

CHRISTCHURCH CITY COUNCIL SUPPLEMENTARY AGENDA

THURSDAY 10 APRIL 2014

9.30AM

**COUNCIL CHAMBER, CIVIC OFFICES,
53 HEREFORD STREET**

SUPPLEMENTARY AGENDA - OPEN

CHRISTCHURCH CITY COUNCIL

Thursday 10 April 2014 at 9.30am
in the Council Chamber, Civic Offices, 53 Hereford Street

Council: The Mayor, (Chairperson).
Councillors Vicki Buck, Jimmy Chen, Phil Clearwater, Pauline Cotter, David East, Jamie Gough,
Yani Johanson, Ali Jones, Raf Manji, Glenn Livingstone, Paul Lonsdale, Tim Scandrett and
Andrew Turner

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COUNCIL 10. 4. 2014**28. RESOLUTION TO BE PASSED – SUPPLEMENTARY REPORTS**

Approval is sought to submit the following reports to the Council meeting of 10 April 2014:

- **Acting Chief Executive Report on the Majestic Theatre**
- **Report by the Chairperson of the Finance Committee 8 April 2014**
- **Report by the Chairperson of the Finance Committee 8 April 2014
(Public Excluded)**

The reason, in terms of section 46(vii) of the Local Government Official Information and Meetings Act 1987, why the reports were not included on the main agenda is that they were not available at the time the agenda was prepared.

It is appropriate that the Council receive these reports at the current meeting.

RECOMMENDATION

That the reports be received and considered at the meeting of the Council on 10 April 2014.

Acting CEO Special Report - #7

Council Meeting – 10 April 2014

1. INTRODUCTION

There is no Acting CEO report on this week's agenda, however because of the urgency of the Majestic Theatre issue, this short report has been prepared.

2. MAJESTIC THEATRE

Further to the Earthquake Recovery Council meeting (ERCoW) on the 3rd April 2014 and the deputation on the Majestic Theatre, the Mayor and Acting CEO met with Warwick Isaacs – Deputy Chief Executive Implementation/Director, Christchurch Central Development Unit on the 3rd April 2014. We communicated Council's concerns to him and followed up with the attached letter (Appendix A). A reply to our letter was received on the 8th April 2014 and is also attached (Appendix B).

A phone call to Warwick this morning confirmed that he is happy to meet again. However, he also stated that he is unable to change the decision to demolish Majestic House as this demolition is well underway.

3. RECOMMENDATION

That the information in this special report be received.

APPENDIX A

Letter to Warwick Isaacs from the Mayor and Acting CEO on 4th April 2014

Office of The Mayor

Christchurch
City Council 

4 April 2014

Warwick Isaacs
Deputy Chief Executive - Implementation
Christchurch Central Development Unit
CHRISTCHURCH

By email: warwick.isaacs@cera.govt.nz

Dear Warwick

Majestic Theatre

Thank you for providing the advice last evening that has informed your decision on the Majestic Theatre. As you know, this is a Group 2 listed heritage building in the Christchurch City Plan. It has considerable historical, social and architectural value that is all the more precious given the loss of so many heritage buildings within the city centre.

In the spirit of openness, this is to let you know that following consideration of the advice you relied upon for your decision, we maintain our opposition to the demolition of this building.

One of the main drivers of your decision appears to be the widening of Manchester Street to implement the *An Accessible City* chapter of the Central City Recovery Plan. Staff at the Council advise that alternative options for this portion of Manchester Street have not been explored through the Joint Technical Review Group (with representatives from CCDU and CCC) for *An Accessible City*. This group should be given the opportunity to propose and assess alternatives.

Another driver is the perceived incompatibility with residential development intended within the East Frame. However the building could be re-purposed for apartment living, retaining at least the façade along the street frontage. While retention and redevelopment of heritage buildings can be an expensive exercise, such a development would be eligible for funding set aside for heritage buildings, such as the Council's own Landmark grant scheme.

As you know, we are required to report back to Council on this issue; this means that our views, which will be based on the content of this letter, will go into the public arena on Monday night – hence this letter to you to request that you put a halt to the demolition process until these options for Manchester Street and the future use of the building are fully considered.

We will make ourselves available to meet with you at your earliest convenience.

Yours sincerely



Lianne Dalziel
MAYOR



Jane Parfitt
ACTING CHIEF EXECUTIVE

Civic Offices, 53 Hereford Street, Christchurch 8011
PO Box 73016, Christchurch 8154
Phone: 03 941 8999
www.ccc.govt.nz

APPENDIX B

Reply from Warwick Isaacs to the Mayor and Acting CEO on 8th April 2014



8 April 2014

Hon Lianne Dalziel
Mayor of Christchurch
Christchurch City Council
53 Hereford Street
Christchurch Central

Ms Jane Parfitt
Acting Chief Executive
Christchurch City Council
53 Hereford Street
Christchurch Central

Dear Lianne and Jane

Thank you for your letter of 4 April 2014 regarding Majestic House, following our meeting on 3 April 2014.

I wish to reiterate that my consideration of the demolition did not just relate to the matters you have identified. I considered that the demolition of Majestic House was in accordance with the purposes of the Canterbury Earthquake Recovery Act 2011 and that it was necessary for me to exercise those powers.

While I understand your position in relation to this building I would like to point out some relevant factors to my decision which your letter does not cover.

Firstly, your own engineering advice agrees that a reasonable portion of the building needs to be demolished due to earthquake damage. Following this, the restoration of the building could cost in excess of \$18 million which, despite your heritage team's best efforts over the last three years, had not been found prior to my decision-making.

In fact, when requested to provide any further reports or advice on the building in February 2014 your heritage team advised us to refer to the Council's heritage building treatment report of 2012. In addition, they advised that they did not wish to seek the retrieval of any heritage items from the building.

With regard to the matter of widening Manchester Street, this was not the 'main driver' of my decision but, rather, one of many drivers. In considering implications for Manchester Street, I sought advice from CERA traffic engineers on alternatives. I did not consider it necessary to take these further for joint agency consideration.

The decision to demolish Majestic House was not made lightly or in haste, and particular regard was given to its heritage status. Given this, I am unable to halt the demolition as you have requested, noting that the demolition of the building commenced on 31 March 2014.

If you believe a further meeting would be beneficial I am happy to do so.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Warwick Isaacs', is written over a horizontal line.

Warwick Isaacs
Director



Private Bag 4999, Christchurch 8140, New Zealand
Phone +64 3 354 2600 | Fax +64 3 963 6382
info@ccdu.govt.nz | www.ccdu.govt.nz

10. 4. 2014

**REPORT BY THE CHAIRPERSON OF THE
FINANCE COMMITTEE
8 APRIL 2014**

PART A - MATTERS REQUIRING A COUNCIL DECISION**1. CANTERBURY CRICKET – SECURITY INTEREST CONSENT REQUEST**

		Contact	Contact Details
General Manager responsible:	General Manager Community Services		
Officer responsible:	Unit Manager, Recreation & Sport		
Author:	Kathy Jarden – Team Leader Leasing Consultancy Robert O'Connor – Senior Solicitor	Y	941-8203 941-8575

1. PURPOSE AND ORIGIN OF REPORT

- 1.1 The purpose of this report is to seek the Council to consent to security interests being registered against the Hagley Oval pavilion building in favour of the Christchurch Earthquake Appeal Trust and other funders.
- 1.2 The report originates with staff on the request of Canterbury Cricket Association and Canterbury Cricket Trust.

2. BACKGROUND

- 2.1 The Council approved the granting of a ground lease on 29 August 2013 to Canterbury Cricket Association (CCA) for the erection of a pavilion and lighting towers.
- 2.2 CCA obtained a Resource Consent from the Environment Court on 13 August 2013 to build a pavilion and erect lighting towers at Hagley Oval for cricket and wider community use.
- 2.3 Canterbury Cricket Trust (CCT) was formed by CCA in 2007 to act as a foundation and fundraiser for CCA. CCA is its prime beneficiary but its wider objectives are to foster and support the game of cricket in Canterbury and Westland and to provide charitable community benefits.
- 2.4 Upon granting of the Resource Consent, CCT began making application for funding for the Pavilion. Cricket World Cup has granted the city of Christchurch the opening ceremony and three Cricket World Cup games, together with warm up games at Hagley Oval.
- 2.5 From August 2013 to 30 November 2013, CCT raised approximately \$8.5m from various organisations including New Zealand Community Trust, Lion Foundation, Canterbury Earthquake Appeal Trust and a number of other entities.
- 2.6 Conditions attached to much of the funding received by CCT are that:
 - Funding be provided to a registered Charitable Trust;
 - Funding be provided to CCT;
 - The Pavilion to be built on Hagley Park be owned by CCT.

These conditions only emerged after the resource consent was obtained and lease approval was given by the Council at its meeting on 29th August 2013.

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- 2.7 The funding received by CCT for the pavilion project takes the form of grants or suspensory loans from various trust funders (which are only repayable if the required public or community benefits are not delivered). The purpose of the various trust funders taking security over the building is to secure Canterbury Cricket's obligation to provide public or community benefits from the facility.
- 2.8 The lease was formally signed on 2 December 2013, after the funding was confirmed.
- 2.9 CCT signed a contract for the construction of the Pavilion with Southbase in January 2014 and the construction is well underway. To date CCT has obtained grant funds of some \$3m and expended those funds in the construction of the Pavilion. CCT has been relying on the receipt of further grant funds from CEAT for April, May and June of this year in the form of \$1m per instalment to meet future ongoing costs for the construction of the Pavilion. CEAT has now advised CCT that unless the security interest is provided to CEAT by CCT, together with the consent of CCC, those funds will not be provided.
- 2.10 Council's consent to the Security Interest in favour of CEAT is therefore urgent.

3. COMMENT

- 3.1 The lease is a ground lease only and specifically provides that the building improvements will be owned by the Lessee. The Council therefore has no ownership interest in the building and lighting towers being built by Canterbury Cricket.
- 3.2 As a requirement of several of CCT's funding sources the Council is asked to consent as landowner to a charge (or mortgage) under the Personal Properties Securities Register being registered against the building in favour of those funding sources. This is merely a process requirement of CCT's funders and does not affect the Council's interest as landowner under the lease.
- 3.3 The Council entered into a hosting agreement with Cricket World Cup 2015, part of which involves the commitment on the part of Council to facilitate the development of the required facilities in Hagley Oval in time for Cricket World Cup's final inspection in October 2014.
- 3.4 Council staff do not have delegated authority to provide the consent required.
- 3.5 To facilitate the expeditious funding of CCT and the construction of the building to meet the time constraints imposed by the Cricket World Cup, council staff recommend that the consent be given.

4. FINANCIAL IMPLICATIONS

- 4.1 There are no financial implications to the Council in approving the Security Interest.

5. STAFF RECOMMENDATION

It is recommended that the Finance Committee recommend that Council:

- 5.1 Consents to such security interests, as are required, being registered against the pavilion building on the Personal Properties Securities Register.
- 5.2 Grant to the Corporate Support Manager delegated authority to give the Council's consent to such security interests being registered, and to enter into such documentation as shall be required, on terms and conditions acceptable to her.

6. COMMITTEE CONSIDERATION

Committee members expressed concern around the status of the pavilion on Hagley Park in the event that the Canterbury Cricket Trust no longer be in a position to continue the lease.

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Councillor Buck moved, seconded by Councillor Livingstone an addition to the staff recommendation "that the Committee recommends to the Council that if there is any default on this lease the Council determines that this facility be returned for public use."

When put to the meeting the motion was **carried** on a vote of five to three the voting being as follows:

For: Councillors Buck, Chen, Johanson, Livingstone and Turner.
Against: Councillors Gough, Lonsdale and Manji.

Councillor Johanson moved, seconded by Councillor Turner an amendment to 5.2 of the staff recommendation 'that such documentation as shall be required to give consent will be attached to this report to be presented to the Council for its approval at its 10 April 2014 meeting'.

When put to the meeting the motion was declared **carried** on a vote of five to three, the voting being as follows:

For: Councillors Buck, Chen, Johanson, Livingstone and Turner.
Against: Councillors Gough, Lonsdale and Manji.

7. COMMITTEE RECOMMENDATION

That the Council:

- 7.1 Consents to such security interests, as are required, being registered against the pavilion building on the Personal Properties Securities Register.
- 7.2 Agree that if there is any default on this lease the Council determines that this facility be returned for public use.

2. SUPPLY OF SERVICES AGREEMENT

		Contact	Contact Details
General Manager responsible:	General Manager Public Affairs		
Officer responsible:	Marketing and Events Unit Manager	Y	941 8587 richard.stokes@ccc.govt.nz
Author:	Richard Stokes		

1. PURPOSE OF REPORT

- 1.1 To seek approval for the termination of the Supply of Services Agreement between Christchurch City Council and the World Buskers Festival Trust (WBF Trust). This would enable the WBF Trust to operate the Festival in line with the Trust Deed and the annual Statement of Intent agreed with the Council.
- 1.2 Inform Council of requests from the WBF Trust for funding certainty to support the festival through a period of transition of management staff and the transition of some of the festival content back to central city sites.

2. EXECUTIVE SUMMARY

- 2.1 The Council purchased the World Buskers Festival (WBF) in 2009 with a primary objective of ensuring that the Festival would not leave Christchurch. Financial and management structures were put in place including a new Charitable Trust - the World Buskers Festival Trust – as a Council Controlled Organisation to operate the Festival. Agreements for management services to be provided to the WBF Trust by Red Toad Ltd (Jodi Wright) and the Council were established with a view that responsibility for fully managing the WBF would be gradually handed over to the Council.

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- 2.2 The WBF and the Council's events programme of work have increased in size and scope since the earthquakes of 2010 and 2011. With experience of operating the WBF during this period, both the World Buskers Festival Trust and Council's Marketing and Events management agree that a change to the management structure is required to effectively move the festival forward.
- 2.3 While the WBF has been successfully delivered through the 2010-14 period, the management structure has not supported the development of a cohesive, effective management team. Lessons learned during this period include:
- 2.3.1 The Festival needs increased management capacity than anticipated in 2009 - it must cover the increased scope of operations management, talent / creative management and financial / sponsorship management.
- 2.3.2 Succession planning and providing back up for key roles to reduce risk to delivery of the festival requires a dedicated level of resource which the Council has not been able to fully provide in support of the WBF Festival.
- 2.3.3 A clear single line of authority is required for the management of the festival to operate effectively as a team.
- 2.3.4 The talent / creative management responsibilities for this festival, which are vital to its success, fit with an entity / organisation that is creative, flexible and nimble – an environment that the WBF Trust can provide.
- 2.4 It is recommended that the current Supply of Services Agreement - for the Council to provide management services to the Trust - is terminated, with the WBF Trust assuming full responsibility to operate the festival and develop a management team, under the term of its Trust Deed and an annual Statement of Intent which is approved by the Council.
- 2.5 The WBF Trust's relationship with Council would continue as a Council Controlled Organisation with appropriate governance, management and financial performance reporting processes implemented to ensure the ongoing success of the WBF. As a recipient of events funding from Council the WBF Trust would be required to maintain a relationship with and report on festival planning to Council's Events Development Team, under the terms of the Council's Event Sponsorship Agreement.
- 2.6 This would enable the WBF Trust to build an effective management team structure for delivery of the Festival and to operate in a manner that encourages and develops creativity which is best for attracting creative festival staff in the key areas of delivery for the festival.
- 2.7 To support the changes required to address issues with succession planning, the transfer to a new Festival management team and its development as a cohesive team to deliver the Festival, the WBF Trust have requested that the Council:
- 2.7.1 Commits to continued support of the World Buskers Festival;
- 2.7.2 Acknowledges the relationship with the Trust and the Trustees and supports the Trust taking full responsibility for the management of the festival;
- 2.7.3 Authorises a contribution of \$100,000 for the appointment of an Interim Transition Manager and related required expenses for 6 months. The Transition Manager will be responsible for a smooth transition of Festival owned IP; Systems and Processes; Key operational details and Festival collateral from outgoing staff; a funding plan for 2015 festival; and the recruitment of new staff to ensure the Trust has the management infrastructure to support the planning and running of future festivals;

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- 2.7.4 Notes the suggested structures; Statement of Intent and supports the development of these for full implementation by May 2014;
- 2.7.5 Authorises the Chairman of the WBF Trust to represent the Christchurch City Councils interest and report periodically to the Mayor and Council on issues and progress
- 2.8 It is recommended that, instead of making a one-off grant of \$100,000 as requested by the WBF Trust, the Council as owner of the festival provides certainty to the WBF Trust by underwriting up to \$100,000 to support the transition period for the Festival.

3. BACKGROUND

- 3.1 Council has been a supporter of the WBF since its beginning in 1993. The Festival and Council's support for it has built over time, with Council increasing its annual funding support from \$120,000 to \$220,000 in 2005 and a further increase to \$230,000 in 2007 upon the adoption of the Christchurch Events Strategy which provided parameters for funding of major and icon Festivals.
- 3.2 In 2008, The Festival City Trust (FC Trust) approached Council because it wanted to sell the WBF to an entity with more significant financial and human resources. At that time the FC Trust reported that there had been requests from other cities in Australasia to buy the Festival and/or the intellectual property resting with Red Toad Ltd to operate the WBF and they were under pressure to make a decision on the Festival's future.
- 3.3 The Council purchased the WBF in 2009 with a primary objective of ensuring that the Festival would not leave Christchurch. Financial and management structures were put in place including a new Charitable Trust - the World Buskers Festival Trust – as a Council Controlled Organisation to operate the Festival. Agreements for management services to be provided to the WBF Trust by Red Toad Ltd (Jodi Wright) and the Council were established with a view that responsibility for fully managing the WBF would be gradually handed over to the Council.
- 3.4 All events and festivals in Christchurch had to adapt to the challenges of events delivery in Christchurch following earthquakes of 2010 and 2011. For the WBF this meant a substantial change from a 'street festival' to one based at Busker Park in North Hagley Park with temporary venues and infrastructure. The management requirements of the festival changed significantly in scope and size from that anticipated in 2009, with growth in the festival budget to \$2.3m in 2014 (\$900,000 in 2009) and increased operations management and financial / sponsorship management responsibilities.
- 3.5 Alongside this change in the WBF, Council's events delivery also had to change and adapt to the challenges facing the events industry in Christchurch after earthquakes. Our focus went on to the Christchurch Events Village to provide venues for events and performances, attracting sponsorship to meet increased costs of delivering events in new venues with temporary infrastructure, and supporting events to ensure they continued at a time when Christchurch needed event experiences when so much other activity and facilities in the City were not available.
- 3.6 During this period, the intent of the Supply of Services Agreement between the Council and the WBF Trust, which was to transfer knowledge from Red Toad Ltd to the Council's events team over a three year period, did not fully occur, with the WBF Trust having to continue contracting management staff to ensure effective delivery of the festival. For the 2014 Festival, with a \$2.3m budget required to deliver the festival plan, the Council's support was focussed on the business / sponsorship responsibilities with the WBF Trust continuing to contract operations management and talent / creative management of the festival.

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- 3.7 While the WBF has been successfully delivered through the 2010-14 period, the management structure has not supported the development of a cohesive, effective management team. Lessons learned during this period include:
- 3.7.1 The Festival needs increased management capacity than anticipated in 2009 – it must cover the increased scope of operations management, talent / creative management and financial / sponsorship management.
- 3.7.2 Succession planning and providing back up for key roles to reduce risk to delivery of the festival requires a dedicated level of resource, which the Council has not been able to fully provide in support of the WBF Festival.
- 3.7.3 A clear single line of authority is required for the management of the festival to operate effectively as a team.
- 3.7.4 The talent / creative management responsibilities for this festival, which are vital to its success, fit with an entity / organisation that is creative, flexible and nimble – an environment that the WBF Trust, can provide.
- 3.8 Challenges ahead for the WBF festival in 2014/15 include:
- 3.8.1 Transition of a portion of the festival back to the Central City.
- 3.8.2 Managing financial risk that would occur if sponsorship / funding levels were to decrease (very competitive market for events / arts sponsorship in Christchurch)
- 3.8.3 Attracting / maintaining / developing staff for key positions
- 3.9 The Council's Marketing and Events management and the WBF Trust agree that changes to the management structure of the festival are required to move forward effectively. This takes into account the lessons learned over the last four years and provides for an effective management team to develop.
- 3.10 It is recommended that the current Supply of Services Agreement - for the Council to provide management services to the Trust - is terminated, with the WBF Trust assuming full responsibility to operate the festival and develop a management team under the term of its Trust Deed (**attachment 1**) and an annual Statement of Intent (revised from that attached as **attachment 2** – the 2013/14 Statement of Intent, to reflect the change in management structure) which is approved by the Council. The WBF Trust's relationship with Council would continue as a Council Controlled Organisation with appropriate governance, management and financial performance reporting processes implemented to ensure the ongoing success of the WBF. As a recipient of events funding from Council the WBF Trust would be required to maintain a relationship with and report on Festival planning to Council's Events Development Team, under the terms of the Council's Event Sponsorship Agreement.
- 3.11 The WBF Trust proposes that minimum requirements of the Statement of Intent which would be agreed with the Council are:
- Free festival for Christchurch public
 - Sites for festival events
 - Seven days duration
 - Three hundred and fifty shows with variety of street and artistic performances
 - Held during the summer months

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- 3.12 The WBF Trust's proposed new Festival management structure is to initially appoint a Transition Manager to capture the knowledge of the festival held by contractors to the WBF Trust. An Artistic Director and Operations Manager and Funding Manager would be appointed in the near future.
- 3.13 The WBF Trust seeks Council's continued support for the Festival as an annual event that is recognised as a favourite on the Christchurch events calendar and has requested the following from the Council.
- 3.13.1 'The WBF Trust has been set up to provide the governance and funding mechanism to allow the festival event to receive sponsorship and grant monies. However as the owner of the Festival the Council has also provided funding for the operational management of the event, which will need to be continued. The Trust requests that the Council commits to an appropriate level of funding for the event – historically in 2009 this funding was 24% of the operating costs, in 2014 this had reduced to 10% of the total operating cost. A minimum funding of 18% is anticipated / expected of the operational budget (this is over and above the initial \$100k in 2014/5 to facilitate the Interim Transition Manager) which will be finalised when the Festival plan and budget are signed off by the Trust and Council. The Trust will also require the continued support of the Council in access to public sites to hold the event and until such time as the city has completely recovered from the 2011 earthquakes continued access to Hagley Park is required. It is also important that any new festival events supported by Council are done so in a manner that does not compete with the content and uniqueness of the World Buskers Festival.'
- 3.14 The WBF Trust, which is a charitable trust, can continue to attract Gaming trust and Community trust funding.
- 3.15 The other option for the festival to be delivered with a single unified structure would be for the Council's Marketing and Events Unit to fully operate the festival. This Unit has staffing levels to deliver its current annual programme of events. In recent years NZ Ice Fest, which was not in place when the Supply of Services Agreements for WBF was set up in 2009, has been added to the Council's events delivery responsibilities. To add a further \$2m plus festival would require employment / contracting of a team of staff in addition to the one position we currently have to provide management services to the WBF Trust. Estimated costs for this based on current WBF budgets would be \$224k for permanent staff and \$148k for short term, festival time contractors. It is highly likely that gaming trust funding of the WBF, currently at \$110,000, would decline under this option, resulting in a decrease in festival content.

4. COMMENT

- 4.1 Through the period under Council ownership the WBF has been successfully delivered. It has adapted to the challenges of event delivery in the years after earthquakes but in doing so the festival has had to remodel, generate over \$1m more in revenue and expand its management and staff team to deliver the festival under these conditions. The festival now has over 100 staff working at festival time. Due to these changes and growth in the festival, resource has not been available to provide for succession planning and the transfer of knowledge around the crucial talent / creative director's role. This was a commitment made at the time the Council purchased the festival, which has not occurred and now needs to be addressed.

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- 4.2 Under the current structural arrangements, Council provides management services to the WBF Trust through a staff position of WBF Manager, which provides management support focussed on the business / sponsorship / funding areas of the Festival. If the recommendation to move to the WBF Trust fully operating the festival is adopted, the WBF Trust would take on this responsibility and employ / contract staff to do so. If this proposal was adopted it would potentially impact the need for CCC to employ the WBF Manager role. Appropriate consultation with the staff member would need to be conducted prior to any final decisions being made.
- 4.3 In addition to the one-off \$100,000 financial commitment from the Council for the 2014/15 year to address the issue of transitioning to a new management team and transition of part of the Festival back into central city spaces, the WBF Trust is seeking increased annual funding from the Council from 2015/16. Currently Council's funding equates to less than \$1 per audience visit to the Festival and is 10% of the total operating cost of the Festival. The WBF Trust is requesting that this moves to 18% of the total operating costs in the future. The WBF Trust has signalled that once the one-off situation in 2014/15 is covered, they will aim to reduce operating costs of the Festival by \$250,000 to a budget of \$2.1m from 2015/16. At this level, the WBF Trust's request for Council to provide funding at 18% of the operating costs would result in a grant of \$378,000. It is the view of Council staff that this request is considered within Long Term Plan discussions so that Council has sight of the impact on total Events and Festivals funding.

5. FINANCIAL IMPLICATIONS

- 5.1. Currently Council provides management and accounting services to the WBF Trust. The budgeted Council recovery from the Trust for provision of these services for 2013/14 is:
- Accounting Fee \$20k
 - Management Services (100% recovery)

The 2014/15 Budget is the same as 2013/14. If this proposal was accepted the WBF Trust plans to source their own Funding Manager (business, sponsorship, funding) and their own accounting services. Two Council staff would be affected by this proposal and if they cannot be redeployed would likely be made redundant.

- 5.2 Council funding of \$230k is granted yearly to the WBF Trust. This grant is proposed to be reduced 15% in the 2014/15 Draft Annual plan to \$195,500. This funding is subject to public consultation in March – April 2014. Under this proposal the WBF Trust requests the current level of annual funding of \$230,000 in 2014/15 and an additional \$100,000 to cover one-off transitional costs in 2014/15.
- 5.3 The Festival is currently in a position of risk if key staff are not available, for whatever reason, to deliver their contracted responsibilities. In the Statement of Intent, the Council tasks the WBF Trust with succession planning and spread of knowledge for these key roles. Experience indicates that to action this requires having additional staff resource to actually do it. The WBF Trust is seeking \$100,000 from Council for this. The recommendation of Council staff is for Council to provide certainty of funding to the WBF Trust for the transition period by underwriting the \$100,000. This means that Council, as owner of the festival, is taking financial responsibility for the \$100,000. It is recommended that Council staff assist the WBF Trust to identify potential avenues of funding support that may reduce the level of underwrite. This \$100,000 has not been budgeted for in the Annual Plan 2014/15.
- 5.4 The financial risk to Council, as owner of the festival is from the financial performance of the Festival. There are financial reporting requirements under the Statement of Intent, including provision of half yearly accounts and audited annual accounts. It is recommended that more robust stakeholder reporting be required including regular meetings between WBF Trust and Council Finance staff and that the final event budget be submitted to Council by mid October for Council Finance Committee approval. The financial performance of the WBF Trust would be measured against this budget.

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- 5.5 Council makes the appointment of Trustees to the WBF Trust. The current Trustees include a good balance of skills including financial and accountancy expertise.

6. LEGAL CONSIDERATIONS

- 6.1 The Council's Legal Services Team has advised that there are no legal issues with the termination of the Supply of Services Agreement.

STAFF RECOMMENDATION

It is recommended that the Council:

- 7.1 Terminate the Supply of Services Agreement between Christchurch City Council and the WBF Trust which would enable the WBF Trust to operate the Festival in line with the Trust Deed and the annual Statement of Intent agreed with the Council, as owner of the Festival.
- 7.2 Require the WBF Trust to provide the detailed final event budget for consideration by the Finance Committee by mid-October.
- 7.3 Provide certainty to the WBF Trust by underwriting up to \$100,000 to support the transition period for the Festival, and request that Council staff assist the WBF Trust to identify potential avenues of funding support that may reduce the level of underwrite.
- 7.4 Inform the WBF Trust that consideration of a change to the level of annual funding from 2015/16 would be through the Long Term Plan.
- 7.5 Require the WBF to amend its SOI to include more robust governance and management structures.

8. COMMITTEE CONSIDERATION

At its 27 March 2014 Council meeting the Council referred the Supply of Services Agreement report to the Finance Committee meeting on 8 April 2014 for its consideration and requested that a financial report on the recent Buskers Festival be included with the report. The Council also requested that the report be referred back to the Council at its 10 April 2014 meeting for a decision.

The Committee heard a deputation from Geoff Cranko, World Buskers Festival Trust Chairman and Stephen Astor, World Buskers Festival Trust Trustee to advise that the Trust no longer required the Council to underwrite up to \$100,000, but asked that the Trust have the ability to increase its number of Trustees and appoint the trustees themselves be included.

9. COMMITTEE RECOMMENDATION

That the Council:

- 7.1 Terminate the Supply of Services Agreement between Christchurch City Council and the World Buskers Festival Trust which would enable the World Buskers Festival Trust to operate the Festival in line with the Trust Deed and the annual Statement of Intent agreed with the Council, as owner of the World Buskers Festival.
- 7.2 Require the World Buskers Festival Trust to provide the detailed final event budget for consideration by the Finance Committee by mid-October.
- 7.3 Inform the World Buskers Festival Trust that consideration of a change to the level of annual funding from 2015/16 would be through the Long Term Plan.

Council 10. 4. 2014**Finance Committee Chairperson's Report 8. 4. 2014****2 Cont'd**

- 7.4 Require the World Buskers Festival Trust to amend its Statement of Intent to include more robust governance and management structures.
- 7.5 Amend clause 6.2 of the Trust Deed to allow the appointment of up to 12 Trustees.

DATED _____ 2010

08 JUL 2010

TRUST DEED

THE WORLD BUSKERS' FESTIVAL TRUST

I, Kerry Richard Ayers of Christchurch, Solicitor, hereby certify that I have compared this copy with the original and this copy is a true copy of the original.

Dated this 8th day of JUL 2010



BELMORE AYERS
BARRISTERS & SOLICITORS
CHRISTCHURCH

Established 1884

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TRUST DEED

THIS DEED made the day of July 2010

BETWEEN:

- (1) CHRISTCHURCH CITY COUNCIL (the "Settlor"); and
- (2) LINDA MARIE CRAWFORD PENNO, GEOFFREY JOHN CRANKO, HELEN ELIZABETH ESKETT, KAREN ANNE WOOTTON, STEPHEN ARNE ASTOR, all of Christchurch (the "Trustees").

WHEREAS:

- (a) The parties to this document wish to establish the Trust for the purposes described in part 3.0; and
- (b) The parties have agreed to enter into this document specifying the purposes of the Trust and providing for its control and administration; and
- (c) The Settlor has paid the other parties to this document (jointly) \$10.00 to hold on the Trust and subject to the powers referred to in this document; and
- (d) The parties contemplate that the trustees of the Trust may apply for incorporation as a Board under the Act and wish to provide for certain matters in the event that this occurs.

THIS DEED WITNESSES as follows:

1.0 Interpretation

1.1 In this document the following terms have the following meanings (unless the context requires otherwise):

- (a) "Act" means the Charitable Trusts Act 1957; and
- (b) "Charitable Objects" means any purpose which is charitable under the law of New Zealand.
- (c) "Trust" means the charitable trust created by this document; and
- (d) "Trust Board" means a Board constituted under the Act upon application for incorporation by the Trustees in respect of the Trust; and
- (e) "Trust Fund" includes:
 - (i) The sum of \$10.00; and
 - (ii) All other property now or in the future held or received by the Trustee for the purposes of the Trust; and
 - (iii) All property substituted for or purchased from the Trust Fund; and
 - (iv) All accretions or additions to the Trust Fund; and

- (v) All income of the Trust Fund; and
- (f) "Trustee" means a trustee of the Trust.

1.2 In this document (unless the context requires otherwise):

- (a) The singular includes the plural and the plural includes the singular.
- (b) A reference to a gender includes the other gender.
- (c) A reference to a person includes a partnership or corporation.
- (d) A reference to a person includes (where applicable) its successors, personal representatives and permitted assigns.
- (e) A reference to a statute, regulation or provision of a statute or regulation includes a reference to that statute, regulation or provision as amended or re-enacted from time to time.

2.0 Creation of Trust

2.1 In consideration of the payment by the Settlor to them of \$10.00, the other parties to this document covenant and declare that they hold the Trust Fund for the charitable purpose in clause 3.1.

2.2 The name of the Trust shall be "THE WORLD BUSKERS' FESTIVAL TRUST".

3.0 Purpose

3.1 The Trust is established for Charitable Objects which include the following:

- (a) To devise, manage and hold an annual huskers festival in Christchurch with a view to:
 - (i) providing a national and international profile and identify for New Zealand street theatre;
 - (ii) providing opportunities for local huskers to reach a wider audience;
 - (iii) providing a street theatre festival that is accessible to the public including the provision of free events and where charges are made, the commitment to maintain low ticket prices to those performances;
 - (iv) generating profit for the Trust to be applied according to the provisions and for the purposes of this Trust;
 - (v) providing a yearly focus for those working in street theatre so that they may showcase, celebrate and discuss New Zealand street theatre.
- (b) To further foster the growth of street theatre as a performing art in New Zealand, and in particular:
 - (i) to establish an annual street theatre festival in Christchurch;

- (ii) to establish, promote and foster the demonstration and teaching of all forms of street theatre at educational, community or cultural institutions and organisations or on a personal or individual basis;
 - (iii) to establish, promote and foster community programmes, workshops, public classes and other activities relating to any aspect of all forms of street theatre;
 - (iv) to encourage and promote the training (professional or otherwise) of huskers and all others interested or involved in any aspects of street theatre;
 - (v) to promote, foster and encourage visits to New Zealand by overseas huskers (individually or in groups), teachers and tutors of street theatre with a view to their passing on and teaching their skills in and knowledge of all forms of street theatre to those interested in that performing art and presenting performances by such visitors;
 - (vi) to promote and seek public and private financial and other support for groups and persons active or interested in all forms of street theatre;
 - (vii) to promote, foster, encourage, maintain, assist and fund huskers (either individually or in groups) in their presentation for the benefit of the public at performances and other functions;
 - (viii) to encourage and provide financial reward and remuneration, scholarships, grants and assistance for those making particular and significant contributions, efforts and achievements in and to all forms of street theatre or showing promise or potential in any of these fields;
 - (ix) to arrange, promote and undertake tours, performances and other activities including cultural and professional exchanges by huskers (either individually or in groups) or other persons involved in street theatre.
- (c) To encourage the participation of the wider community as audiences and performers in the performing art of street theatre as a recreational activity.
 - (d) To increase the importance of street theatre as part of our cultural community and to show New Zealanders that street theatre should be a valued part of our culture.
 - (e) To make known and further the objects and activities of the Trust and to advise the manner in which its funds have been, are being or will be applied including working with representatives of the media and by advertising in any medium.
 - (f) To act as an instrument to generate capital and income and manage the same and to enhance Trust property for the aims and objects herein stated and for the purposes herein referred to.
 - (g) Such other activities and objectives relating to all forms of street theatre which are of a charitable nature and which, as the Trustees may decide, are

consistent with and able to be pursued together with the other charitable purposes of the Trust.

- (h) To work in conjunction with other groups, bodies and organisations having common aims and objects.

4.0 Application of Trust Fund Limited to New Zealand

4.1 No part of the Trust Fund may be paid or applied outside New Zealand.

5.0 Office

5.1 The office of the Trust will be c/- Christchurch City Council, Civic Offices, 163 Tuam Street, Christchurch 8011 or such other place in New Zealand as the Trustees may from time to time determine.

6.0 Trustees

6.1 The business and affairs of the Trust shall be managed by the Trustees.

6.2 There will be five trustees.

6.3 The parties to this document, other than the Settlor, shall be the first Trustees.

6.4 A Secretary and Treasurer may be appointed from among the Trustees or from other persons who are not Trustees. An election of any Secretary or Treasurer shall be held at the first meeting of the Trustees following the execution of this document and whenever a vacancy in the relevant office occurs. The positions of Secretary and Treasurer may be combined.

6.5 The Trustees may terminate the appointment of a Secretary or Treasurer at any time.

6.6 The Settlor may:

- (a) Dismiss a Trustee without being obliged to give any grounds or reasons;
- (b) Appoint a Trustee in substitution for a dismissed Trustee or Trustee who has died, resigned, is incapacitated or whose term of office has expired; and
- (c) Appoint an additional Trustee; and
- (d) Appoint an advisory Trustee.

6.7 A person will immediately cease to be Trustee when she or he:

- (a) Resigns in writing; or
- (b) Dies; or
- (c) Is declared bankrupt; or
- (d) Is found to be a mentally disordered person within the meaning of the Mental Health (Compulsory Assessment and Treatment) Act 1992; or

- (e) Becomes a protected person within the meaning of the Protection of Personal and Property Rights Act 1988; or
- (f) Is removed from office under clause 7.1 (b); or
- (g) Is convicted of any offence punishable by imprisonment; or
- (h) Has held the office of Trustee for such term or period as shall be stipulated in writing at the time of the appointment of the trustee under clause 6.5(b) of this document; or
- (i) Has failed to comply with clause 11.5.

6.8 Clause 6.7(a) will not apply if the result would be to leave the Trust with no Trustees.

7.0 Meetings of the Trustees

7.1 The procedure for meetings of the Trustees shall be as follows:

- (a) A quorum will be a majority of the Trustees at the relevant time.
- (b) **If** a Trustee does not attend three consecutive meetings of the Trustees without leave of absence that person may, at the discretion of the Trustees, be removed as a Trustee and from any office of the Trust which she or he holds.
- (c) All decisions shall, if possible, be decided by consensus. In the event that a consensus cannot be reached then a decision shall be made by a majority vote by show of hands of the Trustees present.
- (d) The Settlor shall appoint, remove and substitute a person to chair meetings from among the Trustees. The Chairperson will preside at relevant meetings.
- (e) **If** the voting is tied, the Chairperson will have a second and casting vote.
- (f) The Settlor may appoint an alternate person as a Trustee to act as such during the unavailability of any Trustee.
- (g) The Settlor may appoint, remove and substitute a Trustee to act as Deputy Chairperson to exercise the functions of the Chairperson during meetings of the Trustees while the Chairperson is absent but the Deputy Chairperson will not have a second and casting votes.

7.2 The Trustees will meet at least once every year. The Secretary shall ensure that each Trustee is notified a reasonable time before the meeting, either verbally or in writing.

7.3 The Secretary shall ensure that a minute book is maintained which is available to any Trustee and which, for each meeting of the Trustees, records:

- (a) The names of those present; and
- (b) All decisions which are required by this document or by law to be made by the Trustees; and
- (c) Any other matters discussed at the meeting of the Trustees.

- 7.4 A written resolution signed by 75% of the Trustees shall have the same effect as if the resolution was passed as an ordinary resolution at a meeting. A written resolution signed by all Trustees shall have the same effect as if the resolution was passed unanimously at a meeting.
- 7.5 The contemporaneous linking together by telephone or by any other means of audible communication of enough of the Trustees to constitute a quorum shall be deemed to constitute a meeting of the Trustees so long as the following conditions are met:
- (a) Each of the Trustees must have received notice of the meeting (or have waived notice); and
 - (b) Each of the Trustees taking part in the meeting must be able to hear each of the Trustees taking part at the commencement of the meeting and throughout the meeting; and
 - (c) At the commencement of the meeting, each of the Trustees must acknowledge his or her presence to all the other Trustees taking part in the meeting.

A Trustee must not leave a meeting (whether by departing or by disconnecting his or telephone or other means of communication) unless he or she has previously obtained the express consent of the Chairperson of the meeting. A Trustee shall be conclusively presumed to have been present and to have formed part of a quorum at all times during the meeting unless he or she has previously obtained the expressed consent of the Chairperson to leave the meeting.

- 7.6 Subject to this part 7.0, the Trustees may stipulate any other aspect of meeting procedure.
- 8.0 Powers
- 8.1 Subject to part 3.0 and 9.0, the Trustees have the same powers in respect of the Trust Fund as the Trustees would have if they were the absolute owners of the Trust Fund.
- 8.2 For the avoidance of doubt, the Trustees have the power to conduct a business.
- 9.0 Income, Benefit or Advantage to be Applied to Charitable Purposes
- 9.1 Any income, benefit or advantage will be applied to the charitable purpose of the Trust.
- 9.2 No Trustee, or associated person of a Trustee, shall derive any income, benefit or advantage from the Trust where they can materially influence the payment of the income, benefit or advantage except where that income, benefit or advantage is derived from:
- (a) Professional services to the Trust rendered in the course of business charged at no greater rate than current market rates; or
 - (b) Interest on money lent to the Trust at no greater rate than current market rates.
- 9.3 Each Trustee shall be entitled to receive from the Trust Fund a refund of all monies which are reasonably expended by that Trustee in respect of their attendance at meetings of the Trustees or otherwise in transacting the business of the Trust.

10.0 Power to Delegate

- 10.1 The Trustees may from time to time appoint any committee and may delegate any of its powers and duties to any such committee or to any person. The delegation must be in writing and set out the powers and duties delegated. The committee or person may without confirmation by the Trustees exercise or perform the delegated powers or duties in the same way and with the same effect as the Trustees could themselves have done.
- 10.2 It will not be necessary for any person who is appointed to be a member of any such committee, or to whom a delegation is made, to be a Trustee.
- 10.3 Any committee or person to whom the Board has delegated powers or duties shall be bound by the charitable terms of the Trust and the terms or conditions of the delegation set by the Trustees.
- 10.4 The Trustees may revoke the delegation at will. No delegation shall prevent the exercise of any power or the performance of any duty by the Trustees.

11.0 Financial Arrangements

- 11.1 The financial year of the Trust will be from 1 April to 31 March in the following year.
- 11.2 At the first meeting of the Trustees in each financial year, the Trustees will decide by resolution the following:
 - (a) How money will be received by the Trust; and
 - (b) Who will be entitled to produce receipts; and
 - (c) What bank accounts will be operated for the next year, including the purposes of and access to accounts; and
 - (d) Who will be allowed to authorise the production of cheques and the names of cheque signatories; and
 - (e) The policy concerning the investment of money by the Trust, including what type of investment will be permitted.
- 11.3 The Treasurer shall ensure that true and fair accounts are kept of all money received and expended by the Trust. If no Treasurer is appointed the Trustees shall ensure the accounts are kept.
- 11.4 The Trustees will, as soon as practicable after the end of the financial year of the Trust, arrange for the accounts of the Trust for that financial year to be audited by an auditor appointed for that purpose.
- 11.5 The Trustees shall, when so required by the Settlor at any time or times, provide the Settlor with any information which is directly or indirectly held by them or under their control pertaining to the affairs of the Trust. The Settlor may, from time to time, stipulate the content, form and time at which such information will be required to be delivered by Trustees.

12.0 Alteration of Rules

12.1 The Trustees may alter or add to the terms and provisions of this document with the prior written consent of the Settlor.

12.2 No such alteration or addition shall detract from the exclusively charitable nature of the Trust or result in the distribution of its assets on winding-up or dissolution for any purpose that is not exclusively charitable.

12.3 Any alteration or addition referred to in clause 12.1 must be in writing.

13.0 Mediation

13.1 **If** a dispute arises out of or is related to this document the Trustees shall try to resolve the dispute by mediation administered by an agreed party or if no party can be agreed upon by a party nominated by the President of the New Zealand Law Society.

14.0 Disposition of Surplus Assets on Voluntary Winding-up

14.1 The Trust may be wound-up **if** the Trustees unanimously resolve to wind-up the Trust.

14.2 On the winding-up of the Trust all surplus assets after the payment of costs, debts and liabilities shall be given to a charitable organisation within New Zealand specified by the Settlor (by ordinary resolution) within 3 months of the date of the resolution referred to in clause 14.1 (the "Winding-Up Date").

14.3 **If** no organisation is appointed under clause 14.2 above, then the surplus assets of the Trust will be disposed of in accordance with the directions of the High Court.

15.0 Incorporation of Trustees as a Board

15.1 This part 15.0 will only apply if, and from the point in time that, the Trustees are incorporated as a Board under the Act.

15.2 The Trust Board shall have perpetual succession and shall be capable of holding real and personal property of whatever nature and whether situated in New Zealand or elsewhere, and of suing and being sued, and of doing and suffering all such acts and things as bodies corporate may lawfully do and suffer.

15.3 The Trust Fund will immediately upon incorporation of the Trust Board vest without transfer, conveyance or assignment in the Trust Board for the same purposes, with the same powers, and upon and subject to the same trusts, contracts, and equities as then affect it.

15.4 This document shall (unless the context requires otherwise) apply to the Trust Board as if:

(a) A reference to "a Trustee" or "the Trustees" individually was a reference to a member of the Trust Board; and

(b) A reference to "the Trustees" collectively was a reference to the Trust Board; and

- (c) A reference to the "office of the Trust" was a reference to the Registered Office of the Trust Board; and
- (c) The phrase "under section 27 of the Act" was added to the end of clause 14.2; and
- (d) The phrase "and notice must be given to the Registrar in accordance with the Act" was added to the end of clause 12.3.

15.5 The Trust Board shall have a Common Seal which shall be kept in the custody and control of the Secretary, or such other officer appointed by the Trust Board. When required, the Common Seal will be affixed to any document following a resolution of the Trust Board and must be signed by two members.

SIGNED by CHRISTCHURCH CITY)
COUNCIL by its authorised signatory as Settlor)
after the Schedules in the presence of:)

.Ct:....M..W.....

WITNESS:

Signature: - - - - -

Occupation: ... f.j

Address: ..14.Ho. { (... o.'rl.....
K0tAa,"f0l.

SIGNED by LINDA MARIE CRAWFORD)
PENNO as Trustee after the Schedules)
in the presence of:)

WITNESS:

Signature:

Occupation: A. J. U. O'Connor
.....solicitor.....

Address: Christchuren

SIGNED by GEOFFREY JOHN CRANKO)
as Trustee after the Schedules)
in the presence of:)


WITNESS:

Signature:

Occupation: A. J. U. O'Connor
.....Solicitor.....

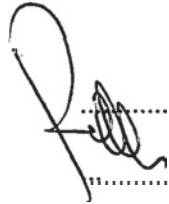
Address: Christchurch
.....

SIGNED by HELEN ELIZABETH ESKETT)
as Trustee after the Schedules)
in the presence of:)


.....

WITNESS:

Signature:



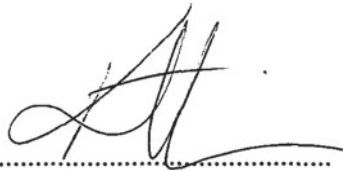
Occupation:

..... R. J. U. O'Connor
..... Director

Address:


Christchurch

SIGNED by KAREN ANNE WOOTTON)
as Trustee after the Schedules)
in the presence of:)


.....

WITNESS:

Signature:



Occupation:

..... R. J. U. O'Connor
..... S011CitOT

Address:

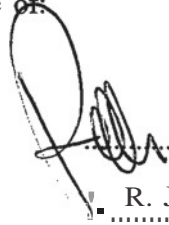
Christchurch

SIGNED by STEPHEN ARNE ASTOR)
as Trustee after the Schedules)
in the presence of:)


.....

WITNESS:

Signature:



Occupation:

..... R. J. U. O'Connor
..... Director

Address:

Christchurch

STATEMENT OF INTENT FOR THE WORLD BUSKERS FESTIVAL TRUST

1. INTRODUCTION

Legal Name	The World Buskers Festival Trust
Postal Address	PO Box 73015 Christchurch 8154
Street Address	53 Hereford Street Christchurch 8011
Chair	Geoffrey Cranko (interim)
Trustees	Geoffrey Cranko Stephen Astor

Legal Status of organisation

The World Buskers Festival Trust has been established by Christchurch City Council as a not-for-profit council controlled organisation under the Local Government Act 2002.

The World Buskers Festival Trust is registered under the Charities Act 2005, with effect from 8 December 2010. The World Buskers Festival Trust also has donee status with the Inland Revenue Department.

Period Covered by this Statement of Intent

This Statement of Intent for the World Buskers Festival Trust covers the three financial years ending 30 June 2014, 2015 and 2016.

2. OBJECTIVES AS STATED IN THE TRUST DEED

The purpose of the Trust is to achieve the following objectives to the extent that those objectives are charitable under the law of New Zealand:

- (a) To devise, manage and hold an annual buskers festival in Christchurch with a view to:
 - (i) providing a national and international profile and identity for New Zealand street theatre;
 - (ii) providing opportunities for local buskers to reach a wider audiences;
 - (iii) providing a street theatre festival that is accessible to the public including the provision of free events and where charges are made, the commitment to maintain low ticket prices to those performances;
 - (iv) generating profit for the Trust to be applied according to the provisions and purposes of this Trust;
 - (v) providing a yearly focus for those working in street theatre so that they may showcase, celebrate and discuss New Zealand street theatre.

- (b) To further foster the growth of street theatre as a performing art in New Zealand, and in particular:
 - (i) to establish an annual street theatre festival in Christchurch;
 - (ii) to establish, promote and foster the demonstration and teaching of all forms of street theatre at educational, community or cultural institutions and organisations or on a personal or individual basis;
 - (iii) to establish, promote and foster community programmes, workshops, public classes and other activities relating to any aspect of all forms of street theatre;
 - (iv) to encourage and promote the training (professional or otherwise) of buskers and all others interested or involved in any aspects of street theatre;
 - (v) to promote, foster and encourage visits to New Zealand by overseas buskers (individually or in groups), teachers and tutors of street theatre with a view to their passing on and teaching their skills in and knowledge of all forms of street theatre to those interested in that performing art and presenting performances by such visitors;
 - (vi) to promote and seek public and private financial and other support for groups and persons active or interested in all forms of street theatre;
 - (vii) to promote, foster, encourage, maintain, assist and fund buskers (either individually or in groups) in their presentation for the benefit of the public at performances and other functions;
 - (viii) to encourage and provide financial reward and remuneration,

- (ix) scholarships, grants and assistance for those making particular and significant contributions, efforts and achievements in and to all forms of street theatre or showing promise or potential in any of these fields;
 - (x) to arrange, promote and undertake tours, performances and other activities including cultural and professional exchanges by buskers (either individually or in groups) or other persons involved in street theatre.
- (c) To encourage the participation of the wider community as audiences and performers in the performing art of street theatre as a recreational activity.
- (d) To increase the importance of street theatre as part of our cultural community and to show New Zealanders that street theatre should be a valued part of our culture.
- (e) To make known and further the objects and activities of the Trust and to advise the manner in which its funds have been, are being or will be applied including working with representatives of the media and by advertising in any medium.
- (f) To act as an instrument to generate capital and income and manage the same and to enhance Trust property for the aims and objects herein stated and for the purposes herein referred to.
- (g) Such other activities and objectives relating to all forms of street theatre which are of a charitable nature and which, as the Trustees may decide, are consistent with and able to be pursued together with the other charitable purposes of the Trust.
- (h) To work in conjunction with other groups, bodies and organisations having common aims and objects.

3. TRUSTS FESTIVAL DIRECTION

The Trust has achieved its objective in terms of scale and now looks to increase audience numbers, accessibility and festival quality along with further increasing the festivals profile nationally.

4. PERFORMANCE TARGETS

Operational Performance Targets

Performance Target	Performance Measure
Visitor attendance	<ul style="list-style-type: none"> Attract at least 300,000 visits
Customer satisfaction	<ul style="list-style-type: none"> 90% of visitors are satisfied with the festival (independent research on a three year cycle)
Festival development	<ul style="list-style-type: none"> Festival business plan to include succession planning for key roles to reduce risk of non-performance. Any surplus generated to be for future festival development (refer financial targets below)

Financial Performance Targets

Year Ended 30 June	2014	2015	2016
Revenue	\$2,100,000	\$2,100,000	\$2,100,000
Expenses	\$2,099,000	\$2,099,000	\$2,099,000
Surplus	\$1,000	\$1,000	\$1,000

The World Buskers' Festival Trust is a charitable trust, accumulated surpluses will be used by the Trustees to develop the festival and further the Trust's objectives.

5. FINANCIAL DISCLOSURE

Accounting Policies

The World Buskers Festival Trust has adopted accounting policies that are consistent with generally accepted accounting practice in New Zealand (NZ GAAP). They comply with New Zealand International Financial Reporting Standards (NZIFRS) and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

A summary of the current accounting policies is attached in Appendix 1.

Differential Reporting

The World Buskers Festival Trust is a qualifying entity within the Framework of Differential Reporting. The differential reporting option is available to the Trust as it is not large within the meaning of the term as set out in the Framework. The Trust has taken advantage of all differential reporting concessions available to it.

The financial statements are prepared on the basis of historical cost, except for the revaluation of certain non current assets.

6. GOVERNANCE STATEMENT

The World Buskers Festival Trust is governed by a Board of Trustees appointed by the Christchurch City Council (CCC). The Trust Deed enables the CCC to appoint 5 Trustees and also to appoint a Chairperson from among those Trustees.

The Trustees have elected not to receive remuneration for their role as Trustees.

The Trust does not have any committees.

6 Compensation sought from Local Authority

The World Buskers' Festival Trust seeks compensation from Council in the form of grants. The Grant income planned and forecast is:

2013/14	\$230,000
2014/15	\$230,000
2015/16	\$230,000

7 Information to be provided to Council

An Annual Report will be submitted to the Council. The annual report will include audited financial statements, including the report of the auditor and such other details as are necessary to permit an informed assessment of the Trust's performance and financial position during the reporting period provided.

Half-yearly reports will also be provided to the Council. These reports will contain unaudited information and comply with NZ IAS 34.

Annual reports will outline the Trust's objectives and performance in terms of:

- Financial
- Festival performance

The Statement of Intent will be submitted to the Council for consultation annually, as required by the Local Government Act 2002.

The World Buskers' Festival Trust and the Council will operate on a “no surprises” basis in respect of significant 'Council interest' related matters, to the extent possible in the context of commercial sensitivity and confidentiality obligations.

The Trust will provide information requested by the Council as settlor in accordance with the requirements of the Local Government Act 2002.

The Council will provide services in a timely and transparent manner to the Trust for the benefit of the Event.

COUNCIL 10. 4. 2014**26. (CONTINUED) RESOLUTION TO EXCLUDE THE PUBLIC**

Attached.

COUNCIL 10. 4. 2014

COUNCIL

RESOLUTION TO EXCLUDE THE PUBLIC

Section 48, Local Government Official Information and Meetings Act 1987.

I move that the public be excluded from the following parts of the proceedings of this meeting, namely item 31.

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 are as follows:

ITEM NO.	GENERAL SUBJECT OF EACH MATTER TO BE CONSIDERED	REASON FOR PASSING THIS RESOLUTION IN RELATION TO EACH MATTER	GROUND(S) UNDER SECTION 48(1) FOR THE PASSING OF THIS RESOLUTION
31.	Report by the Chairperson of the Finance Committee 8 April 2014)GOOD REASON TO) WITHHOLD EXISTS))UNDER SECTION 7)	SECTION 48(1)(A)

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 are as follows:

ITEM	REASON UNDER ACT	SECTION	PLAIN ENGLISH REASON	WHEN REPORT CAN BE RELEASED
31.	Commercial Activities	7(2)(h)	Withholding the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities	At the end of the term.
31.	To enable the Council to carry on negotiations without prejudice or disadvantage	Section 7(2)(i)	The transaction has yet to be settled.	When the settlement has been completed and the parties agree to release the report.
31.	Commercial Activities	7(2)(h)	Confidential Insurance Settlement Details	Non-insurance details once sale approved
31.	Prejudice of commercial position	7(2)(b)	To allow the commercial activities to be fully discussed without impact on future operations	Elements of the report can be made public with the Chairperson report

COUNCIL 10. 4. 2014**Chairperson's**

Recommendation: That the foregoing motion be adopted.

Note

Section 48(4) of the Local Government Official Information and Meetings Act 1987 provides as follows:

- “(4) Every resolution to exclude the public shall be put at a time when the meeting is open to the public, and the text of that resolution (or copies thereof):
- (a) Shall be available to any member of the public who is present; and
 - (b) Shall form part of the minutes of the local authority.”