

1 March 2019

Stephen Town
Chief Executive
Auckland Council
35 Albert Street
Auckland

Dear Stephen

Draft Annual Plan (DAP) and Statutory Levy 2019/20 Museum of Transport and Technology (MOTAT)

As you are aware, MOTAT was created through the Museum of Transport and Technology Act 2000 (the Act). The Act sets out the objectives of the Museum, the DAP process and the levy mechanism for Auckland Council's contribution to MOTAT's funding.

Under the Act, the Museum is required to prepare and consult on the DAP. The MOTAT DAP 2019/20 has been published for public consultation as per the Act. Under an Advisory and Management Agreement, Regional Facilities Auckland (RFA) is required to consider the DAP and make a submission on the document. A written submission was made by RFA within the statutory timeframes for consultation.

The MOTAT Board has considered the submissions it received in relation to the DAP and the final version is attached for Auckland Council's consideration. The DAP sets out the activities MOTAT is looking to undertake during the plan year and over the next two years.

While MOTAT was not successful in obtaining funding through the Long Term Plan process for the implementation of the MOTAT Athfield Masterplan (Masterplan), it is seeking additional funds under the DAP process for the "Approach 2" projects. The "Approach 2" projects are a subset of the Masterplan and support the development of and accessibility to the Western Springs Precinct. RFA supports this approach, which would increase accessibility for Aucklanders. The projects are outlined on pages 18-19 and page 32 of the DAP.

The Museum's reasoning for the levy amount is supported by the activities communicated in the plan. We note the core objectives in the DAP have been specifically linked to the Auckland Plan 2050 and to the Toi Whītiki Arts and Culture Strategic Action Plan.

Further, RFA, together with our business units Auckland Zoo and Auckland Stadiums, has been working closely with MOTAT on opportunities for joined up thinking across the Western Springs Precinct. While these discussions are in the early stages, the partnership is working well and will ultimately benefit the precinct and broader Auckland region. This is in addition to the support given by MOTAT to the New Zealand Maritime Museum in relation to storage of some of its collection

objects and more generally to the Museums of Auckland group and other arts, culture and heritage institutions in the city (e.g. the Howick Historic Village).

Visitor Experience

The recent Audience Research undertaken by Morris Hargreaves McIntyre shows that MOTAT is attracting a wide variety of visitors. The MOTAT Vision as articulated in the updated strategy and outlined in the DAP is supported by the Museum's existing and target market. The research covers the period from July to December 2018 (quarters 1 and 2) and is compared to July 2017 to June 2018. It highlights the following:

1. Irregular/lapsed visitors (those who haven't visited MOTAT for over 12 months ago) are re-engaging – up to 41% from 29% in 2017-2018.
2. Increased attendance by younger adults – 68% of MOTAT's visitors are aged under 35, an increase from 2017-2018 (62%); 41% of first-time led visits are aged 16–35 which is significantly higher than the 2017-2018 period (22%).
3. MOTAT's "local audience" is more ethnically diverse – visits by those primarily identifying as Chinese (14%), Māori (7%) and Pacific Peoples (7%) all increased significantly on 2017-2018 (6%, 3% and 3% respectively). Conversely, there was significantly lower representation from those identifying as New Zealand European (54% compared to 70%).
4. Increased marketing recall – 71% of respondents cited at least one marketing or publicity source as prompting their visit; a significant lift on 54% in 2017-2018.
5. Nearly 6 in 10 visitors are looking for deeper engagement with MOTAT.
6. High satisfaction rate (i.e. over 90%) especially in relation to the tram (97%) and staff (92%)
7. MOTAT's Vision has an 83% resonance score. That is, MOTAT's visitors understand and agree with what the Museum is trying to achieve (i.e. to use past, present and future Kiwi technology and ingenuity to educate and inspire the innovators of tomorrow)).

A copy of RFA's submission to the DAP is attached which reflects the following areas for the 2019/20 year:

1. **Auckland's Cultural Heritage Review:** working with RFA and Auckland Council in relation to the review.
2. **Performance measures:** the performance measures previously agreed continue and target a wide range of activities including increasing visitation and care of the collection.
3. **Promoting Auckland's Māori identity:** the ongoing investment by MOTAT in developing a travelling exhibition focusing on Māori technology and building on previous work with Te Reo included in exhibitions and on signage. We also note that MOTAT is working on a Māori name for MOTAT and runs Te Reo Māori classes for its employees and volunteers.
4. **Revenue sources:** we note that MOTAT admissions revenue increased by 15.5% on the previous financial year and they exceeded their targets for visitor satisfaction, school and pre-school visits, shop revenue, and venue hire revenue. In addition, they welcomed 32 new volunteers to the MOTAT team. MOTAT was requested to consider how operational efficiencies could be found and advises they will continue to investigate opportunities.

It is also worth noting that MOTAT has taken further steps to improve the transparency and readability of their DAP.

MOTAT Funding

MOTAT is requesting \$14,811,739 in levies for operating funding and an additional \$1m each year over the next ten years, supported by a flexible bank financing arrangement for the “Approach 2” projects. This is supported by MOTAT’s commercial revenue which has increased targets driven by increased visitor numbers and increased revenue from the partnership with Mind Lab @ MOTAT.

The “Approach 2” projects were established after a further review of the projects within the Masterplan by MOTAT, with a focus on initiatives which improve the visitor experience, the display and care of the collection, the visitor and work environment and demonstrate positive change and progression. A number of these projects also support the Waitemata Local Board Western Springs Park Development Plan and Greenways Plan, improve connectivity and accessibility across the Western Springs Precinct as well as help manage MOTAT’s infrastructure challenges.

We believe this approach brings the right balance between capital and operational matters and takes a measured approach to dealing with the infrastructure issues MOTAT needs to address. Therefore RFA supports the proposed levy and recommends to Council the approval of the levy (which is under the MOTAT levy cap), however we are cognisant that the final decision in relation to the levy is a matter for consideration and agreement by Auckland Council.

RFA will continue to provide advice and support to the Mayor and Auckland Council as the process continues.

Yours sincerely



Chris Brooks
Chief Executive

Attachment: MOTAT Final Draft Annual Plan (DAP) 2019-2020

cc:

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Edward Siddle Principal Adviser, CCO Governance