

8 March 2017

Stephen Town
Chief Executive
Auckland Council
35 Albert Street
Auckland

Dear Stephen

Statutory Levy 2017/18 Auckland War Memorial Museum (AWMM)

AWMM was created through the Auckland War Memorial Museum Act 1996 (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 AWMM 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 AWMM Board considered the submissions to the plan and has provided the attached final Draft Annual Plan 2017/18. To support this, the Museum has updated the Organisational Business Plan which is also attached. The Annual Plan sets out at a high level, 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 plan is attached which reflects five key areas as a focus for AWMM for the 2017/18 year. These include:

1. **clarifying links:** provision of clarity in the plan on a range of matters including the Act's obligations and annual plan deliverables as well as the Museum's capital programme.
2. **funding context:** inclusion of additional information within the annual plan, to provide context for the funding the Museum is requesting via the levy.
3. **performance measures:** request for inclusion of performance measure that align with the key achievements the Museum has highlighted in the annual plan.
4. **promoting Auckland's Maori Identity:** acknowledging the completion of He Korahi Maori Strategy and its intent to be embedded in the annual plan moving forward.

5. **revenue sources:** requesting a focus on growing revenue from sources other than the ratepayer levy, and requesting detail in the annual plan on increasing external revenue together with more ambitious targets.

RFA and senior executives of Auckland Council have met at various times in relation to the matters raised in the submission. The balance sheet of the Museum is strong and continues to support increasing engagement by Aucklanders, onsite, offsite and online.

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 \$30.735m, an increase of \$0.895m or 3% on the 2016/17 levy. This is below the cap provided for within the museum legislation.

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.

Yours sincerely



Chris Brooks
Chief Executive

Attachments: AWMM Draft Annual Plan 2018/2018
AWMM Organisational Business Plan 2016-2025
RFA's Submission to AWMM Draft Annual Plan