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## **NOTICE OF MEETING**

**Notice is hereby given of an  
Extraordinary Meeting of the  
Performance, Policy and Partnerships Committee  
to be held in the Council Chamber, First Floor  
Civic Administration Building,  
101 Esk Street, Invercargill  
On Wednesday 30 June 2021 to follow at the  
conclusion of the Council Meeting**

Cr D J Ludlow (Chair)  
Cr R R Amundsen (Deputy Chair)  
His Worship the Mayor, Sir T R Shadbolt  
Cr R L Abbott  
Cr A J Arnold  
Cr W S Clark  
Cr A H Crackett  
Cr P W Kett  
Cr G D Lewis  
Cr M Lush  
Cr I R Pottinger  
Cr N D Skelt  
Cr L F Soper

CLARE HADLEY  
CHIEF EXECUTIVE

# Extraordinary Performance, Policy and Partnerships Committee - Public

Invercargill City Council

30 June 2021 03:00 PM

<b>Agenda Topic</b>	<b>Page</b>
2. <a href="#">Establishing the Governance Group for Reimagining the Invercargill Museum (A3445050)</a>	4
3. Public Excluded Session	

**Public Excluded Session**

Moved, seconded that the public be excluded from the following parts of the proceedings of this meeting, with the exception of the External Appointees, Mr Jeff Grant and Mr Lindsay McKenzie; namely:

- a) *Appointing the Independent Chair to the Governance Group for Reimagining the Invercargill Museum*
- b) *Report - Request from ICCT to Council*

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:

<b>General subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Ground(s) under Section 48(1) for the passing of this resolution</b>
a) Appointing the Independent Chair to the Governance Group for Reimagining the Invercargill Museum	<b>Section 7(2)(a)</b> Protect the privacy of natural persons, including that of deceased natural persons	<b>Section 48(1)(a)</b> That the public conduct of this item would be likely to result in the disclosure of information for which good reason for withholding would exist under Section 7
b) Report - Request from ICCT to Council	<b>Section 7(2)(i)</b> Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	<b>Section 48(1)(a)</b> That the public conduct of this item would be likely to result in the disclosure of information for which good reason for withholding would exist under Section 7

**TO: PERFORMANCE, POLICY AND PARTNERSHIPS COMMITTEE**

**FROM: STEVE GIBLING – GM LEISURE AND RECREATION & ERIN MOOGAN – GM INFRASTRUCTURE**

**AUTHORISED BY: CLARE HADLEY – CHIEF EXECUTIVE**

**MEETING DATE: WEDNESDAY 30 JUNE 2021**

**ESTABLISHING THE GOVERNANCE GROUP FOR REIMAGINING THE INVERCARGILL MUSEUM**

**SUMMARY**

As part of LTP deliberations, Council resolved to establish a governance group to provide advice on reimagining the Invercargill Museum. It is proposed to develop “a unique and compelling vision for the Invercargill Museum that will define the nature of the service for the community of Invercargill and solidify its role in the Southland region”. The proposal is to establish a governance group of seven members and this group would be selected – for recommendation to the Committee – via an Appointments Panel.

The composition of the group needs to achieve synergy as it addresses a complex arrangement of technical and service oriented advice and, on this basis, it is proposed not to be a stakeholder or representative group – rather the composition proposed is to recognise the complexity in the work to be undertaken. There would be one exception – a place for one member nominated by iwi. An independent chair would be appointed to lead the group. The group will need to make its recommendations to Council in time for inclusion in the draft Annual Plan 2022/2023.

**RECOMMENDATIONS**

**That the Performance, Policy and Partnerships Committee:**

- 1. Receive the report “Establishing the Governance Group for Reimagining the Invercargill Museum”.**
- 2. Approve the formal establishment of the governance group for the Museum.**
- 3. Establish the Appointments Panel of three, including:**
  - a. Independent Chair**
  - b. Chief Executive of ICC (Clare Hadley) as representative of staff as operators**
  - c. One representative on behalf of the two local funding organisations (Invercargill Licensing Trust and Community Trust South)**
- 4. Delegate the role of appointing the governance group members to the Appointments Panel.**
- 5. Invite local runaka to appoint an Iwi representative direct to the governance group.**
- 6. Note the purpose, timeframes and reporting approach of the group.**
- 7. Note estimated, unbudgeted costs of between \$110,000 and \$175,000 in advice to support the group.**

## IMPLICATIONS

1.	<i>Has this been provided for in the Long Term Plan/Annual Plan?</i> Yes
2.	<i>Is a budget amendment required?</i> Not at this time
3.	<i>Is this matter significant in terms of Council's Policy on Significance?</i> No
4.	<i>Implications in terms of other Council Strategic Documents or Council Policy?</i> N/A
5.	<i>Have the views of affected or interested persons been obtained and is any further public consultation required?</i> This approach has been informed by the public consultation in adopting the LTP.

## FINANCIAL IMPLICATIONS

Council has set aside \$39.4 million as part of an overall \$52.5 million redevelopment for the museum in its 2021/31 Long Term Plan (LTP). In determining this, Council also resolved to seek \$12.9 million in third party funding support to complete the project.

During deliberations on this matter, Council allocated an additional \$60,000 towards the establishment and operation of this group. The funds will be allocated to the payment of the independent Chair, other members as required, koha and other disbursements. The remainder of the funds will contribute to commissioning technical advice to support the work of the governance group in providing their recommendations back to Council.

A review of the range of advice likely to be needed indicates an additional and provisional sum of between \$110,000 and up to \$175,000 is required to support this work. These costs will be incorporated into the overall project budget and will be revisited as part of establishing the Annual Plan for 2022/23.

The procurement of the technical advice to support the governance group will be conducted under the Project Management Office's panel of existing suppliers.

## BACKGROUND

The Southland Museum and Art Gallery (SMAG) has been keen to redevelop the pyramid museum since 1995. Redevelopment proposals in 2012, 2015 and then in 2017 failed to gain traction with the three principal local authorities of the Southland Region.

In 2018, SMAG commissioned Tim Walker of Tim Walker Associates (TWA) to undertake a strategic review of the museum, which included recommendations for its redevelopment. Although the museum closed in April 2018, the TWA report was completed and presented to the SMAG Board in May 2019, and subsequently released to the public in April 2020.

During this period, Council has consulted with Southland and Gore District Councils on the SMAG Trust. All parties are agreed that it is now appropriate for the Museum to be an Invercargill focused museum, as Council owns the building and delivers the activity of the museum. It is intended that the SMAG Trust will shift its focus to guardianship or kiatiaki of the collection of the Southland Museum and Art Gallery.

A3445050

This small but significant change allowed Council to consult on the redevelopment of the Museum in its LTP. Feedback from the community is clear that it wants Council to seize the opportunity and take a strong leadership role to re-open a Museum.

## **DISCUSSION**

Our artistic and cultural heritage is integral to the ongoing development of a vibrant and healthy community, enriched by their past, in the present and preserved for the future. Cultural facilities have often focused on the immediate needs of the community. Looking forward we need to prioritise the requirements of the facility to ensure that this, and future generations' needs are met. Underpinning everything is a well-focused vision.

### ***Prior project learnings***

Council has delivered on a range of medium to large scale projects over the past three years and have undertaken a review on some of the significant projects. A summary of some of the learnings from those projects, and in particular those taken from a review of the 20 Don Street commercial development project by R Bruce Robertson Limited, include:

- Council needs to recognise the importance of project initiation – both as a means to ask the significant questions such as what are our objectives and benefits, and what are the risks of undertaking the project and how will they be managed?
- Enthusiasm for a project must be tempered by analysis of the 'business case' for the project. The objectives and benefits of a project must be clearly defined and the pathway to gaining them obvious (subject to appropriate acceptance of managed risk).
- Council and management need to assess, prior to authorising the project, the skills required to deliver the project. These may not exist inside Council and the means to acquire or engage them must be established.
- At the initiation stage (and throughout a project), a framework for identifying and managing the risk associated with the project must be implemented. It should also be integrated as part of the Council-wide approach to risk management.
- Identifying project ownership (who is responsible for delivery) must also encompass the process for internal accountability. This process must include effective reporting and financial management.

While it is clearly understood the community and Council wishes to see the project get underway, it is also critical that the finished product reflects community aspirations.

### ***Establishing the Governance Group***

This is the opportunity to make the Museum a talking point of Invercargill – much like Puke Ariki in New Plymouth; Aratoi in Wairarapa as examples of institutions which draw visitors to their region. As part of deliberations on the LTP, Council agreed to establish a governance group to review, assess and make recommendations to Council on the best outcomes for the city as it looks to deliver the future museum service.

The Council seeks advice on the optimum outcome for its, and its' partners investment. At this stage, the advice will be focused on the development of guiding principles leading to clear and measurable critical success factors for the museum. It will also consider the preferred location and test whether there are any alternative sites. The main purpose of the governance group is to:

*Create a unique and compelling vision for the Invercargill Museum that will define the nature of the service for the community of Invercargill and solidify its role in the Southland region.*

In doing this, it will address:

- What the customer and user experience must provide, by way of cornerstone exhibitions, services and facilities
- How the services and facilities enable and are shared with mana whenua
- How the services and facilities support a strong educational programme
- That any facility design takes a whole of life assessment of the operating costs

The advice will be separated into service focused and design focused advice. As a minimum, to make recommendations to Council to progress this project, the governance group will need to provide the following recommendations on:

#### *Service focus*

- Review the TWA report and any other reports which may be useful (e.g. TBig, ACI) in developing its advice
- Develop advice as to what makes a Waihopai Invercargill / Murihiku Southland museum a 'must visit', and what its critical success factors may be from a design and service perspective
- In forming this advice, the group should make contact with a number of other museums in New Zealand and internationally to identify what are the critical success factors for museums that Council should be aware of
- Include cultural narrative into the development

#### *Design focus*

- Research and come to a view on:
  - the most appropriate size and scale of the museum
  - the role that art should play as a part of the museum's offering, or be in a separate destination (as anticipated by Council's resolution in 2018, when progressing ACI discussions)
- Assess Council's preference for the current site in Queens Park, but review that preference against the benefits of a location in the city centre
- Recommend space allocations considering flexibility and multipurpose spaces for permanent versus temporary exhibitions, theatre and any other ancillary activities for the museum, e.g. café, tuatarium, retail
- Reflect Council's budget and time envelopes
  - \$39.4 million of \$52.5 million total budget and including \$12.9 million of third party funding
  - opening no later than 2026/27
- Review against the above factors:
  - insurance requirements for exhibition materials and to ensure the finished product meets these
  - assess the impact on the whole of life operating costs of a refurbished museum versus new build museum (also considering size).

Council may also wish to request additional advice be provided, including whether the timeframes for the project can be brought forward. These can be incorporated into the scope of the governance group following this meeting and prior to the drawing together of the group members.

Regardless of this however, the key is to agree the vision first and then review and address the options (and timeframes) that create the greatest value for the community for now and future generations.

### ***Criteria for Museum 2027 Governance Group Members***

The proposal is for a governance group of seven members. The composition of the group needs to achieve synergy and, on this basis, it is not a stakeholder or representative group – rather the composition proposed is to recognise the complexity in the work. There would be one exception – a place for one member nominated by iwi. An independent Chair would also be appointed to lead the group.

The governance group would be made up of:

- One independent Chair
- One Runaka appointed representative to reflect Te Tiriti o Waitangi
- Five at large / skills based appointees

An appointments panel will be responsible for selecting members for recommending to Council. They will look to ensure a balance of the following skills / attributes:

- An ability to participate in strategic workshops
- Link to arts / creativity / science / education / museum focused services
- Able to synthesise complex information
- Experience in capital project delivery, and understanding current building standards
- Stakeholder relationships which enable acceptance of membership
- Experience in attracting external funding
- Relationships with central government
- Financial analysis
- Understanding of customer experience

It is expected that the time commitment for the governance group members is likely to be one meeting at least fortnightly, with the independent Chair involvement to be weekly engagement.

### ***Appointments panel***

An appointments panel is recommended to be established in order to assess and recommend appointments to this governance group in a timely manner. It is important that the issue is progressed quite quickly – the Committee may like to consider whether they want to delegate authority to the Panel to appoint members, rather than to recommend their appointment to a further committee meeting.

It is recommended that the following people make up the panel, to develop and implement an appointments process:

- Independent Chair (to be confirmed)
- Chief Executive of ICC (Clare Hadley) as representative of staff as operators
- A staff representative on behalf of the two local funding organisations (Invercargill Licensing Trust and Community Trust South)

The appointments panel will seek consensus as to the makeup of the Governance Group.

In seeking to appoint the governance group members, it is expected that the panel will call for Expressions of Interest for people who meet the criteria.

### ***The role of councillors***

The involvement of a councillor on either the appointments panel, or the governance group, was considered. There is often a view that Council needs to have someone involved in order



to “know what’s going on”. In reality, the councillor appointed often finds themselves becoming a spokesperson for the group at the Council table, and are less able to advocate their own views on issues.

As it is proposed that the appointments panel will make recommendations, the advice is that all councillors will have a voice, and no councillor involvement on the panel is required.

The Chair of the governance group will provide regular updates to Council on the group’s work, and the group will provide its recommendations to Council in February 2022. Councillors will have the opportunity to test and review those recommendations at that time – effectively to have their voice at that stage. On that basis, it is proposed that no councillor is appointed to the group.

### ***Timeframe and reporting***

The group will need to make its recommendations to Council in time for inclusion in the draft Annual Plan 2022/23. On this basis, the group will be called together in July 2021 and their initial advice should be completed by the end of February 2022.

It is envisaged that the group could still retain a role through until June 2022, to provide further advice and support. However this will be dependent upon the preferred option and Council’s response to the advice.

The governance group will ultimately strive for consensus on all recommendations made to Council. However, as with the appointments panel and depending on the final makeup of the group, the Chair will hold a casting vote if required.

Regular updates for elected members will be prepared on behalf of the governance group by Council staff and it is expected the Chair will provide verbal updates to Council from time to time, as required.

Reporting on project milestones will come to the Infrastructural Services Committee as part of the regular Project Management Office reporting. However, due to the more service oriented nature of the advice being developed, the majority of the reporting will be to the Performance, Policy and Partnerships Committee.

## **CONCLUSION**

Cultural facilities have often focused on the immediate needs of the community. Looking forward we need to prioritise the requirements of the facility to ensure that this, and future generations needs are met. In learning from previous projects, Council recognises the importance of project initiation – both as a means to ask the significant questions such as what are our objectives and benefits, and what are the risks of undertaking the project and how will they be managed.

The objectives and benefits of a project must be clearly defined and the pathway to gaining them obvious (subject to appropriate acceptance of managed risk). While it is clearly understood the community and Council wishes to see the project get underway, it is also critical that the finished product reflects community aspirations for a place to spend time in.

To this end, Council resolved to establish a governance group to review, assess and make recommendations to Council on the best outcomes for the city as it looks to deliver the future museum service.

This advice will be provided to Council no later than February 2022 in time for inclusion in the draft Annual Plan 2022/23.