great place to live. Funding a programme of festivals and events similar to last year will enable these social benefits to be realised in 2005/06.	
Cultural	Many of the festivals and events provide opportunities to improve understanding of the city's cultural diversity, make many forms of the arts available and accessible and help to reinforce the things that make Christchurch distinct from other cities. Funding a programme of festivals and events similar to last year will enable these cultural benefits to be realised in 2005/06.	
Environmental		All festivals and events have an impact on the environment to some degree through the use of natural resources, the generation of waste etc.
Economic	The festivals and events funded by the Council have a number of economic benefits such as attracting visitors, increasing the length of stay of visitors, raising the city's profile, providing support and development of industries related with the festivals and events. Funding a programme of festivals and events similar to last year will enable these economic benefits to be realised in 2005/06.	

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Extent to which community outcomes are achieved:

Primary alignment with community outcome a Cultural and Fun City.
Also contributes to a Learning City, a Prosperous City, Inclusive Communities, a Healthy and Active People.

Impact on Council's capacity and responsibilities:

The funding of festivals and events has been provided for in the LTCCP and the Annual Plan. Consideration of the impact on the Council's capacity through use of resources has been considered in determining the budgetary levels in these plans.

Effects on Maori:

A number of the festivals and events funded feature aspects of Maori culture and enable increased understanding of these.

Consistency with existing Council policies:

Each festival considered for funding is assessed in detail against the Council's Festivals and Events Policy outcomes. In addition other policy outcomes are considered where appropriate e.g. the Arts Policy for the Christchurch Arts Festival.

Views and preferences of persons affected or likely to have an interest:

The views and preferences of people on funding a programme of festivals and events have been sought through the LTCCP and Annual Plan processes. The Council has an ongoing programme of monitoring audience and satisfaction levels at the festivals it funds. In addition the overall Festivals and Events Policy Outcomes are monitored annually through a telephone survey. In the 2004 Annual Residents Survey 82% of respondents rated the value for money spent on putting on festivals and events as good or very good.

Other relevant matters:**Delay Making Funding Allocations for the 2005/06 Year Until Strategic Issues Determined**

Hold off from allocating festivals and events funding for 2005/06 whilst the strategic issues and approach and worked through.

	Benefits (current and future)	Costs (current and future)
Social	Allows strategic issues to be considered and long-term funding intentions to be considered prior to allocating funding for 2005/06.	A number of regular festivals that have significant social benefits will not take place in 2005/06 due to the uncertainty of funding or because the strategic and funding decisions have not been made before the festivals are due to take place.
Cultural	Allows strategic issues to be considered and long-term funding intentions to be considered prior to allocating funding for 2005/06.	A number of regular festivals that have significant cultural benefits will not take place in 2005/06 due to the uncertainty of funding or because the strategic and funding decisions have not been made before the festivals are due to take place.
Environmental	Fewer festivals and events will take place with a consequent reduction on their impact on natural resource use, waste etc.	

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	Benefits (current and future)	Costs (current and future)
Economic	Allows strategic issues to be considered and long-term funding intentions to be considered prior to allocating funding for 2005/06.	A number of regular festivals that have significant economic benefits will not take place in 2005/06 due to the uncertainty of funding or because the strategic and funding decisions have not been made before the festivals are due to take place. The financial base of many of the festivals has been built up over an extended period. Often the successful funding of festivals is dependent on commercial sponsorship and ticket sales. If the festivals do not take place for a year this can have a significant long term impact on these revenue streams.
<p>Extent to which community outcomes are achieved: Primary alignment with community outcome a Cultural and Fun City. Also contributes to a Learning City, a Prosperous City, Inclusive Communities, a Healthy and Active People. Delaying the decision on funding a programme of festivals and events for 2005/06 will inevitably result in some festivals being cancelled and consequently reduce the Council's contribution to these Community Outcomes.</p> <p>Impact on Council's capacity and responsibilities: The funding of festivals and events has been provided for in the LTCCP and the Annual Plan. Consideration of the impact on the Council's capacity through use of resources has been considered in determining the budgetary levels in these plans.</p> <p>Effects on Maori: A number of the festivals and events funded feature aspects of Maori culture and enable increased understanding of these. If festivals are cancelled as a result of delaying the funding decisions this will negatively impact on these opportunities to display and understand aspects of Maori culture.</p> <p>Consistency with existing Council policies: Each festival considered for funding is assessed in detail against the Council's Festivals and Events Policy outcomes. In addition other policy outcomes are considered where appropriate e.g. the Arts Policy for the Christchurch Arts Festival.</p> <p>Views and preferences of persons affected or likely to have an interest: The views and preferences of people on funding a programme of festivals and events have been sought through the LTCCP and Annual Plan processes. The Council has an ongoing programme of monitoring audience and satisfaction levels at the festivals it funds. In addition the overall Festivals and Events Policy Outcomes are monitored annually through a telephone survey. In the 2004 Annual Residents Survey 82% of respondents rated the value for money spent on putting on festivals and events as good or very good.</p> <p>Other relevant matters:</p>		

4. 8. 2005

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**7. REPORT OF THE MISUSE OF MOTOR VEHICLES SUBCOMMITTEE
MEETING OF 15 JULY 2005**

Attached.

**8. REPORT OF THE HAGLEY/FERRYMEAD COMMUNITY BOARD
MEETING OF 13 JULY 2005**

Attached.

9. NOTICES OF MOTION

Attached.

10. QUESTIONS

11. RESOLUTION TO EXCLUDE THE PUBLIC

Attached.