CBOP

creative bay of plenty
te moana a toi

BUILDING BLOCKS FOR ARTS AND CULTURE IN WESTERN BAY OF PLENTY

A study of current investment for hard infrastructure

(July 2019)

EXECUTIVE SUMMARY

This investment mapping report was commissioned by Creative Bay of Plenty to fulfil a requirement of Toi Moana, the community-led and community-delivered arts and culture strategy developed in 2017 for the Western Bay of Plenty. As a part of Toi Moana, Creative Bay of Plenty was tasked with undertaking a baseline audit of hard infrastructure in the region, so that future investment for the sector in the Western Bay of Plenty could be assessed and informed.
The protocol for this research was to:

A. undertake desk research, and
B. meet with sector and iwi representatives, funders, and council representatives.

The aim being to gather data and garner insight on usage, planning, and current investment practices. In undertaking this research, it soon became clear that the region lacks a purposeful approach for capturing raw data on the utilisation of its hard infrastructure. Subsequently this means the region also lacks comparative data, as it is unable to fully participate in national surveys and benchmarking exercises.

In the absence of this data, it is unclear as to whether the Western Bay of Plenty is over-utilising or under-utilising its current facilities dedicated to arts and culture. It effectively becomes impossible for the sector to plan and present strategic applications or advise funders on the sector's priorities.

The implications of this is that it erodes the confidence of funders and it means that the arts and culture sector is unable to lead the conversation as it rightfully should.

To improve on the current situation, the main recommendations are as follows;

1. First, **Creative Bay of Plenty**, as lead agency, must develop or adopt a robust capacity measure to be introduced across venues in the region that effectively captures how facilities are used (be these over or under utilised).
2. Second, this data must be consolidated and made available for strategic use by stakeholders.
3. Third, priorities for investment should be socialised and endorsed by the sector.
4. Fourth, training (e.g. workshops and resources) should be provided to sector groups on alternate fundraising methods, such as on seeking longer-term corporate partnerships and using crowdfunding platforms for capital projects, with an aim of increasing the confidence of sector groups to seek funding from diverse sources.
5. Fifth, the next time we are given the opportunity to participate in a national survey or benchmarking exercise it is critical that we do so. This will ensure that our creative profile is raised nationally so that central government is better informed of the region's infrastructure needs.

The ancillary learnings for this report are:

1. The insight from the conversation with funders is that ad hoc, last-minute, and duplicated approaches to investment applications are common, which funders find frustrating and which can be perceived as amateurish relative to the quality of applications submitted by other sectors.
2. Therefore, a plan for coordinated pitching for both hard infrastructure purposes and for other reasons, such as key events, should be considered a key priority for **Creative Bay of Plenty** and the sector at large. The message is universal in this sense, and goes beyond applications for hard infrastructure alone.

It is now the responsibility of **Creative Bay of Plenty** to initiate plans to follow through on these recommendations. By doing so, we will achieve better outcomes for our sector and the wider community.

"A community with arts and culture at its heart creates a culture of innovation and new thinking that drives economic wealth and wellbeing." — Toi Moana 2017

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He toi whakairo – he mana tangata.
Where there is artistic excellence there is human integrity and dignity.

SETTING THE STAGE

What is an investment map and what is its purpose?

Investment mapping is a process that seeks to quantify and understand future demand for key services and sectors, so that gaps between current usage and predicted need can be identified. These gaps then serve as evidence to anchor strategic investment and buy-in from funders and enablers who seek such assurance of need when making investment decisions.

Research Scope

In the Arts and Culture context, the creation of an investment map was identified as a priority so that the sector could better understand the region's future capital infrastructure requirements and communicate these with funders.

SETTING THE STAGE

What methodology was used?

The research was developed in six distinct phases:

1. Desk research - analysis of regional arts and culture facilities versus comparator cities.
2. Sector surveys and interviews - assessing usage, planning, and investment sources for venues in the region.
3. Funders/enablers surveys and interviews - assessing issues holding back investment in the region based on conversations with councils and national and regional funders.
4. Local iwi engagement - researchers spoke to Te Runanga O Ngai Te Rangi Iwi Trust and Ngati Pukenga Iwi ki Tauranga Trust. We were unable to obtain information from Ngāti Ranginui but will continue to seek engagement to build a fuller understanding of the issues and opportunities for this iwi.
5. Creative New Zealand consultation - specifically related to its Ngā Toi Māori five year strategy and its national arts investment programmes. We have planned to re-engage with stakeholders to present findings and make recommendations for future work.

In the Appendix, a full list all organisations and staff interviewed as a part of this research has been listed.

Who benefits from this research?

This research benefits the wider Tauranga Moana community, including these key stakeholders:

1. Creative Bay of Plenty (as lead agency for the sector)
2. The arts and culture sector (both artist and audience), including local iwi
3. Venue managers and owners (public, private, iwi)
4. National and regional funders
5. Tauranga City Council and Western Bay of Plenty District Council
6. Creative New Zealand
7. Ministry of Culture and Heritage
8. The wider Tauranga community and visitors to the region

Where does this fit with other research?

Investment mapping is not isolated to the arts and culture sector. Other discrete bodies of work currently underway in Tauranga Moana and that may have overlap include:

- An independent citywide investigation and needs analysis by Tauranga City Council of aquatic, community centres, libraries and indoor court facilities.
- Scoping work by Bay Venues Ltd to extend the aquatic and recreation facilities at Memorial Park.
- A business case by Bay Venues Ltd to expand the exhibition facilities at Trustpower Baypark to allow a greater number and diversity of trade shows and conferences.

Of note, these projects do not have a specific remit to support art and culture production and promotion within their existing scope. However, these developments are recognised as part of a wider recreational context for the Western Bay of Plenty.

SETTING THE STAGE

Why now?

Tauranga City is NZ's fifth largest and fastest growing city with a rich arts and culture community, but it still suffers from a perception that it is a **"cultural desert"**[1,2]. The people driving this growth are most often leaving metropolitan centres like Auckland and Wellington, where rich and diverse cultural experiences are the norm. They expect modern and purposeful creative spaces and places to participate and fulfil their creative aspirations as both artist and audience.

In response to this growth, the city developed a community-led Arts and Culture strategy for the region, Toi Moana, that was formally adopted by both councils in November 2017. To make effective policy and investment decisions, funders and enablers require evidence of community need in the form of validated data. Given this, the investment map process was identified as an opportunity to build an evidence base for the region's future infrastructure needs, with an aim to assist the sector in making robust funding applications and front-footing key capital projects.

1 "Voters in the cultural desert that is Tauranga say no to museum" Bay of Plenty Times, May 2017

2 "Tauranga 'wall of shame' highlights political expediency" Stuff.co.nz, May 2nd 2018

Kia mua ki to Maoritanga.
Hold fast to your culture.

STATUS QUO - THE BASELINE

- The Western Bay of Plenty is home to 175,241 residents, with the heaviest concentration living in Tauranga city (131,549).
- Across the region, we have identified 27 key venues (excluding marae) used by groups in the arts and culture sector, ranging from specific, purpose-built theatres through to large multi-use council owned venues.
- The following tables provide a summary of venues available for use by the public sector. However in line with the original scope of work, the Sub-Regional venues were not included in this specific review. This is due to their multi-functional use. However it is recommended that for the purpose of future work undertaken by CBOP for the purpose of optimisation and forward planning, data is collected and published inclusive of these venues. Currently no data is currently collected on the over or under utilisation of these venues so we cannot provide a gap analysis with any surety.

STATUS QUO - THE BASELINE

Table One
Western Bay of Plenty Arts Venues

WESTERN BAY OF PLENTY VENUES	CAPACITY
National	
Trust Power Arena (BVL)	8,000
Baycourt	500
Regional	
Queen Elizabeth Youth Centre & Memorial Hall (BVL)	2,580
Holy Trinity Church	900
Mauao Performing Arts/Totara Street	420
Elizabeth Street Community & Arts Centre (BVL)	360
Tauranga Art Gallery	180
Historic Village Hall	150
16th Avenue Theatre	150
Historic Village Balcony Room	100
Detour Theatre	70
Katikati Art Junction	N/A
WB Museum	70
Historic Village Cinema	60
Historic Village Amphitheatre	N/A
Sub-Regional	
Aquinas Action Centre (BVL)	868
Papamoa Sports & Recreation Centre (BVL)	508
Merivale Action Centre (BVL)	492
Bethlehem Hall (BVL)	370
Greerton Community Hall (BVL)	360
Papamoa Community Hall (BVL)	285
Tauriko Hall (BVL)	240
Arataki Community Centre (BVL)	200
Welcome Bay Hall (BVL)	180
Matua Hall (BVL)	175
TOTAL CAPACITY	17,218

STATUS QUO - THE BASELINE

Capacity vs. population

Relative to neighbouring regions, Tauranga's venue capacity is on par with Hamilton but some way behind Rotorua (see Table 2 below).

Table Two
Venue Capacity Vs Population

	Hamilton	Rotorua	Tauranga
Population	**141,612**	**65,280**	**158,481**
Capacity	**18,275**	**22,008**	**17,216**
Index	**.13**	**.34**	**.11**

Capital expenditure for these venues is predominantly publicly funded ...

In line with prevailing practice throughout New Zealand, key theatres, galleries and multi-use venues are generally created through council or government investment. From time to time, funding has also been received through local trusts and grant bodies, such as TECT and Bay Trust, however, these funders tend to have narrower restrictions on their funding mandates. For instance, they may have special requirements surrounding capital infrastructure or special projects applications.

But some local venues have successfully diversified their income streams, however, this primarily to support their operational activity.

Venues have increasingly turned to ancillary funding sources to help support their ongoing operational activity. Examples of such income streams include:

- Ticket sales
- Corporate sponsorship
- Sub leasing
- Donations
- Local Trusts
- Commercial revenue

Table 3 on the next page sets out some examples to illustrate this.

STATUS QUO - THE BASELINE

Table Three
Funding Sources for WBOP Venues

VENUE	VENUE TYPE	INVOLVEMENT IN PROJECT	FUNDING SOURCES				
			QR	TF	LC	D	CS
Baycourt	Theatre	Interview & Survey	●	●	●		
Tauranga Art Gallery	Gallery	Interview & Survey	●	●	●	●	●
Detour Theatre	Theatre	Interview & Survey	●		●		
Katikati Art Junction	Gallery/Artspace	Interview & Survey	●	●	●	●	●
WB Museum	Museum	Interview & Survey	●	●	●	●	●
Bay Venues Limited (Community Venues Only)	Multi Use	Interview & Survey	●		●		●
Historic Village	Multi Use	Interview & Survey	●		●		
Mauao Performing Arts/ Totara Street	Multi Use	Interview	●	●			

FUNDING SOURCES FOR WBOP VENUES

- Operating Revenue
- Trust Funding
- Local Council
- Donations
- Commercial Sponsorship

STATUS QUO - THE BASELINE

Iwi funding models for arts and culture infrastructure in Tauranga Moana

The kaupapa of both Ngāti Pūkenga and Ngāi Te Rangi as settlement trusts includes promotion of social and cultural activities. Their venues for art and culture are primarily accessed as marae sites of which the capacity varies from 80 to 1000 dependent on the nature of the performance.

By their very nature, iwi venues serve a myriad of cultural needs that extend beyond a pure arts and culture function. The funding streams reflect this; for instance, Ngati Pukenga do not apply for funding from either Tauranga City Council or Western Bay District Council as their facilities cannot be booked directly by the public. Similarly, Ngāi Te Rangi have not sought external funding for their marae sites in the past five years. The marae are maintained by the iwi whose membership is by whakapapa, meaning that their support through volunteering and financial contributions is inherent.

However, there have been some examples of outreach to external funders for infrastructure projects that are not specifically for arts and culture practice. For instance, Ngāti Pūkenga approached national and regional funders in 2007 following the destruction of their Te Whetu O Te Rangi meeting house by arson in 2006. The cost to rebuild the meeting house which opened in late December 2008 was $1.3 million. The majority of funding for this project came from the NZ Lotteries Grants Board supported by additional investment from their own settlement trustand grants from regional trusts.

WHY DO WE NEED GOOD DATA?

With good data to hand, Tauranga Moana would be in an improved position to participate in national surveys and benchmarking exercises. Currently, this is simply not possible.

How do others measure success?

They benchmark by participating in national surveys. For instance, in 2017, Creative New Zealand led research which investigated Territorial Authority investment in arts and culture via a survey of 12 councils. Tauranga City Council had to decline the opportunity to participate as they did not have sufficient data analysis resource to produce the information in the timelines requested. This has been communicated to Creative New Zealand along with Council's desire to be included in future studies of territorial investment in arts and culture. Western Bay of Plenty District Council was not invited to participate because of their small populations size relative to the other Councils surveyed.

In the survey, data is categorised at two levels, by large metros (population of 100,000+) and small metros (30,000-99,999 populations), with more provincial districts excluded from the research. The 12 Territorial Authorities (TAs) surveyed capture approximately 62% of the total New Zealand population and approximately 60% of the total expenditure of New Zealand's 67 TAs.

WHY DO WE NEED GOOD DATA?

What is there to learn from other regions?

The national research provides valuable comparisons of both opex and capex expenditure, and is indicative of data being collected by other regions (see **Table 2**).

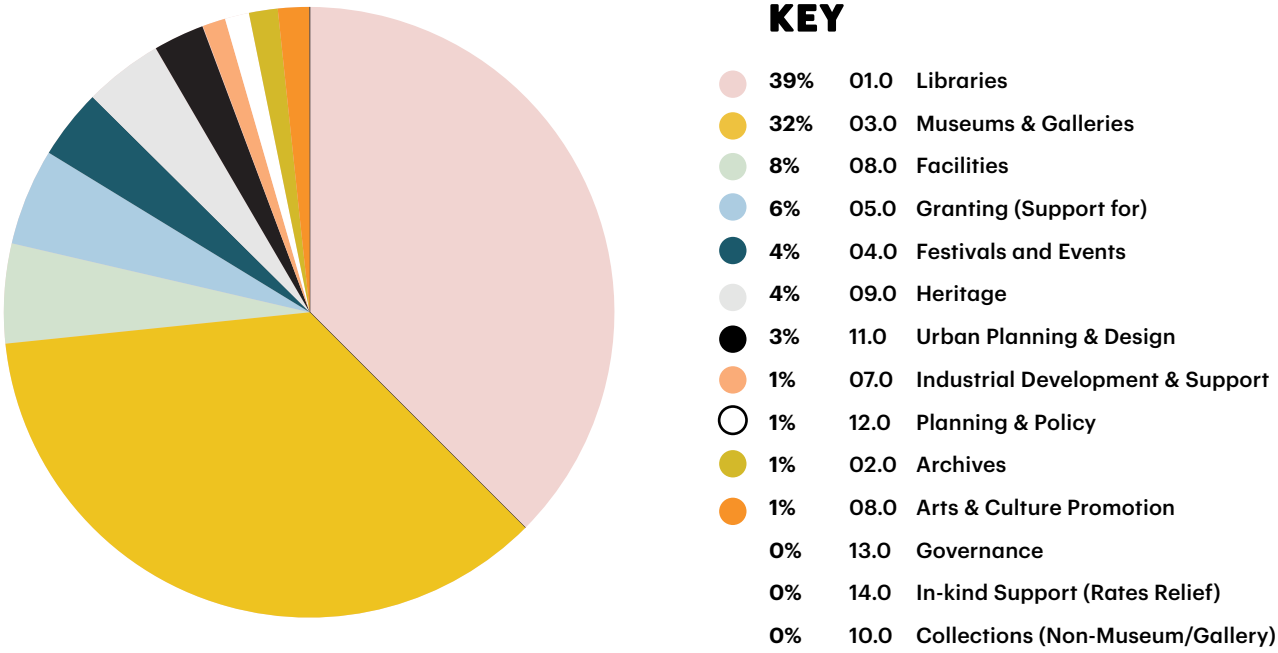
Table Four
CNZ: Investment in Arts, Culture & Heritage by Territorial Authorities 2016

	12 Surveyed TAs	≥ 100 000 (5 TAs)	30 000 - 99 999 (7 TAs)
Average per capita opex	**$152.70**	**$177.54**	**$134.96**
Median per capita opex	**$131.17**	**$135.78**	**$126.55**
Average per capita capex	**$34.77**	**$31.23**	**$37.29**
Average assets per capita	**$831.82**	**$822.66**	**$838.36**
Average FTEs per 100 000 residents	**83.2**	**91.6**	**77.1**
Average % of total opex	**9.1%**	**10.0%**	**8.4%**
Average % of totax capex	**5.1%**	**3.8%**	**6.1%**
Average % of total assets	**4.0%**	**3.5%**	**4.4%**
Average opex ($)	**$37,374,217**	**$70,083,514**	**$8,867,577**
Median opex ($)	**$13,750,900**	**$60,960,042**	**$6,891,087**
Average capex ($)	**$7,368,522**	**$14,682,774**	**$2,144,056**
Median capex ($)	**$1,881,695**	**$9,816,905**	**$1,683,100**

WHY DO WE NEED GOOD DATA?

Figure One is another example of data that can be gained from participation, showing a breakdown of the arts and culture activities supported by the 12 TAs. Libraries, museums and galleries comprise the largest component of arts and culture expenditure, at 39%, followed by facilities, granting, festivals and events, and heritage.

Figure One: Arts and culture operating expenditure across TAs by activity (%)



As discussed, our investment mapping piece did not allow us to capture any credible comparative data for the region, which makes it difficult to assess where the region stands relative to other large metros. Furthermore, our nonparticipation in the 2017 survey as the fifth largest city arguably contributes to the perception that the region is a cultural desert, and a lack of data makes it difficult to argue otherwise.

It also precludes the region from making robust submissions to central government funding rounds. Creative Bay of Plenty as the regional partner of Creative New Zealand needs to work with Tauranga Council to ensure that this data can be collated ahead of the next survey of territorial authorities.

IMPLICATIONS FOR INVESTMENT

The absence of raw data and comparative evidence affects the ability of the region to set out its case for funding. This section discusses the implications.

Stakeholders are short-changed.

Conversations with stakeholders revealed clear aspiration and motivation to be a creative and vibrant city with purposeful places and spaces for both artist and audience. However, a vacuum of missing data hinders the sector's ability to effectively front foot capital projects. The result tends to be a reactive and ad hoc approach to funding hard infrastructure, which compromises funder confidence and success.

This ad hoc approach has created a perception of an amateur and disjointed sector.

Funders commented on general patterns of infrequent, disjointed, and last minute applications, which in turn erodes the sector's reputation for putting forward coherent proposals[1]. By comparison, other sectors have proven highly effective at submitting coordinated and complete funding applications for local investment. This comparative quality has contributed to the perception that the funding process is unfair and favours other sectors, with one funder quoted as saying:

"There's a perception that we don't want to fund art and culture in our region and that we give all the money to sport. That's just not true. The high quality of applications we receive from sporting organisations on the whole makes it easy to fund them as they have done their homework and know how to present the information we need to say yes".

1 Compounding the issue, funders also explained that specific events such as Matariki, Anzac Day, Waitangi Day and days of observation usually generate a multitude of overlapping event funding applications to local corporates and trusts, but that these can appear uncoordinated and lacking strategic intent when multiple groups submit with similar objectives.

WHAT SHOULD WE DO NOW?

Based on the insights, there are some clear actions the sector can take to improve the collection of raw data so it can fully participate in comparative studies.

Our recommendations for the sector are:

First, Creative Bay of Plenty must allocate resource to capture simple baseline metrics of investment and funding sources from arts and culture venues, facilities and producers AND allocation of funds between hard and soft arts infrastructure from funders. It is proposed that CBOP requests and collates this data quarterly to ensure accuracy and to make it less onerous for funders and recipients to provide.

- The suggested funding sources to measure for venues, facilities and creative organisations are Operating Revenue (including sales and memberships), Local Grant Funding, National Grant Funding, Fundraising (including events and crowdfunding) and Council Funding. Measuring these as a baseline will enable Creative Bay of Plenty and the sector to focus on specific funding sources to develop and will also highlight local entities that are succeeding in diversifying their funding.
- Interviews with regional funders including Councils showed that not all organisations capture the total number of funding applications they receive annually or their total dollar value. This means that there is no measure of lost opportunity or how many creative sector projects go unfunded. This data needs to be captured consistently so that CBOP can measure growth and trends in funds allocated annually and over a longer time frame.

Second, Creative Bay of Plenty, as lead agency, must develop or adopt a capacity measure to be introduced across venues in the region to effectively capture utilisation of infrastructure (over and under).

- Creative Bay of Plenty is advised to plan for and design or adopt a measurement protocol that captures the utilisation of creative spaces and places in the region and to seek the buy in from facilities to implement this.

Third, this data must be consolidated and made available for strategic use by stakeholders.

- The raw data must then be positioned so that it is of use to all stakeholders, particularly sector applicants, funders, and national bodies. It should also be used for comparative studies where possible, such as the Creative New Zealand national survey.

Fourth, priorities for investment should be socialised and endorsed by the sector.

- Using this data, Creative Bay of Plenty should lead on establishing and publicising the strategic priorities for investment on behalf of the sector, so that coordinated funding applications can be submitted accordingly.

Fifth, training (e.g. workshops and resources) should be provided to sector groups on alternate fundraising methods, such as on seeking longer-term corporate partnerships and using crowdfunding platforms for capital projects.

- The aim of this body of work is to build the skills and create tools for sector groups to seek funding from diverse sources. Creating and updating a fact deck about their audience reach and impact and aligning their projects to the requirements of specific funders are just two initiatives of many that would make it easier to get funding for hard and soft infrastructure.

WHAT SHOULD WE DO NOW?

Sixth, the next time we are given the opportunity to participate in a national survey or benchmarking exercise it is critical that we do so.

- With a measurement protocol established and strategic priorities for hard infrastructure socialised, it should be a given that the region opts to participate in all future surveys conducted at a national level. This is especially important in light of the benchmarking and rich comparative data that result from participation.

The ancillary learnings for this report are:

The insight from the conversation with funders is that there is a broader underlying issue in the fragmented approach the sector tends to take to its funding applications. Festivalisation (grouping similar arts events together to create a unified theme to attract audiences) would assist facilities, producer and makers in the creative sector to apply for larger funding amounts. This demonstrates a cohesive approach, a wider community appeal and potentially a greater impact for funders' target audiences.

- The recommendation is for CBOP to establish a process for coordinating funding applications from several arts and culture organizations to regional funders.

WHAT ARE THE RISKS OF INACTION?

Research into hard infrastructure revealed a lack of coordination and data to support investment applications.
So what is the problem with carrying on as we are?

ONE TAHI
We Remain In The Dark

TWO RUA
Funding Remains In Gridlock

THREE TORU
We Fail To Meet The Needs Of A Rapidly Growing City

CONCLUSION

This report meets one of the key requirements of the Toi Moana strategy developed in 2017.

This report set out to audit the hard infrastructure available to support the arts and culture sector in the Western Bay of Plenty. Through extensive interviews, common themes and issues facing the sector were identified and discussed. It became clear that the sector is limited by a lack of raw and comparative data on its hard infrastructure utilisation, and as a result is subsequently under-funded relative to other sectors in the community who are better able to pitch for investment.

Limitations

Third parties have provided much of the information and data used in the compilation of this report. The authors did not carry out an audit of the information provided by third parties. Whilst due care was taken and every effort has been made to ensure the accuracy of information contained in this report, SMC and Sursum Consulting makes no warranties or representations, express or implied, concerning the accuracy or completeness of this information. SMC and Sursum Consulting does not, in any way, accept liability for loss of any kind resulting from the use by any person(s) or organisation(s) of this report and information contained within it.

"Where no baseline data is available for measurement purposes, there is a commitment to establish baseline targets/metrics in Year One or as soon as practically possible. Actions that do not have quantifiable metrics will be recorded as such." — Toi Moana Implementation Plan, 2019

WE WANT YOUR FEEDBACK

This research was commissioned by Creative Bay of Plenty, as a part of its commitments made under the Toi Moana Arts and Culture strategy developed in 2017. To support better research to help the sector act on these recommendations, we want your input.

Reach out to your team at Creative Bay of Plenty and let us know your view.

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