

8 March 2017

Stephen Town
Chief Executive
Auckland Council
35 Albert Street
Auckland

Dear Stephen

Statutory Levy 2017/18 Museum of Transport and Technology (MOTAT)

MOTAT was created through the Museum of Transport and Technology Act 2000 (the Act). The Act sets out the objectives of the Museum, the annual plan process and the contribution by Auckland Council to the Museum's funding. Under the Act, the Museum is required to prepare and consult on their annual plan. Under an advisory and management agreement, Regional Facilities Auckland (RFA) is required to make submissions on the draft plan. The MOTAT Draft Annual Plan 2017/18 has been published for public consultation as per the Act.

RFA worked with Auckland Council in the development of the submission to the plan. In addition, an RFA board member, senior executives and Auckland Council attended the Museum's public hearing and answered questions.

The MOTAT Board considered the submissions to the plan and has provided the attached final Draft Annual Plan 2017/18. The Annual Plan sets out the activities the Museum is looking to undertake during the plan year and the Museum's reasoning for the amount of levy.

A copy of RFA's submission to the annual plan is attached which reflects three key areas as a focus for MOTAT for the 2017/18 year. These include:

1. **performance measures:** requesting stretch targets.
2. **promoting Auckland's Maori Identity:** acknowledging MOTAT's work with Ngāti Whātua Ōrākei, Ngapuhi, Hoani Waititi Marae and the Rumaki at Western Springs College.
3. **revenue sources:** requesting a focus on growing revenue from sources other than the ratepayer levy and exploring opportunities for consolidation with other major cultural facilities.

Museum Funding

Ongoing funding of the Museum is supported by RFA because its collections are of regional and national significance. The levy indicated within the final Draft Annual Plan is \$15,222,110 an increase of 16% or \$2.12m on the 2016/2017 year. This is below the cap provided for in the Act. In the current period MOTAT has been dealing with an issue in relation to their offsite storage facilities,

this has resulted in the need for MOTAT to remove, clean and relocate all affected collection items and postpone projects in the 2016/17 year.

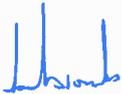
RFA's support for the funding is on the basis that:

1. the additional funding being requested by MOTAT for the 2017-18 year, is not considered as an increase to MOTAT's baseline funding going forward.
2. MOTAT provides to RFA confirmation of the date when the collection review/ rationalisation programme project will start and the anticipated end date. This project is linked to the need for MOTAT to deal with the offsite storage matter.
3. funding is to be focused on completing the deferred projects from 2016/17, including improvements to MOTAT's Customer Relationship Management System (CRM) to enable MOTAT to better track and report on visitor demographics.

RFA will continue to provide advice and support to the Mayor and Auckland Council as the levy discussions progress. Auckland Council is the ultimate decision maker in relation to the level of funding that the Museum receives. RFA has advised the Museum that the Council is forming its budget with a rates cap of 2.5% and seeking efficiency dividends from organisations that receive funding from Council.

During the development of the Draft Annual Plan consideration was given to including funding for the MOTAT Athfield master plan, however it has been mutually agreed that the museum will work with Regional Facilities Auckland and Auckland Council to firstly finalise the business case.

Yours sincerely



Chris Brooks
Chief Executive

Attachment: MOTAT Draft Annual Plan