

## 18. CANTERBURY MUSEUM – DRAFT ANNUAL PLAN 2011/12



<b>General Manager responsible:</b>	General Manager Regulation & Democracy Services
<b>Officer responsible:</b>	General Manager Regulation & Democracy Services
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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 A**) for the year ending 30 June 2012 to enable the Council to consider the plan to make, if it wishes to do so, submissions on the draft annual plan.

### PREFACE: POST EARTHQUAKE

2. The Canterbury Museum Annual Plan for the financial year 1 July 2011 to 30 June 2012 was prepared prior to the earthquake of 22 February 2011. The financial components of the Annual Plan were approved by the Board on 13 December 2010 for referral to the Contributing Local Authorities for their budgeting purposes. A meeting to discuss the draft Annual Plan 2011/12 and funding options was held on 7 February 2011 between the Mayors, Chief Executive Officers and Finance Managers of the Contributing Local Authorities and the Board Chair, Director and Financial Controller. The recommendations resulting from this meeting were approved by the Board on 11 April 2011 and are incorporated in the following document.

3. The Board comments that:

“Whilst we acknowledge that the earthquake will have a major effect on the Museum for the 2011/12 year and the outer years, at this stage there is insufficient information available to reforecast the Annual Plan. Please note that there will be a reduction in some income sources and a possible increase in some earthquake related expenses. The main income reductions will be dependent on our visitor numbers for 2011/12 which will be significantly impacted by the ability of the Christchurch CBD to attract visitors back after the earthquake, and whilst the demolition and rebuilding phase of the central city is progressing. The decrease in visitor numbers will affect our visitor donation income and also income from the Café, Store and Discovery. The most notable increase in expenditure may be in insurance premiums. Whilst it will be a very difficult year for the Museum, it will in any event live within its actual income as forecast in this Annual Plan”.

4. On 25 February 2011 the Museum was green-stickered with the following notice:

‘Inspected - No restriction on use or occupancy. The building has received a brief inspection only. While no apparent structural or other safety hazards have been found, a more comprehensive inspection of the exterior and interior may reveal safety hazards.’

A comprehensive structural engineering inspection has been scheduled with Holmes Consulting Group for late April.

5. As of 11 April 2011 the Director posted the following notice on the main doors at the Museum:

“Normal operations and programmes are suspended following the severe 22 February 2011 earthquake. The Museum is closed to the public until further notice. Staff are working on earthquake recovery projects with the aim of making public areas and collections safe for re-opening in approximately one month.’

Whether the City is ‘ready’ for the re-opening of the Museum at this point remains to be seen.”

## 12. 5. 2011

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#### EXECUTIVE SUMMARY

6. The levy increase has remained at 7 per cent for the 2011/12 Annual Plan as highlighted in the Canterbury Museum's 2010/11 Annual Plan. Christchurch City Council's share of the increase in levies is \$398,779, and this has been factored into the Council's 2011/12 Annual Plan. The increase will bring the Council's share of the operating levy to \$6,090,744.

#### FINANCIAL AND LEGAL CONSIDERATIONS

7. The Canterbury Museum Trust Board Act 1993 requires the Canterbury Museum Trust's 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.
8. 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 2011.
9. 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 CCC or three of the other contributing authorities resolve to hold the levies. (Section 16 of Canterbury Museum Trust Board Act 1993)
10. Submissions may be made to the Museum requesting them to amend the plan.
11. Given that the operating levies are the same as forecast in the 2010/11 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 2011/12 Annual Plan.

#### BACKGROUND ON CANTERBURY MUSEUM 2011/12 DRAFT ANNUAL PLAN

12. 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.
13. The plan is available for consideration by the contributing local authorities until Tuesday 31 May 2011.

#### OTHER CONTENT OF THE PLAN

14. The general content of the 2011/12 annual plan is largely the same as the previous years plan.

#### THE OBJECTION PROCESS

15. 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.

#### STAFF RECOMMENDATIONS

It is recommended that:

- a) the Council consider what submissions it wishes to make on the Board's draft 2011/12 Annual Plan.
- b) the Councillor representative supports the Museum's 2011/12 operating levies