

## **NOTICE OF MEETING**

### **Joint Shareholders' Committee**

**Date: Tuesday 25 August 2020**

**Time: 1.30pm**

**Via Zoom:** Join Zoom Meeting

<https://zoom.us/j/91272203690?pwd=N20vZHRwRWc3UDlpc01wYTB4ZGJ5Zz09>

Meeting ID: 912 7220 3690

Passcode: 802221



## **MEMBERSHIP**

### **Members**

#### **Tasman District Council**

Mayor T King  
Deputy Mayor S Bryant  
Cr B Dowler  
Cr K Maling  
Cr C Mackenzie  
Cr D Ogilvie

#### **Nelson City Council**

Mayor R Reese  
Deputy Mayor J Edgar  
Cr M Courtney  
Cr B McGurk  
Cr G Noonan  
Cr R Sanson

(Quorum 6 members) 3 from each Council.

Committee Advisor

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Website: [www.tasman.govt.nz](http://www.tasman.govt.nz)



## **AGENDA**

### **1 OPENING, WELCOME**

### **2 APOLOGIES AND LEAVE OF ABSENCE**

#### **Recommendation**

**That apologies be accepted.**

### **3 DECLARATIONS OF INTEREST**

### **4 CONFIRMATION OF MINUTES**

**That the minutes of the Joint Shareholders' Committee meeting held on Monday, 18 May 2020, be confirmed as a true and correct record of the meeting.**

### **5 PRESENTATIONS**

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### **6 REPORTS**

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### **7 CONFIDENTIAL SESSION**

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## 5 PRESENTATIONS

### 5.1 TASMAN BAYS HERITAGE TRUST, LUCINDA BLACKKEY-JIMSON CHIEF EXECUTIVE

Information Only - No Decision Required

<b>Report To:</b>	Joint Shareholders Committee
<b>Meeting Date:</b>	25 August 2020
<b>Report Author:</b>	Christina Ewing, Executive Assistant to Corporate and Governance Services Manager
<b>Report Number:</b>	RJSC20-08-8

#### PRESENTATION

Lucinda Blackey-Jimson Chief Executive of Tasman Bays Heritage Trust will be available to answer questions. (Not presenting).

#### Appendices

Nil





## 6 REPORTS

### 6.1 TASMAN BAY HERITAGE TRUST - ADOPTION OF FINAL STATEMENT OF INTENT

Decision Required

<b>Report To:</b>	Joint Shareholders Committee
<b>Meeting Date:</b>	25 August 2020
<b>Report Author:</b>	Mark Preston-Thomas, Manager, Community Partnerships
<b>Report Number:</b>	RJSC20-08-1

#### 1 Purpose of Report

- 1.1 To receive and approve the Final Statement of Intent 2020/23 from Tasman Bays Heritage Trust (TBHT).

#### 2 Recommendation

That the Joint Shareholders Committee

- receives the report Tasman Bays Heritage Trust - Adoption of Final Statement of Intent (R18091) and its attachments (A2326622 and A2411338); and**
- notes the delivery of the Tasman Bays Heritage Trust's Final Statement of Intent 2020/23 as required under the Local Government Act 2002; and**
- approves the Final Statement of Intent of the Tasman Bays Heritage Trust for 1 July 2020 to 30 June 2023.**

#### 3 Background and Discussion

- 3.1 TBHT is a joint Council Controlled Organisation. The Joint Shareholders Committee considered the draft Statement of Intent (SOI) from the Tasman Bays Heritage Trust (TBHT) at its meeting on 18 May 2020. The Committee provided the following feedback to TBHT on its draft SOI 2020/23 and the update provided by TBHT representatives:

***That the draft Statement of Intent meets the shareholders' expectations; and  
Requests the Final Statement of Intent includes an analysis of fundraising contributions and also visitor numbers.***

#### 4 Discussion

- 4.1 The Advice Letter from the two Councils (Attachment 1) and the TBHT's revised SOI (Attachment 2) are appended to this report. TBHT has amended the draft SOI as requested by the Joint Shareholders Committee and changes are highlighted. The principal changes are as follows:

- 4.1.1 COVID-19 reforecasting (p3, p6 clause 2, p9, p13) with a reduction in visitor numbers.
  - 4.1.2 Including the digital hui format for regional museums (p10).
  - 4.1.3 Increasing the number of significant collection items from 10 to 30 relating to the Tasman fires and now including the COVID-19 emergency (p11).
  - 4.1.4 Revised budgets in light of COVID-19 (pp14-17).
  - 4.1.5 Updated alignment with community outcomes on contributing to COVID-19 recovery (p18, clause 2 and clause 4).
- 4.2 The Final SOI was received within statutory timeframes.

## 5 Options

- 5.1 The Committee can either approve the SOI as the final version or reject it. If the Committee does not agree to the SOI, then shareholders must take all practicable steps under Clause 5 of Schedule 8 of the Local Government Act to require the SOI to be modified. Given that the TBHT Board has complied with requests for further information from the Committee, this approach is not recommended.

Option 1: Agree to the SOI (Recommended option)	
Advantages	<ul style="list-style-type: none"> <li>Gives clarity to TBHT on direction for the 2020/21 year</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>None identified</li> </ul>
Option 2: Decline to agree to the SOI	
Advantages	<ul style="list-style-type: none"> <li>Allows the Councils to set a different direction</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>Lack of clarity for TBHT</li> <li>Potential damage to relationships between the councils and TBHT</li> </ul>

Considerations for Decision Making
<p><b>1. Fit with Purpose of Local Government</b></p> <p>The preparation of a Statement of Intent is a requirement of Schedule 8 of the Local Government Act.</p>
<p><b>2. Consistency with Community Outcomes and Council Policy/Legal requirements</b></p> <p>The museum contributes to the outcome 'Our communities have opportunities to celebrate and explore their heritage, identity and creativity' and 'Our communities have access to a range of social, educational and recreational facilities and activities'.</p>

<b>3. Strategy and Risks</b>
<p>There is a risk that COVID-19 impacts may affect delivery of the Statement of Intent by TBHT. Officers will update the Committee if any changes to performance targets are advised by the TBHT.</p> <p>There is medium risk that expectations of funding for a project to house and care for the Nelson Tasman regional heritage collection may not be realised.</p>
<b>4. Financial impact/Budgetary implications</b>
The provision of the museum is a budgeted activity for both Councils.
<b>5. Degree of significance and level of engagement</b>
This matter is of low significance and no further consultation is proposed.
<b>6. Climate Impact</b>
This matter is of low significance and no further consultation is proposed.
<b>7. Inclusion of Māori in the decision making process</b>
No engagement with Māori has been undertaken in preparing this report. Iwi are represented on the Trust Board.
<b>8. Delegations</b>
<p>The Joint Shareholders Committee has the following delegations to consider the Final Statement of Intent:</p> <p><i>Areas of Responsibility:</i></p> <ul style="list-style-type: none"> <li><i>All matters relating to jointly owned Council Controlled Organisations and Council Controlled Trading Organisations, including statements of intent, statements of corporate intent, half yearly reports, and the appointment of directors and setting of director fees.</i></li> </ul> <p><i>Powers to Decide:</i></p> <p><i>All matters relating to jointly owned Council Controlled Organisations and Council Controlled Trading organisations, including statements of intent, statements of corporate intent, half yearly reports, and the appointment of directors and setting of director fees.</i></p>

## 6 Conclusion and Next Steps

- 6.1 The adoption of the Final SOI of the TBHT is supported.
- 6.2 TBHT will be notified of the outcome. The SOI will be published on the Councils' websites.

## 7 Attachments

1. TBHT Advice Letter on Statement of Intent - 2020

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**Item 6.1**

2. TBHT - Final Statement of Intent 2020/23

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30 January 2020

Tasman Bays Heritage Trust  
Board of Trustees  
Attn: Chairperson Olivia Hall  
PO Box 853  
Nelson 7040

Dear Olivia

**ADVICE LETTER ON THE TASMAN BAYS HERITAGE TRUST'S STATEMENT OF INTENT**

This letter is intended to confirm Nelson City Council's and Tasman District Council's (the councils) general and specific expectations for the Tasman Bays Heritage Trust (TBHT) for the 2020/21 Statement of Intent. These include additional requirements arising from the recent changes to the Local Government Act 2002.

**Statement of Intent 2020/2021**

It is best practice for the councils to signal to Council Controlled Organisations (CCOs) their expectations for each organisation in the 2020/21 financial year. These expectations can then be considered by these entities to guide their strategic direction and to assist in the development of the Statement of Intent (SOI) for that financial year.

This also means that the councils engage with CCOs early and therefore any difference in expectations can be addressed early in the process.

For 2020/21 the councils are setting their expectations for TBHT via a letter of advice, rather than a Statement of Expectation. This is due to the timing of meetings.

Council officers maintain good relationships with their colleagues at each of these organisations and are always ready to assist them in the interpretation of Local Government Act requirements and the preparation of their respective SOIs.

The Local Government Act 2002 Amendment Act 2019 made a number of changes to the LGA that impact on CCOs.

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There is a replacement Schedule 8 in the LGA. This more clearly sets out the requirements for SOIs differentiating between matters to be covered in all SOIs and those that are specific to trading and non-trading CCOs.

**General expectations to be included in the SOI**

- 1.1 SOIs must include a complete set of summary prospective financial statements for at least three years (preferably five years) i.e. Statement of Comprehensive Income, Statement of Financial Position and cash flow statement.
- 1.2 SOIs should disclose measures such as earnings before interest and tax (EBIT) and earnings before interest, tax, depreciation and amortisation (EBITDA) and balance sheet ratios where applicable i.e. Council Controlled Trading Organisations (CCTOs).
- 1.3 SOIs must fully comply with the new Schedule 8 of the Local Government Act. This is to ensure a consistent approach across all CCOs.
- 1.4 Compliance with legislation and reporting on Health and Safety matters must be given due emphasis.
- 1.5 Where the councils make a financial contribution to the operational costs of the organisation, the CCO should show how it intends to increase non-council revenue streams.
- 1.6 Capital expenditure and asset management intentions should be included.
- 1.7 CCOs should use the same information for both managing the business and reporting through to the councils, i.e. the information used for setting targets and reporting against them for the SOI should overlap and be a subset of the information used for internal reporting.
- 1.8 SOIs and other CCO reports should be in a plain style, concise, relevant, accessible and focused on meeting the needs of the shareholding councils and the public they represent. The use of graphs, tables and charts is expected to convey both financial and non-financial information along with trends (past, current and future numbers).
- 1.9 To be effective the SOI must disclose the performance story for the CCO, providing a clear and succinct understanding of the CCO purpose, the goods and services it delivers and what success looks like. Providing a clear message to the Board on these requirements and other expectations will assist in ongoing improvements in the SOI and reporting.
- 1.10 The main aspects of the SOI performance story are:
  - Strategic context
  - Specifying and presentation of the outcomes framework
  - Main measures and targets, outcomes and objectives
  - Linking the strategy outputs performance together.
- 1.11 Risk management: The SOI should set out clearly how the Board is considering and managing risks, including natural hazards and cyberattacks.

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- 1.12 Sustainability – The SOI should provide detail as to how environmental impacts, climate change mitigation and adaption, and outcomes are taken into account in the operation of the CCO.
- 1.13 Health and Safety - Given the requirements of the Health and Safety at Work Act 2015 (the Act), it is appropriate for the councils to set out their expectations in relation to Health and Safety in CCOs.
  - 1.13.1 Under Section 44 (3) of the Act elected members do not have a duty to exercise due diligence to ensure that any council-controlled organisation complies with its duties or obligations under the Act unless that member is also an officer of that council-controlled organisation.
  - 1.13.2 The councils expect the Board to set appropriate Health and Safety strategy and policy, understand the nature of risks/hazards within the business, monitor performance and activities to ensure risk is being managed and review Health and Safety systems and performance.
- 1.14 Governance performance - In order to aid the Council when making decisions on trustee remuneration and appointments, the Board should undertake regular evaluation of its own performance. The Council expects these reviews to be carried out at least once every eighteen months.
- 1.15 The Chair of the Board should reference this evaluation when making recommendations on the re-appointment or recruitment of Board members. In addition, trustee recruitment must take account of the new requirement in the LGA to ensure that when identifying the skills, knowledge, and experience required of trustees, consideration is given to whether knowledge of tikanga Māori may be relevant to the governance of that CCO.
- 1.16 The councils require that CCOs, before making a decision that may significantly affect land or a body of water, must take into account the relationship of Māori and their culture and traditions with their ancestral land, water, sites, wāhi tapu, valued flora and fauna, and other taonga. This is a new provision in the LGA.

**Specific expectations to be included in the SOI**

- 1.17 By way of general comment, the councils note the positive strategic presentation made by representatives of the Trust at the Joint Committee on 19 November 2019, including evidence of work to support the local museums in Tasman District, and encourages the Trust to continue this work. The councils encourage the Trust to engage with the councils via their respective Long Term Plans, as the most appropriate mechanism to confirm or request funding (rather than through the SOI).
- 1.18 The councils have one specific expectation that they wish to see in the SOI: the councils request the Trust to enter into appropriate loan facility agreements with each Council covering the current loans, by 1 April 2020, and these are currently being drafted for discussion with the Trust.

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**Important Dates 2020**

To assist you with your planning, please find **enclosed** a letter from Roger Ball notifying you of committee meeting dates for 2020.

If you have any queries, please contact Roger Ball on (03) 545 8729 / [roger.ball@ncc.govt.nz](mailto:roger.ball@ncc.govt.nz) in the first instance.

Yours sincerely



Rachel Reese JP  
**Mayor of Nelson**



Tim King  
**Mayor of Tasman**

cc Lucinda Blackley-Jimson, CEO, Nelson Provincial Museum

A2326622





PO Box 853, Nelson 7040, New Zealand  
enquiries@museumnp.org.nz | www.nelsonmuseum.co.nz

## TASMAN BAYS HERITAGE TRUST Statement of Intent

1 July 2020 – 30 June 2023

**Revised 20 June 2020 post-Covid19 pandemic**

### CONTACT DETAILS:

#### CEO

Lucinda Blackley-Jimson

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[ceo@museumnp.org.nz](mailto:ceo@museumnp.org.nz)

#### CHAIR

Olivia Hall

T. 021 0253 9048

[olivia.hall@museumnp.org.nz](mailto:olivia.hall@museumnp.org.nz)

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## Introduction

This Statement of Intent (SOI) is submitted by the Tasman Bays Heritage Trust ('the Trust'), trading as Nelson Provincial Museum ('the Museum'), a Council Controlled Organisation of Nelson City Council and Tasman District Council ('the Stakeholders'), and in accordance with Section 64 of the Local Government Act 2002 and its amendments, and sets out the intentions and expectations of the Trust for the period 1 July 2020 – 30 June 2023.

In presenting this SOI we wish to thank the Nelson City Council and Tasman District Council for their continued support of Tasman Bays Heritage Trust. We are confident that our strategic plan will enhance the value of the Museum to our communities and add to the vibrancy and attractiveness of the region as a destination for visitors and for those seeking a new place to call home.

## Covid-19 reforecast

This SOI has been revised in light of the Covid-19 pandemic and differs in some regards to the document submitted on 28 February 2020. Tourism numbers are expected to fall due to border closures and travel restrictions, and this has impacted significantly on our forecast visitation and revenue. We have revised our 2020/21 FY budget accordingly to 'make ends meet', including a reduction in forecast expenditure in order to deliver a break-even budget (before the fair value interest charge on Council loans).

## Purpose Statement

To care for, strengthen and make widely accessible the taonga and heritage collections of Nelson Tasman; and to create unforgettable experiences that stimulate awareness, celebrate diversity, incite action and entertain.

## Mission

The Trust operates as Nelson Provincial Museum, the regional museum of Nelson Tasman. The Museum is the repository of material culture and a proponent of local, distinctive intangible culture. It will present regional history, natural history, mātauranga Māori and contemporary narratives in stimulating and provocative ways, by making its collection accessible on-site, online and in the community.

- A key strategic intention of the Trust in this period is to establish the Museum as a highly valued repeat destination for local residents, domestic and international visitors by providing exceptional taurima (caring for and entertaining) for all of our audiences, regardless of their culture, language, or abilities;
- We will provide interactive, multi-sensory and playful educational experiences beyond the classroom that speak to the needs of 21st century learners of all ages – both lifelong and formal;
- We will contribute to the activation of the upper Trafalgar Street precinct and the heart of the CBD by fulfilling our building's existing potential, including the use of the roof garden, foyer and adjacent kerbside;
- We honour the Museum's commitment to bi-culturalism, collaborating with mana whenua iwi across Nelson Tasman to tell their stories in their own words, and facilitating connection to their Taonga;

- We actively collect, care for, and preserve objects of regional, national and international significance – both historical and contemporary – and create innovative ways of sharing these with the community;
- We will scope and develop a new, fit-for-purpose Collection facility to enable us to preserve the treasures of the regional Collection for current and future generations;
- We will become more relevant in the lives of the public and our stakeholders by responding to current social, cultural, and environmental challenges and opportunities through our educational offerings, public programming, collecting and exhibitions;
- We will become recognised as a provider of fascinating content and dynamic storytelling with a strong connection to local communities, told through a variety of formats and media including onsite experiences, outreach, and digital channels; and
- We will actively collaborate across the region, sharing our knowledge and expertise to support the aspirations of the district museums.

#### **Values**

The following principles underpin decision-making and set the standard for performance interactions with the Museum's communities:

- To celebrate and respect our region's cultural heritage in respect of Tangata Whenua and Tangata Tiriti, along with Nelson Tasman's diverse multi-cultural mix, both past and present, and to show how this contributes to our distinctive regional identity;
- To be innovative, valuing imaginative approaches and creative solutions;
- To be customer focused: to care for our visitors and be responsive to their needs, embodying the principle of manaakitanga (hospitality) and taurima;
- To act professionally, embodying best museum practice within a context of scholarship and the Museums Aotearoa and ICOM (International Council of Museums) Code of Ethics;
- To be relevant to our community and to actively engage with them;
- To care for and value our people – our staff and volunteers – attracting and retaining a creative and engaged team;
- To be financially sustainable, attracting resources and revenues that will underpin our Purpose, Mission, and related activities;
- To be environmentally sustainable and to model best practice for our communities.

#### **Activities**

Nature and scope of activities to be undertaken:

- To manage and operate the Museum for the benefit of the residents of Nelson Tasman and visitors to the region;
- To strengthen, care for, manage, interpret, preserve and make accessible the Museum's regional heritage collections for the benefit of manawhenua iwi, residents and visitors;

- To promote understanding and appreciation of the region's rich cultural heritage and natural environments;
  - To develop and maintain partnerships that mutually benefit the Museum, the community, and allied organisations;
  - To professionally manage and maintain all of the Trust's assets, including the regional heritage Collection; and
- To be a good employer and foster a culture of staff excellence and well-being.

#### **Strategic Plan 2020 - 2023**

This SOI defines five strategic objectives with associated activities and KPIs, which underpin the strategic planning for the next three years. These are largely derived from the priorities and stated objectives of the Trust, combined with the expressed expectations of our two stakeholder Councils:

1. To plan for and progress a capital works project that will safely and appropriately house and care for the Nelson Tasman Regional Heritage Collection;
2. To be a highly valued visitor destination, educational facility and cultural tourist attraction;
3. To actively support and collaborate with Nelson Tasman cultural heritage organisations, iwi and other community organisations;
4. To continue to develop and care for a strong Regional Collection which is relevant and valued by, and accessible to, our Nelson Tasman communities; and
5. To improve our sustainability performance.

#### **1. To plan for and progress a capital works project that will safely and appropriately house and care for the Nelson Tasman Regional Heritage Collection**

As first identified in 2004 and in several feasibility studies from 2010 to 2014 (Stuart report 2010, OCTA Associates 2011, Walker Associates Strategic Review 2014), the Research Facility and Collection Store at Isel Park is at the end of its functional life. Subsequent analysis of the Isel Park facility (Opus 2017, Tasman Consulting Engineers 2018) has determined that there is a maximum lifespan of 5 years, meaning the collection should be moved by 2023.

For the Trust to continue to provide adequate care for the regional Collections, including the UNESCO inscribed Tyree Photographic Studio Collection, a new facility is required. To this purpose the Church Street site was purchased in 2019, following the recommendations of the Joint Shareholders Committee Working Group and agreement from both Councils.

After significant consultation with both Councils and on the recommendation of the JSC Working Group, the site adjacent to the Museum in Church Street was identified as the optimum location for the new Archives, Research and Collections (ARC) Facility. Following Council approval, the Trust purchased the site for \$820,000 funded from the Trust's capital reserves.

It is gratefully acknowledged that Nelson City Council has allocated \$1.5 million in 2020/2021 and \$1.5 million in 2021/2022 within the 2018 to 2028 Long Term Plan (we understand that these will be pushed out to the 2021/22 and 2022/23 financial years respectively to better align with the work plan). Tasman District Council indicated in its 2018 to 2028 Long Term Plan that it will revisit the request for capital funding in the 2021 to 2031 Long Term Plan, and the Trust will again be formally submitting to this purpose in the 2020 consultation process. Assuming funding approval by Tasman District Council, construction of the new facility could commence in 2022.

Another key component of preparing for a new facility is the relocation of the Collection. An estimated 60 per cent of Collection objects in storage (by volume) are currently stored in such a way (unpacked or insufficiently supported) that they are unsafe for movement and transport to a new facility. In the coming years, prior to the completion of the new fit-for-purpose storage facility, additional staff resource will be required to physically prepare the Collection for relocation.

The primary strategic aims of the Trust over the next three-year period are to secure council funding, undertake a needs analysis, develop a fundraising strategy and commence fundraising, prepare designs, cost the capital works, call for tenders and prepare the Collection for relocation to the new Archives, Research and Collection (ARC) facility.

## **2. To be a highly valued visitor destination, educational facility and cultural tourist attraction**

We will continue to evolve the visitor experience to more closely represent our values and strategic aspirations. Our aim is to be a vibrant, dynamic, and contemporary institution that is relevant to and inclusive of all people in this community – a place for them in the heart of their city. We will continue to be recognised as a provider of interesting content and dynamic storytelling with a strong connection to local communities, told through a variety of formats and media including onsite experiences, an engaging special exhibition programme, educational and outreach programmes, and digital channels.

Visitation has increased significantly over the past five years, bringing us in line with other regional museums despite lower levels of funding and staffing. Our efforts have more recently focused on consolidating our audiences, embedding repeat visitation from locals and diversifying our audiences by breaking down barriers to visitation by under-represented groups.

Before the Covid-19 situation we forecast a general visitation of 60,500 plus 5,500 school students – 66,000 in total. We have reforecast that figure for the 2020-21 FY based on the following assumptions:

- No international tourists expected for summer 2020/21
- Domestic visitation severely curtailed by 80%
- Drop in local visitation due to reluctance to congregate/potential for ongoing closures

Our new visitation target is 35,000 plus 5,500 school students – a total of 40,500.

In discussion with Ministry of Education, who fund the Museum via the Learning Experience Outside the Classroom fund, we have planned to migrate much of our education programme to digital delivery. During the likely period of slow-visitation in the months to come, we will continue planning the refreshment of the regional gallery. The existing regional gallery is now fifteen years old and is becoming out of date. Visitor feedback on the experience receives the lowest rating compared to our other offerings. There are non-functional interactives (which can no longer be repaired), poor lighting, confusing narratives and dated colonial interpretations.

The Museum plans a staged redevelopment of the regional gallery by 2024. This will give visitors a highly engaging experience that explores the dynamic nature of the Nelson Tasman region, past and present, and pose leading questions of what the future may bring. Although the region's history is unique, it contains key events that are emblematic of the Aotearoa New Zealand story. The redevelopment will weave these elements into an offering of national significance, enhancing the appeal to both residents, and to local and international tourists when they return to the region, who have come to enjoy the beauty of the region's natural heritage and its many cultural attractions.

**3. To actively support and collaborate with Nelson Tasman cultural heritage organisations, iwi and other community organisations**

As the regional Museum for Nelson Tasman, the Trust aims to continue supporting the Tasman district museums (Golden Bay, Motueka and Murchison) and heritage facilities, such as Willow Bank Heritage Village and Higgins Heritage Park, as well as iwi, marae and community groups. We will do this through support and participation in large community-events similar to the Murchison earthquake commemorations, through the provision of expertise and professional museum support, and making available touring and tailored exhibits for display. Over the coming FY, we expect that much of this support will be offered remotely to reduce physical contact and travel needs.

In recent years this support has taken a variety of forms including expert assistance, free venue hire, mentoring, exhibition loans, event support and internal exhibition development. Our intention is to continue to add cultural, social and economic value across the wider Nelson Tasman region through our outreach programme and by supporting our communities in their endeavours, supporting smaller organisations in their aspirations.

In addition to working with individual organisations to help meet their goals, we also seek to support collaboration and partnerships across the region's galleries, libraries, archive facilities and museums. We provide advice, guidance and mentoring and coordinate regional online hui and workshops to help strengthen the sector; loaning objects for exhibit and sharing skills and resources digitally.

We continue to engage with iwi via our Te Tai Ao Komiti, assisting and partnering with iwi on matters of importance to them and their marae.

**4. To continue to develop and care for a strong Regional Collection which is relevant and valued by, and accessible to, our Nelson Tasman communities**

In 2017, the Trust adopted a new Collections Management Policy that focuses our collecting activities firmly on material with strong significance and relevance to the Nelson Tasman communities. Active measures are taken to acquire items for the Collection that represent Nelson Tasman's dynamic contemporary culture. The specific focus on regionally significant items reduces the amount of items acquired to only those directly related to the history, cultural and environmental story of Nelson Tasman.

Some items in the current Collection hold little or no historical significance to Nelson Tasman. A process of moving these objects from the Museum's Collection to more suitable organisations will be undertaken, in line with quality museum practices and prior to the relocation to the new facility. Initial conversations have been held with Golden Bay Museum and Founders Heritage Park around a shared regional approach to collecting.

In recent years, the Collection has been steadily inventoried and audited to ensure each Collection object is represented on an online database and is easily locatable. This extensive process of assessing, photographing and cataloguing each item will continue.

Improved accessibility will be provided through increasing the number and quality of digital records and through improved searchability. Physical access to the collection is currently hampered by the conditions of the Isele Park Research Facility, although we continue to facilitate it. The Research Facility is normally open eleven months of the year, with a shut-down over the Christmas period. Maintaining these hours may not be possible in 2020/21 if there are further Alert Levels restrictions.

The Isele Park research facility continues to physically deteriorate and requires significant and ongoing financial upkeep to maintain basic functionality. Through the provision of a new, fit-for-purpose storage facility we aim to physically care for, provide access to, and safeguard the Collection, to ensure our region's important heritage items are preserved for the benefit of the Nelson Tasman region, its residents, visitors and future generations.

#### **5. To improve our sustainability performance**

Following analysis of our carbon footprint through EKOS, we are planning a programme of continual improvements designed to reduce our carbon emissions, increase our generation and use of renewable energy, reduce our demand for and use of resources, such as water, plastic, and reduce our generation of solid wastes. A staff Sustainability Committee has been formed which meets monthly to identify areas for improvement and to workshop solutions.

When the design brief for the new collection storage facility is prepared we will consider various sustainability requirements with respect to, for example: building design, materials used, the possible incorporation of passive solar features, installation of solar photo voltaic cells and/or solar hot water panels, and the ongoing operational use of resources. There will be the opportunity to consider whether we strive to achieve a particular level of certification under the most pertinent green building certification scheme that is available.

By undertaking this audit and subsequent actions, the museum has the opportunity to demonstrate good organisational citizenship, community leadership, best practice sustainability and to make our contribution to addressing the pressing global challenges of climate change. It would also provide great educational and story-telling opportunities for not only our LEOTC students and accompanying parents, but also the wider community we serve. This objective is a good example of how we can achieve our mission of becoming more relevant to our communities in responding to the environmental and social challenges of climate change through 'walking the talk' and communicating climate change knowledge through our public educational offerings, programmes, outreach and digital channels.



## Key Performance Indicators (KPIs)

Strategic goal	Achieved through	Measured by (KPI)
<b>1.</b>  <b>To plan for and commence a capital works project which will safely and appropriately house and care for the Nelson Tasman regional Heritage Collection</b>	- Robust planning, budgeting and project management	- Project plan including timeline and refined budget completed by 30 June 2021
	- Identifying, canvassing and securing funding sources	- 30% of funding secured by 30 June 2021
	- Securing support of both Councils	- Financial support of both Councils confirmed by 30 June 2021
<b>2.</b>  <b>To be a highly valued visitor destination, educational facility and cultural tourism attraction</b>	- Implement actions to attract traditionally under-represented visitor groups	- Collaborate with local iwi on at least one exhibition or event every year
		- Implement at least one new digital accessibility initiative by 30 June 2021
		- Deliver at least one public programme event targeted at rangitahi youth by 30 June 2021
	- Better understand our local audience, including non-visitors	- Undertake further visitor demographic research by 30 June 2021
	- Consolidating and attaining visitation targets	- Achieve target visitation of 35,000 across all venues (excluding education) by 30 June 2021
		- Achieve annual Ministry of Education visitation target of 5,500 (including remote learning)

	- Provide a high quality customer service and visitor experience	- Twice yearly customer surveys with rating at least 85% satisfaction
	- Provide a high quality educational service	- Teacher evaluation satisfaction levels at least 90%
	- Provide a destination retail experience profiling local Nelson Tasman makers	- At least 30% of stock sourced from Nelson Tasman artisans
	- A refreshed and up to date Regional Gallery experience to engage tourist and local audiences	- Consultation with mana whenua and other community stakeholders by 30 June 2021
		- Concept design complete by 30 December 2021
		- First stage of redevelopment completed by 30 June 2022
<b>3. To actively support and collaborate with iwi and Nelson Tasman cultural heritage organisations</b>	- Providing content and support for Tasman district museums	- Provide 100 hours of expertise or resources to district museums by 30 June 2021
	- Providing advice, guidance and mentoring to smaller galleries, libraries, archives and museums within Nelson Tasman	- Coordinate one National Digital Forum (NDF) workshop (or similar) by 30 June 2021
		- Organise two regional hui (possibly digital) with associated workshop on a topic requested by district museums by 30 June 2021

	<ul style="list-style-type: none"> <li>- Collaborating with other Nelson Tasman institutions and organisations</li> </ul>	<ul style="list-style-type: none"> <li>- Collaborate with NCC Library to digitise Nelson Evening Mail from 1937 to 1945 for online access through Papers Past completed by 30 June 2021.</li> </ul>
		<ul style="list-style-type: none"> <li>- Host one remote wiki-edit-a-thon on a mutually agreed topic with another Nelson Tasman organisation by 30 June 2021.</li> </ul>
		<ul style="list-style-type: none"> <li>- Participate in one collaborative project with an iwi or Nelson Tasman heritage organisation by 30 June 2021.</li> </ul>
<b>4.</b>  <b>To continue to develop and provide appropriate care for a strong Collection which is relevant and valued by, and accessible to, Nelson Tasman communities</b>	<ul style="list-style-type: none"> <li>- Actively collecting objects that are strongly related to the history and cultural story of Nelson Tasman</li> </ul>	<ul style="list-style-type: none"> <li>- Collect at least two examples of contemporary local taonga by 30 June 2021.</li> </ul>
		<ul style="list-style-type: none"> <li>- Collect at least 30 significant items related to the 2019 Tasman Fires and the 2020 Covid-19 pandemic by 30 June 2021.</li> </ul>
	<ul style="list-style-type: none"> <li>- Identifying objects which that do not fit our Collections policy</li> </ul>	<ul style="list-style-type: none"> <li>- Pilot a rationalisation project on domestic technology collection by 30 June 2021.</li> </ul>
	<ul style="list-style-type: none"> <li>- Provide access for our visitors to connect with and study the physical Collection</li> </ul>	<ul style="list-style-type: none"> <li>- Provide collection material for ten outreach programmes by 30 June 2021.</li> </ul>
		<ul style="list-style-type: none"> <li>- Four finding aids/research guides published on the Museum's website relating to significant collection holdings by 30 June 2021</li> </ul>
		<ul style="list-style-type: none"> <li>- Undertake survey to understand what researchers need from and value in an archives and research facility by 30 June 2021</li> </ul>
		<ul style="list-style-type: none"> <li>- Inventory of furniture collection by 30 June 2021</li> </ul>

	- Prepare collection for relocation	- 5000 new records available online by 30 June 2021
	- Provide digital access to collection records	- Review of the improvement programme by 30 June 2021
<b>5. To improve our sustainability performance.</b>	- Embed the sustainability improvement programme	- Annual review of effectiveness of improvement measures
	- Implement actions to improve sustainability performance	- At least two sustainability initiatives implemented by 30 June 2021

## Visitation Targets

Visitation Targets	Forecast			Actual		
	2016/17	2017/18	2018/19	2016/17	2017/18	2018/19
<i>Museum visitors</i>	44,100	46,305	46,305	55,194	76,013	65,836
<i>LEOTC visitors (target set by LEOTC contract)</i>	5,500	5,500	5,500	7,913	7,626	6,124
<b>Total Visitors</b>	<b>49,600</b>	<b>51,805</b>	<b>51,805</b>	<b>63,107</b>	<b>83,639</b>	<b>71,960</b>

Visitation Targets	Forecast			
	2019/20	2020/21 <sup>1</sup>	2021/2022 <sup>2</sup>	2022/2023 <sup>3</sup>
<i>Museum visitors</i>	58,500	60,500 35,000	62,500 42,000	63,000 43,000
<i>Plus Education target (set by LEOTC contract)</i>	5,500	5,500	5,500	5,500
<b>Annual Combined Visitation Target</b>	64,000	66,000 40,500	68,000 47,500	68,500 48,500

<sup>1</sup> Reduced due to Covid-19 pandemic, based on 100% reduction in international, 80% reduction in domestic and 25% reduction in regional tourism

<sup>2</sup> Revised target based on updated reforecasts from NRDA, of a reduction of 91% in international and 21% domestic visitation to the region. 25% drop in regional visitation also expected from the original target of 62,500.

<sup>3</sup> Revised target based on updated reforecasts from NRDA, of a reduction of 91% in international and 21% domestic visitation to the region. 25% drop in regional visitation also expected from the original target of 63,000

TASMAN BAYS HERITAGE TRUST							
PROJECTED STATEMENT OF FINANCIAL PERFORMANCE							
				Original	Revised		
		2018-2019	2019-2020	2020-2021	2020-2021	2021-2022	2022-2023
		ACT CPI %1.6%	1.90%	1.90%	1.90%	1.90%	1.90%
<b>Revenue</b>							
TDC Operating Grant		859,360	875,688	892,326	892,326	909,280	926,557
NCC Operating Grant		859,360	875,688	892,326	892,326	909,280	926,556
NCC Operating Grant Extra		72,613	73,993	75,398	75,398	76,830	78,290
<b>Total Councils</b>		<b>1,791,333</b>	<b>1,825,368</b>	<b>1,860,050</b>	<b>1,860,050</b>	<b>1,895,391</b>	<b>1,931,403</b>
Contracts - Education LEOTC		82,190	82,190	82,190	82,190	82,190	82,190
Project Grants		65,000	20,000	35,000	7,000	30,000	30,000
Other		221,722	253,701	271,240	76,677	276,394	281,645
<b>Total Revenue</b>		<b>2,160,245</b>	<b>2,181,259</b>	<b>2,248,480</b>	<b>2,025,917</b>	<b>2,283,974</b>	<b>2,325,238</b>
Staffing		1,054,218	1,063,006	1,077,957	959,813	1,098,438	1,119,309
Education Contractors		88,005	86,543	92,679	92,679	94,440	96,235
Property		171,878	185,150	196,310	196,310	200,040	203,841
Other		208,000	201,700	217,200	117,901	216,232	220,340
<b>Total Direct Costs</b>		<b>1,522,101</b>	<b>1,536,399</b>	<b>1,584,147</b>	<b>1,366,702</b>	<b>1,609,150</b>	<b>1,639,724</b>
<b>Gross Surplus</b>		<b>638,144</b>	<b>644,860</b>	<b>664,333</b>	<b>659,214</b>	<b>674,824</b>	<b>685,514</b>
Overheads		244,355	221,990	227,557	222,384	229,381	232,239
Interest Costs*		54,616	68,816	57,116	57,116	57,116	57,116
Trustee Fees		63,166	64,366	65,331	65,331	66,573	67,838
<b>Total Expenses</b>		<b>362,137</b>	<b>355,172</b>	<b>350,004</b>	<b>344,831</b>	<b>353,069</b>	<b>357,192</b>
<b>Operating Surplus</b>		<b>276,007</b>	<b>289,688</b>	<b>314,329</b>	<b>314,384</b>	<b>321,755</b>	<b>328,322</b>
Depreciation		321,704	369,563	368,870	368,870	375,879	383,020
<b>Net Surplus/Deficit</b>		<b>(45,697)</b>	<b>(79,874)</b>	<b>(54,541)</b>	<b>(54,486)</b>	<b>(54,124)</b>	<b>(54,699)</b>
* 2021 onwards includes \$2,500 bank overdraft (revolve credit facility) interest							
** Expect council interest to decrease as repay loans but if discount rate goes down then will increase so left as 2021							
***2022 and 2023 assumes business as usual, but this is dependent on Covid impact on travel for those years							
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**2020/2021 NOTATIONS TO REVISED BUDGET**

1. 31 Dec 2019 CPI rate of 1.9%. The total funding from Councils is for operational costs (including trustee fees). Other Revenue includes admissions, donations, sales, interest and retail rental. These are reduced to reflect the impact of reduced visitor numbers due to Covid-19.
3. A freeze on recruitment and wage increases, together with a deferral of planned exhibitions and a move to online experience delivery have reduced costs to mitigate lost revenue.
4. LEOTC contract has been extended to 31 December 2021 and future budgets assume this contract being renewed on similar terms.
5. The Moon exhibition was to be contracted to other museums for 3 years and the direct cost of the exhibition is depreciated over 3 years. This has been deferred by one year due to uncertainty in the touring exhibition landscape nationwide.
6. Capital expenditure of \$80,000 per annum for replacement of aged assets such as the air conditioning system at Trafalgar Street.
7. The Trust is applying for external funding for capital projects. The replacement projects will proceed as funding is secured or out of cash flow as required.
8. Council interest is expected to decrease as loans are repaid, no adjustment as a decrease in fair value discount rate will increase this charge.
8. The intention is that a break-even budget is achieved before the fair value interest charge on Council loans.
9. The Loan repayment amount to Council (\$100,000 each per annum) remains unchanged.

TASMAN BAYS HERITAGE TRUST							
PROJECTED STATEMENT OF FINANCIAL POSITION							
	2018-2019	2019-2020	Original	Revised			
	Actual	Actual @	2020-2021	2020-2021	2021-2022	2022-2023	
		31/12/2019					
<b>Assets</b>							
Cash & Bank	11,310	12,626	9,225	8,977	10,348	8,285	
Accounts Receivable	35,191	538,499	35,191	3,650	3,650	3,650	
Prepayments	37,603	30,952	2,500	8,000	8,000	8,000	
Stock on Hand	26,672	23,367	26,672	23,700	23,700	23,700	
Investments	271,927	160,000	160,000	160,000	255,000	360,000	
Non Current Assets	20,693,941	20,599,985	20,405,071	20,141,720	19,845,841	19,542,821	
<b>Total Assets</b>	<b>21,076,644</b>	<b>21,365,429</b>	<b>20,638,659</b>	<b>20,346,047</b>	<b>20,146,539</b>	<b>19,946,456</b>	
<b>Liabilities</b>							
Bank overdraft (revolve credit facility)	265,689	120,020	60,000	10,000	10,000	10,000	
Creditors	66,286	96,824	80,625	61,800	61,800	61,800	
GST	(2,732)	55,992	(2,732)	(1,612)	(1,612)	(1,612)	
Accruals - Wage & Holiday Pay Accrual	96,710	47,993	50,000	45,000	45,000	45,000	
Grants Received in Advance	1,245	462,144	1,245	1,245	1,245	1,245	
Loan ex NCC/TDC	1,284,591	1,284,591	1,139,207	993,825	848,441	703,057	
<b>Total Liabilities</b>	<b>1,711,789</b>	<b>2,067,564</b>	<b>1,328,345</b>	<b>1,110,258</b>	<b>964,874</b>	<b>819,490</b>	
<b>Net Assets</b>	<b>19,364,855</b>	<b>19,297,865</b>	<b>19,310,314</b>	<b>19,235,789</b>	<b>19,181,665</b>	<b>19,126,966</b>	
<b>Equity</b>							
Retained Earnings	19,682,863	19,364,855	19,364,855	19,290,275	19,235,789	19,181,665	
Current Year Earnings	(318,008)	(66,990)	(54,541)	(54,486)	(54,124)	(54,699)	
<b>Total Equity</b>	<b>19,364,855</b>	<b>19,297,865</b>	<b>19,310,314</b>	<b>19,235,789</b>	<b>19,181,665</b>	<b>19,126,966</b>	
* Revolve credit facility expires May 2021							
** Loans shown at fair value, amount repayable as at 30 June 2023 will be \$650,000							
*** Funding and costs of new Collections Facility are excluded until such time as these are confirmed and approved							



TASMAN BAYS HERITAGE TRUST								
PROJECTED STATEMENT OF CASHFLOWS								
					Original	Revised		
	2018-2019	2019-2020 Actual @ 31/12/19	2020-2021	2020-2021	2020-2021	2021-2022	2022-2023	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>								
Council Operating Grants	1,794,734	912,634	1,860,050	1,860,050	1,860,050	1,895,391	1,931,403	
Contracts	90,313	47,415	82,190	82,190	82,190	82,190	82,190	
Interest Received	22,027	2,492	5,000	3,200	3,200	5,000	5,000	
Receipts from Other Revenue	293,454	154,524	301,240	80,477	80,477	301,394	306,645	
Payments to Suppliers & Employees	(1,916,878)	(998,984)	(1,877,035)	(1,654,417)	(1,654,417)	(1,905,104)	(1,939,801)	
Interest Paid	(1,488)	(1,697)	(2,500)	(2,498)	(2,498)	(2,500)	(2,500)	
Goods and Services Tax (Net)	4,686	(9,758)				-	-	
<b>Net Cash from Operating Activities</b>	<b>286,848</b>	<b>106,626</b>	<b>368,945</b>	<b>369,002</b>	<b>369,002</b>	<b>376,371</b>	<b>382,938</b>	
<b>CASH FLOWS FROM INVESTING AND FINANCING ACTIVITIES</b>								
Maturing/Sale of Investments	409,165	274,659	274,659	160,000	160,000	160,000	255,000	
Purchase of Property	(851,371)	(74,300)	(80,000)	(80,000)	(80,000)	(80,000)	(80,000)	
Purchase of Investments	(271,927)	(160,000)	(160,000)	(160,000)	(160,000)	(255,000)	(360,000)	
	(714,133)	40,359	34,659	(80,000)	(80,000)	(175,000)	(185,000)	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>								
Cash from/(to) Overdraft (revolve credit facilit	265,689	(145,669)	(205,689)	(90,000)	(90,000)			
Repayment of Council Borrowings	(200,000)	-	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	
	65,689	(145,669)	(405,689)	(290,000)	(290,000)	(200,000)	(200,000)	
<b>Net Increase (Decrease) in Cash</b>	<b>(361,596)</b>	<b>1,316</b>	<b>(2,085)</b>	<b>(998)</b>	<b>(998)</b>	<b>1,371</b>	<b>(2,062)</b>	
Opening Cash Balance	372,906	11,310	11,310	9,975	9,975	8,977	10,348	
Closing Cash Balance	11,310	12,626	9,225	8,977	8,977	10,348	8,285	

**Alignment with Joint Community Outcomes**

The Museum is actively aligned with the Joint Community Outcomes of Tasman District Council and Nelson City Council, which both Councils adopted as part of their respective Long Term Plans.

*1. Our unique natural environment is healthy, protected and sustainably managed*

The Museum profiles a variety of environmental issues and encourages engagement with, and protection of, our regional biodiversity through education, exhibitions and events.

We are implementing internal measures for sustainability.

*2. Our urban and rural environments are people friendly, well-planned, accessible and sustainably managed*

The Museum works to create a welcoming and engaging social space contributing to the activation of the Upper Trafalgar precinct. The Museum is free to visit for Nelson Tasman residents (except for occasional major touring exhibitions for which there may be a small reduced entry fee charged on a cost recovery basis). Our contribution to the vibrancy of the region will be especially important in a coming year where unemployment is forecast to increase significantly, providing community engagement in the heart of the city. We will continue to support cultural heritage activities across the region through outreach to district museums, galleries, libraries and historic and heritage facilities and organisations.

*3. Our infrastructure is efficient, cost effective and meets current and future needs*

The Archive, Research and Collections capital works project will ensure that we can provide an appropriate facility that provides the most cost-effective long-term solution for the care of the regional heritage Collection for future generations.

*4. Our communities are healthy, safe, inclusive and resilient*

We provide many opportunities for community engagement, lifelong learning and playful experiences, which are needed more than ever given the impact of Covid-19 on the region's families, iwi, workers and businesses. Our core activities are free for Nelson Tasman residents to access and our programming will increasingly cater to the bi-cultural and multi-cultural diversity of the region. Our public programmes focus on inclusivity and are offered free of charge to lower income families. Bespoke programmes are provided for groups with sight or hearing impairments.

*5. Our communities have opportunities to celebrate and explore their heritage, identity and creativity*

Our core business is to enable local residents to connect with their heritage, both cultural and environmental. We do this through a range of programmes at the Museum, in the community and, increasingly, digitally, making the region's treasures available for visitors and locals alike. We are focused on ensuring engagement across the region as well as increasingly catering to a broader demographic.

*6. Our communities have access to a range of social, cultural, educational and recreational facilities and activities*

We provide social engagement across demographics and opportunities for life-long learning, recreation and leisure. In the last year we have delivered free-of-charge programmes to almost

8,000 school-aged children, plus tertiary groups, ESL classes, preschoolers, aged communities, special interest groups and the general public.

*7. Our Council provides leadership and fosters partnerships, a regional perspective and community engagement*

The Museum works with the community to create opportunities for engagement on-site, on-line and in the community. We provide leadership and guidance within and across the sector, to support the activities of local museums and heritage parks, heritage houses, historic organisations, galleries and libraries.

*8. Our region is supported by an innovative and sustainable economy*

As the most visited cultural tourism attraction in the region, the Museum supports and complements the region's tourist offerings. High-impact window displays, good visibility into the foyer, exciting programming, an enhanced digital experience and an attractive retail area has markedly improved the Museum's value proposition and helps bring destination traffic to the Upper Trafalgar precinct.

We attract innovative and creative people from around New Zealand and the world to work at the Museum, and to contribute to the regional arts and cultural sector and the local economy.

**ADDITIONAL INFORMATION****Governance Statement: Structure, Function and Obligations of the Board****The Role of the Board**

- To set policy
- Ensuring the Trust meets its objectives approved in the Deed of Trust, Statement of Intent and Memorandum of Understanding with the two Council Stakeholders
- Ensuring the Trust complies with all its lawful obligations
- Ensuring sound financial management of the Trust
- Ensuring the Stakeholders are kept well informed on all relevant issues, and that there are no surprises on matters likely to cause community or political concern
- Encouraging the Stakeholders to take an active and positive role in ensuring that the Museum meets its objectives and continues to aim for sustainable growth within the community
- Employing the Chief Executive (including entering into a performance management agreement, reviewing performance and setting remuneration)

**Composition of the Board**

- The Board is made up of no more than seven, nor less than five, non-executive Trustees
- The appointment, rotation and removal of Trustees shall be in accordance with the procedures defined in the Deed of Trust and the Council's policy and procedure for the joint appointment of directors/trustees of Council Controlled Organisations and Council Controlled Trading Organisations

**Guidance and Resources Provided to Board Members**

Resources available to Board members to carry out their duties:

- Sound financial management systems that provide Board reports as follows:
  - Statement of Cash Flow for the preceding quarter and forecast for next quarter
  - Schedule of Fixed Assets for the preceding quarter and year to date
  - Chief Executive's report addressing issues related to the Trust and Museum performance against objectives (financial and non-financial, including health and safety)
- The Board will ensure that relevant training opportunities and an induction kit are made available to Trustees

**Code of Conduct:**

- All Board members shall observe the Governance Charter, 2008
- All Board members will be required to comply with the New Zealand Institute of Directors "Code of Proper Practice for Directors"
- All Board members will apply their best endeavours to ensure the Trust achieves the financial, cultural, social and environmental objectives defined in Section 2 of this document

- All Board members will apply their best endeavours to ensure the Trust complies with the requirements of its Deed of Trust, Memorandum of Understanding and the statutory compliance of the annual Statement of Intent and Strategic Plan
- All Board members will apply their best endeavours to ensure the Trust complies with the Museums Aotearoa Code of Ethics
- Board members are expected to devote the time, diligence, effort and commitment to allow the Board to achieve its objectives
- Board members will undertake a review of their performance every 18 months and work towards rectifying any issues identified

#### **Significant Policies in Place for Accountability**

The Board shall ensure the Trust complies with the reporting requirements of the Local Government Act, the Trust Deed and those outlined in Section 7 of this document.

#### **Risk Management Policies**

- The Board shall ensure that appropriate insurance is maintained on all insurable risks of the Trust, and in particular public liability insurance
- The Board shall ensure that the Trust has systems in place to achieve compliance with the Health & Safety in Employment Act 1992 and subsequent amendments
- The Board shall review appropriate security measures to safeguard assets (cash, Collection, archives) and staff handling of such assets
- The Chief Executive maintains a full Risk Register for all Museum operations. The Trust Audit & Risk reviews the full document quarterly, and newly identified or significant risks are reported to the full Board monthly. Risks identified include natural hazards and information technology failures (malicious and otherwise) causing business interruption.

#### **Remuneration**

- Trustees may with the prior approval of both Councils, and in accordance with the Terms of the Deed of Trust, resolve to pay themselves an annual remuneration

#### **Nature and Scope of Activities**

The objects for which the Trust is established are detailed in the Deed of Trust:

- To manage and operate the Museum in accordance with the Strategic Plan, to manage the Trust's assets and facilities, and acquire and manage the Collections, including research collections of archives, library and photographs, and to operate them for the benefit of the residents of the region and the public generally, in accordance with the Strategic Plan
- To recognise the special nature of the history of the region and the role of Tangata Whenua as kaitiaki of taonga Māori and their special contribution to the heritage and identity of Te Tau Ihu
- To support the strategic direction and policies of Nelson City Council and Tasman District Council in relation to cultural heritage issues and to enhance the special character of the region by protecting and celebrating its heritage and promoting it as a destination for cultural tourism (in association with NRDA - Nelson Regional Development Agency)

- To foster support from a wide network including employees, volunteers, iwi, life associates, ratepayers and residents, educational providers, domestic and international visitors, heritage and other interest groups, corporate sponsors, private donors and supporters, philanthropic / funding agencies, Museums Aotearoa and departments of the New Zealand government
- To foster effective participation with the community on heritage matters
- To develop exhibition programmes and education policies for the Trust facilities and Museum services, with a view to maximising public utilisation of these facilities and services at the Museum in Nelson City and the Collections Research Facility at Isel Park
- To provide services that relate to the education of the residents of the Nelson and Tasman region, the rohe of Te Tau Ihu, and the wider community generally, relating to the region's past history and heritage issues and to the present time via exhibitions, our website, and physical and electronic access to Collections
- To collaborate with other museums and facilities within the region to maximise community input into heritage issues
- To develop and maintain partnership programmes with other museums
- To consult with and seek input from the community generally by whatever manner the Trustees deem appropriate to enable the services provided by the Trust and the Museum to be in accordance with the wishes of the community
- To retain Acquisition, Deaccession, Exhibition and Collection Policies for the Trust
- To provide all financial, administration, marketing, technology and other services required for the Trust facilities
- To acquire land and other assets where such land or other assets can be used in conjunction with the Trust facilities or to promote the aims and objectives of the Trust
- To ensure that all facilities are managed effectively
- To comply with all relevant legislation and regulations and, where practicable, observe and support all international conventions and treaties as they relate to museums and items held by museums
- To protect and manage for the benefit of the Museum all intellectual property, including trademarks, copyright and any reproduction rights

Generally, to do all acts, matters and things that the Trustees consider necessary or conducive to further or attain the objects and aims of the Trust set out above.

#### **Accounting Policies**

The reporting entity is Tasman Bays Heritage Trust. The financial year is from 1 July until 30 June.

The Trust reports financially under the Accounting Standards Framework implemented by the Financial Accounting External Reporting Board to effect changes enacted by the Financial Reporting Act 2013. For Financial Reporting purposes the Trust is a "Not-For-Profit Public Benefit Entity". The Trust reports under the Tier 3 PBE Accounting Standards. All transactions in the financial statements are reported using the accrual basis of accounting.

The Trust is now required to prepare its financial statements in accordance with PBE Standards RDR. This will be the first year that the Trust has prepared financial statements under these standards. As a consequence, the Trust will be required to prepare and present its opening statement of financial position under PBE Standards as at 1 July 2018, and prepare and present its statement of financial position, statement of comprehensive revenue and expense, statement of changes in net assets/equity and cash flow statement for the year ending 30 June 2020, including comparative amounts for the year ended 30 June 2019.

The Trust reports internally on a monthly accounting cycle with actuals for the Statement of Financial Performance and Statement of Financial Position being presented to Management and the Board monthly. Progress against budgets and forecasts is regularly monitored internally and reported against.

The Accounting policies are those set out in the Trust's Annual Report.

#### **Measurement Base**

The financial accounting policies which materially affect the measurement of financial performance and financial position will be applied.

#### **Goods and Services Tax**

The financial statements will be prepared so that all components are stated exclusive of Goods and Services Tax.

#### **Fixed Assets**

Tasman Bays Heritage Trust has the following classes of assets:

- Land, Buildings and Improvements
- Plant and Equipment
- Exhibition Fit Outs – permanent gallery
- Office Furniture and Fittings
- Collections

All fixed assets acquired from the Nelson Provincial Museum [NPM] in 2000-01 were recorded at their previous book value. Subsequent additions are recorded at cost. Collection assets donated to, or acquired by, the Trust are recorded and are not subject to depreciation. Items with a value greater than \$500 are approved prior to accession and where practicable a value is assigned based on research.

#### **Depreciation**

The Trust adheres to its Depreciation Policy. Each asset group has been assigned an appropriate depreciation rate calculated to allocate asset costs over their estimated life.

Land and Buildings are assessed on Fair Value. A new schedule was adopted in 2009-10. Buildings are valued for Audit and Insurance purposes biennially.

**Financial Instruments**

The Trust is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, short-term deposits, accounts receivable, accounts payable and loans.

Revenue and expenses in relation to all financial instruments are recognised in the Statement of Financial Performance.

All financial instruments are recognised in the Statement of Financial Position.

**Employee Entitlements**

Provision is made in respect of the Trust's liability for annual leave. Annual leave has been calculated on an actual entitlement basis at current rates of pay.

**Audit and Risk Management Committee**

This Board sub-committee was established in 2008-09 to consider all financial and accounting information and to identify and assist in the management of the risk framework and performance targets.

**Annual Objectives**

As detailed in the Strategic Plan document.

- Governance, Financial and Strategic Performance Objectives set by the Board
- Service Performance Objectives developed by the CEO with senior staff

**Governance Obligations**

- Operate within the annual budget at all times
- Consult with Te Tai Ao Komiti to assist with kaitiakitanga of taonga Māori
- Maintain the Research Library and catalogue and care for the NPM collection at Isel Park
- Prioritise strategies that contribute towards sustainable growth and future certainty
- Open the Nelson city facility at 270 Trafalgar Street to the public for 363 days per year
- Care for the NPM Collection in accordance with Museum standards and legal requirements.

**Reporting to Stakeholders**

Financial reports will be provided to stakeholders in accordance with statutory compliance.

**Draft Statement of Intent (SOI)**

The Trust will begin development of the SOI by 30 November in each year. No later than 28 February in each year, the Trust will deliver to the Stakeholders a DRAFT Statement of Intent [SOI], Strategic Plan and Budgets that fulfil the requirements of LGA 2002 (Section 64).

**Completion of Statement of Intent (SOI)**

The Stakeholders' comments on the draft are to be received no later than 30 April. After due consideration, the Trustees will deliver to the stakeholders a Final SOI for the Stakeholders'



approval, on or before 30 June each year. Performance objectives and Proposed budget (year 1) and Indicative budgets (years 2 and 3) are included with the Draft and Final SOI.

#### **Half Year Report**

After the end of the half year (31 December) of the financial year the Trust will deliver to the Stakeholders a brief un-audited report containing the following information in respect of the period under review (due no later than 28 February).

- Statement of financial performance disclosing actual and budgeted revenue and expenditure (P&L) and comparative figures from previous half year report
- Statement of financial position at the end of the period
- Statement of cash flow
- A Trust commentary on the results for the period, including progress against objectives in the Statement of Intent and the Strategic Plan. An outlook for the second half year, with reference to any significant factors that are likely to have an effect on performance

#### **Annual Report**

The Trustees shall deliver to the Stakeholders an annual report which fulfils the statutory requirements of LGA 2002 (Section 67) and prepared to comply with NZ International Financial Reporting Standards (IFRS) and audited financial statements in respect of the financial year containing at least the following information:

- A report including a summary of the financial results, a review of operations and comparison of performance in relation to objectives in the Statement of Intent and the Strategic Plan
- Statement of financial performance disclosing actual and budgeted revenue and expenditure and comparative figures from previous annual reports
- Statement of financial position at the end of the year
- Statement of cash flows
- Auditor's report on the above statements and the measure of performance in relation to the declared objectives
- The annual report is to be available for public inspection (on the NPM website)

The non-financial part and the draft financials will be delivered to TDC and NCC Councils on or before 5 August 2020. Finalised financials will be delivered on or before 12 August 2020.

#### **Procedure for Acquisition of Other Interests**

If the Trustees believe that Tasman Bays Heritage Trust should invest in or otherwise acquire any interests in any other organisation or property, they will obtain the approval of both stakeholding Councils. This will require a resolution passed by each Council.

#### **Funding from Local Authorities**

An annual funding contribution shall be made to the Trust as an operational grant, in accordance with the funding agreement in the Memorandum of Understanding. This grant and other Council funding such as Trustee fees or special funds will be clearly identified by the Trust in the SOI budgets.

In addition to the base funding Tasman District Council makes storage space available at Whakatu Estate in a lease arrangement [at an estimated value of over \$65,000 pa] and Nelson City Council has made a grant of \$70,552 pa available for work on the Collection Inventory project. The confirmation of funding requires the approval of each Council by resolution. Council provisions for the Trust will be disclosed in each Council's ten-year Long Term Plan [LTP], annual plans and annual reports. The Trust will submit all funding requests to the two Councils in accordance with due process.

#### **Estimate of the Trusts Value**

The net asset worth of the Trust at 30 June 2016 was \$19,012,323. The Museum Collection was valued at \$15,316,700 with an effective date of 28 August 2015. This was carried out by independent valuers Dunbar Sloane. Significant donations are examined by independent valuers and are noted in the annual accounts.

The most recent valuation of land and buildings was performed by independent registered valuer I McKeage of Telfer Young (Nelson) Ltd. The Isel property was valued at \$413,000 (a drop of \$220,000 from the 2015 valuation) while the TA445 land and buildings was valued at \$9,220,000 (a rise of \$64,000 in the same period). The effective date of this valuation was 30 June 2018.

#### **Loan Agreements**

The Trust has entered into a loan arrangement with the Nelson City Council and Tasman District Council for their respective loans. The Trust will repay the amount of \$100,000 to each Council commencing June 2016 until the loans are repaid, subject to adequate ongoing operational grant funding from both Councils. As the loans are at nil interest these are discounted to their fair value upon receipt. Loan facility agreements are in process and are expected to be in place by 30 June 2020.

#### **Dividend Policy**

As a non-profit charitable trust the Councils are stakeholders rather than shareholders. There is no issue of shares and no mechanism for dividends. However, the Trust anticipates, through delivery of performance objectives, that an annual, non-financial dividend will be returned to our wider community through a contribution to the social and cultural wellbeing of the region.

#### **Insurance**

On behalf of the Trustees, Tasman Bays Heritage Trust will purchase Trustees' indemnity insurance. The Trustees will in return sign a declaration that such insurance is fair, as required by the Companies Act 1993. The Trust will ensure that appropriate insurance is maintained on all inwards loans, buildings owned by the Trust, and in particular public liability insurance.

## 7 CONFIDENTIAL SESSION

### 7.1 Procedural motion to exclude the public

The following motion is submitted for consideration:

**That the public be excluded from the following part(s) of the proceedings of this meeting. The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.**

**This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:**

### 7.2 TBHT Trustee Appointment and Remunerations

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	<p>48(i)(d) - To deliberate in private in a procedure where a right of appeal lies to a Court against the final decision.</p> <p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.</p> <p>s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>	<p>s48(1)(a)</p> <p>The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</p>

### 7.3 Presentation from Port Nelson Limited and Questions

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	<p>48(i)(d) - To deliberate in private in a procedure where a right of appeal lies to a Court against the final decision.</p> <p>s7(2)(h) - The withholding of the information is necessary to enable</p>	<p>s48(1)(a)</p> <p>The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</p>

	<p>the local authority to carry out, without prejudice or disadvantage, commercial activities.</p> <p>s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>	
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#### 7.4 Port Nelson Director Reappointment

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	<p>48(i)(d) - To deliberate in private in a procedure where a right of appeal lies to a Court against the final decision.</p> <p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.</p>	<p>s48(1)(a)</p> <p>The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</p>

#### 7.5 Port Nelson Limited - Draft Statement of Corporate Intent 2021 to 2023

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	<p>s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.</p> <p>s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>	<p>s48(1)(a)</p> <p>The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</p>

#### 7.6 Presentation Nelson Airport and Questions

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution

<p>The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</p>	<p>48(i)(d) - To deliberate in private in a procedure where a right of appeal lies to a Court against the final decision.</p> <p>s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.</p> <p>s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>	<p>s48(1)(a)</p> <p>The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</p>
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### 7.7 Nelson Airport Limited - Final Statement of Intent

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
<p>The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</p>	<p>48(i)(d) - To deliberate in private in a procedure where a right of appeal lies to a Court against the final decision.</p> <p>s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>	<p>s48(1)(a)</p> <p>The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</p>

### 7.8 Directors Remuneration 2020 - Port Nelson Limited and Nelson Airport Limited

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
<p>The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</p>	<p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.</p> <p>s7(2)(c)(i) - The withholding of the information is necessary to protect information which is subject to an obligation of</p>	<p>s48(1)(a)</p> <p>The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</p>

	confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information or information from the same source and it is in the public interest that such information should continue to be supplied.	
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