I hereby give notice that an ordinary meeting of the Upper Harbour Local Board will be held on:

**Date:** Thursday, 18 June 2020  
**Time:** 9:30am  
**Meeting Room:** Upper Harbour Local Board Office  
**Venue:** 30 Kell Drive  
Albany village

---

**Upper Harbour Local Board**

**OPEN ADDENDUM AGENDA**

---

**MEMBERSHIP**

**Chairperson**  
Margaret Miles, QSM, JP  

**Deputy Chairperson**  
Lisa Whyte  
Anna Atkinson  
Uzra Casuri Balouch, JP  
Nicholas Mayne  
Brian Neeson, JP

(Quorum 3 members)

---

**Cindy Lynch**  
Democracy Advisor

15 June 2020

Contact Telephone: (09) 4142684  
Email: Cindy.Lynch@aucklandcouncil.govt.nz  
Website: www.aucklandcouncil.govt.nz

---

**Note:** The reports contained within this agenda are for consideration and should not be construed as Council policy unless and until adopted. Should Members require further information relating to any reports, please contact the relevant manager, Chairperson or Deputy Chairperson.
<table>
<thead>
<tr>
<th>ITEM</th>
<th>TABLE OF CONTENTS</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>21</td>
<td>Arts, Community and Events venue partners interim service approach</td>
<td>5</td>
</tr>
</tbody>
</table>
Arts, Community and Events venue partners interim service approach

File No.: CP2020/07981

Te take mō te pūrongo
Purpose of the report
1. To approve an interim service approach for Arts, Community and Events venue partners for 1 July 2020 to 30 September 2020.

Whakarāpopototanga matua
Executive summary
2. More than half of the Arts, Community and Events (ACE) venues portfolio is managed by 122 partners.
3. Fifty-five of these partners (including one of the two Upper Harbour partners) have contracts and funding agreements that expire on 30 June 2020.
4. Key concerns for these partners are:
   • the council’s expectation of service delivery from 1 July 2020
   • levels of activity they should be delivering
   • funding availability
   • their responsibilities as employers.
5. The recommended approach is, firstly, a clarification that services should continue from 1 July 2020 to 30 September 2020.
6. Secondly, it is to ensure a sustained level of service from the ACE venues portfolio while Emergency Budget deliberation is underway.
7. Finally, it is to provide a pro rata interim payment (12 weeks of the annual amount) covering the first quarter of the financial year (FY) 2020/2021 to ensure the above can be delivered.

Ngā tūtohunga
Recommendation/s
That the Upper Harbour Local Board:

a) approve interim payments be made to:
   i) Meadowood Community House for $13,738 plus Consumer Price Index (CPI).

b) note the proposed interim payments to:
   i) Headquarters and Sunderland Lounge for $41,000 plus Consumer Price Index (CPI).

Horopaki
Context
8. Auckland Council provides spaces in the community where all Aucklanders can come together to do things that interest them, stretch themselves, have fun, participate, connect, interact, discover new things and learn about each other.
9. There is an Arts, Community and Events (ACE) venue in almost every neighbourhood across Auckland, and the ACE team ensures this diverse portfolio – including community centres, community art galleries, theatres and both rural and urban community halls – is delivering for local communities.

10. This portfolio contains more than 240 ACE venues with 122 partners managing over half of these on behalf of the council.

11. These partnerships are managed with a variety of contracts and agreements in place and funding of over $8m per annum, in addition to in-kind support and resources, including asset provision.

12. To help protect Aucklanders during the COVID-19 response, Auckland Council made the decision to temporarily close the ACE venues, including community centres, community art galleries, theatres and venues for hire, and to support its partners to do the same.

**Partner insights**

13. Staff have continued to be in close contact with ACE venue partners through all alert levels to answer queries where possible and offer support to their decision-making where appropriate, including:
   - varying contracts to explicitly relieve them of responsibilities under their contracts and funding agreements, as they could not deliver their service under alert levels four or three
   - prioritising final contract payments due in quarters three and four of the current financial year
   - supporting the reopening of venues at alert level two, including implications of group and capacity restrictions.

14. Staff surveyed ACE venue partners during this time to gather insights on the impacts of COVID-19. Key considerations for partners were:
   - financial security, including uncertainty of funding that might be available in FY 2020/2021
   - concern about their ability to continue to pay staff and deliver expected services and programmes to their local communities.

15. Fifty-five of these 122 partners have contracts and funding agreements that expire on 30 June 2020.

16. From survey results and subsequent conversations with partners, the key concerns are as follows:
   - Are they expected to open and deliver services from 1 July 2020?
   - What level of service should they be delivering?
   - What funding is available for them to continue to deliver services?
   - Concerns regarding their responsibilities as employers.

17. While ACE venue partners are aware that the Emergency Budget consultation and deliberation is underway, a number have notified staff that without an arrangement, they may have to suspend services until the Emergency Budget is adopted and implemented in August 2020.

18. Staff are also aware of concerns raised by local board members and these were discussed in workshops when ACE staff visited local boards to discuss facility reopening plans over the last month.
Tātaritanga me ngā tohutohu
Analysis and advice

Interim service delivery support

19. The recommended approach is to clarify that services should continue from 1 July 2020 to
30 September 2020, ensuring a sustained level of service from the ACE venues portfolio
while Emergency Budget deliberation is happening.

20. In consultation with Auckland Council’s Commercial and Finance and Legal departments,
staff have determined that the best approach to both sustain service and to address the level
of uncertainty that exists with ACE venue partners is to provide interim funding covering the
first quarter of FY 2020/2021.

21. To do this will require a pro rata interim payment (12 weeks of the annual amount).

22. Interim funding will enable ACE venue partners to operate throughout July, August and
September 2020. In August 2020, after local boards approve their work programmes, staff
will make contract/grant payments for the balance of approved funding to partners for the
remaining quarters of FY 2020/2021.

23. For the Upper Harbour Local Board area, the partnership under consideration is:

<table>
<thead>
<tr>
<th>ACE venue partner</th>
<th>Interim payment amount +CPI</th>
<th>Annual contract amount</th>
<th>Funding mechanism</th>
<th>Expiry</th>
<th>Budget source</th>
<th>Key relationship holder</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meadowood Community House</td>
<td>$13,738</td>
<td>$54,953</td>
<td>FA*</td>
<td>FY20</td>
<td>ABS opex</td>
<td>Community Places</td>
</tr>
</tbody>
</table>

24. The following partnership agreement for the Upper Harbour Local Board area is supported
by multi-year agreement that is in train. Staff are working closely with these partners to
arrange interim quarterly payments:

<table>
<thead>
<tr>
<th>ACE venue partner</th>
<th>Interim payment amount +CPI</th>
<th>Annual contract amount</th>
<th>Funding mechanism</th>
<th>Expiry</th>
<th>Budget source</th>
<th>Key relationship holder</th>
</tr>
</thead>
<tbody>
<tr>
<td>Headquarters and Sunderland Lounge</td>
<td>$41,000</td>
<td>$164,000</td>
<td>CCMA**</td>
<td>FY22</td>
<td>ABS opex</td>
<td>Community Places</td>
</tr>
</tbody>
</table>

*FA – Funding agreement
**CCMA – Community Centre Management Contract
***SA - Service Agreement

25. Staff are aware of the concerns this uncertainty is causing ACE venue partners and have
advised them in writing that this approach will be brought to local boards as governors of
local facilities and locally funded services.

26. This approach requires a commitment to advance funding for the first quarter of FY
2020/2021 ahead of the Emergency Budget approval and decisions to finalise local board
work programmes for FY 2020/2021.

27. Options for consideration by the board are set out in the following table:
## Item 21

<table>
<thead>
<tr>
<th>Option</th>
<th>Option one</th>
<th>Option two</th>
<th>Recommended approach – Option three</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Description</strong></td>
<td>Defer funding decision until the Emergency Budget is confirmed</td>
<td>Allocate interim partial payment</td>
<td>Allocate full pro rata 12 weeks payment</td>
</tr>
<tr>
<td><strong>Action</strong></td>
<td>No interim payment is made</td>
<td>A payment of less than pro rata amount is made at a later date</td>
<td>An interim payment can be made early July</td>
</tr>
</tbody>
</table>
| **Implications** | • Possible suspension of services  
• Risk of these partners not being able to reopen | • Negotiations on level of service and new key performance indicators would need to be entered into for the first quarter  
• New contracts generated and agreed  
• Neither Auckland Council nor ACE venue partners have resources or time to manage this | • Service is sustained at current level – doors remain open  
• The impact of different funding scenarios can then be worked with board and partners as the Emergency Budget is considered |

### Tauākī whakaaweawe āhuarangi

**Climate impact statement**

28. ACE venues can have a positive climate impact as they enable people to connect, participate and recreate locally without having to travel long distances. They help foster a sense of community and contribute positively to people’s views of where they live.

### Ngā whakaaweawe me ngā tirohanga a te rōpū Kaunihera

**Council group impacts and views**

29. Auckland Council provides fair, easy and affordable access to safe and welcoming venues through the Arts, Community and Events department of the Customer and Community Directorate.

30. The Community Places and Arts and Culture units manage the relationship and contracts with ACE venue partners.

31. Subject to the outcome of this decision, staff will work with Community Facilities to manage implications for council-owned assets.

### Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe

**Local impacts and local board views**

32. A number of local board workshops were conducted through May and early June 2020 on the Auckland Council approach to COVID-19 alert level two and the phased reopening of local community facilities.

33. During these workshops, local boards:
   - were informed that the majority of ACE venue partners reopened promptly at alert level two
expressed an interest in the status of ACE venue partner delivery and FY2020/2021 funding
considered additional funds due to marked loss in revenue from classes and bookings.

Tauākī whakaaweawe Māori
Māori impact statement
34. ACE venues support diverse, equitable, and affordable access to spaces to all Aucklanders, including Māori.
35. Programming through ACE venues supports Māori outcomes and showcases work from Māori content creators and artists.

Ngā ritenga ā-pūtea
Financial implications
36. This approach requires a total commitment of $177,738 from the Upper Harbour Local Board’s asset-based services operational expenditure funding in advance of the Emergency Budget approval and decisions to finalise local board work programmes for FY2020/2021.
37. The amount of $13,738 represents an interim payment to the partner with a funding agreement that expires on 30 June 2020.
38. The total annual amount of $164,000 is for the in-train agreements for the other partner.
39. This total amount will not be available for reallocation in future FY 2020/2021 decision making.

Ngā raru tūpono me ngā whakamaurutanga
Risks and mitigations
40. Risks associated with this decision and mitigations are:

<table>
<thead>
<tr>
<th>Risk</th>
<th>Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>A decision could preempt significant budgetary decisions</td>
<td>This is an interim approach, consistent with the council’s managed provision in this portfolio</td>
</tr>
<tr>
<td>The recommended approach may not provide sufficient surety for partners</td>
<td>Staff will communicate with partners and inform them of the Emergency Budget consultation process</td>
</tr>
</tbody>
</table>

Ngā koringa ā-muri
Next steps
41. Subject to local board approval, staff will organise agreements and payments to partners no later than mid-July 2020.
42. Staff will continue to work with these partners to assess the impact of different funding scenarios, if any, to funding levels, service delivery, outcome areas, or key performance indicators for the remainder of FY2020/2021. This will inform discussions on local board work programmes once the Emergency Budget has been approved.
Ngā tāpirihanga
Attachments
There are no attachments for this report.

Ngā kaihaina
Signatories

<table>
<thead>
<tr>
<th>Author</th>
<th>Kat Teirney - Team Leader Community Facilities, South</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorisers</td>
<td>Graham Bodman - General Manager Arts, Community and Events</td>
</tr>
<tr>
<td></td>
<td>Eric Perry - Relationship Manager</td>
</tr>
</tbody>
</table>