

Report on

**Purchases of Selected
Non-Departmental Outputs**

For the Year Ended 30 June 2004

Presented to the House of Representatives

Contents

VOTE ARTS, CULTURE AND HERITAGE

NON-DEPARTMENTAL OUTPUT CLASSES

Introduction	3
Background	3
• PERFORMING ARTS SERVICES – ROYAL NEW ZEALAND BALLET	4
• MUSEUM SERVICES – NEW ZEALAND FILM ARCHIVE	6
• PERFORMING ARTS SERVICES – TE MATATINI	8
• PUBLIC BROADCASTING FUNDING – NATIONAL PACIFIC RADIO TRUST	10

VOTE ARTS, CULTURE AND HERITAGE

Introduction

This report contains the following statements in respect of the Vote Arts, Culture and Heritage non-departmental output class appropriations for Performing Arts Services provided by the Royal New Zealand Ballet; Museum Services provided by the New Zealand Film Archive; Performing Arts Services provided by Te Matatini; and Public Broadcasting Funding provided by the National Pacific Radio Trust.

- Statements of Service Performance for the year ended 30 June 2004; and
- Statements of Liabilities, Commitments and Contingent Liabilities incurred by the Crown as at 30 June 2004.

Background

The following appropriations (inclusive of GST) were made through Vote Arts, Culture and Heritage in 2003/04:

- \$3,695,000 to the Royal New Zealand Ballet to contribute to the provision of the non-departmental output class Performing Arts Services;
- \$324,000 to the New Zealand Film Archive to contribute to the provision of the non-departmental output class Museum Services;
- \$1,103,000 to Te Matatini to contribute to the provision of the non-departmental output class Performing Arts Services; and
- \$2,086,000 to the National Pacific Radio Trust to contribute to the non-departmental output class Public Broadcasting Funding.

The four agencies listed above are private organisations and are not therefore required under the Public Finance Act 1989 to provide a set of audited financial statements to Parliament. However, given the level of funding received by each agency the following statements have been prepared for accountability purposes.

OUTPUT CLASS

PERFORMING ARTS SERVICES

ROYAL NEW ZEALAND BALLET - STATEMENT OF SERVICE PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2004

Performance against the Royal New Zealand Ballet's (the RNZB) 2003/04 objectives (as contained in the Estimates of Appropriations and the RNZB's Memorandum of Understanding with the Associate Minister for Arts, Culture and Heritage for the year ending 30 June 2004) is reported as follows:

Objectives	Service Performance
The RNZB will operate as a national company of 32 (32) fully professional dancers.	The RNZB employed 32 (32) fully professional dancers.
The RNZB will stage between 80 and 100 (90 and 100) dance performances in 10 (10) centers.	The RNZB staged 101 (114) dance performances during the year in 25 (64) centres. This includes six centres visited by the company during its UK tour.
The RNZB will stage at least 70% (70%) of its performances outside of Wellington.	80% (80%) of the RNZB's performances were staged outside of Wellington.
The total number of paid seats at all RNZB performances will be between 70,000 and 80,000 (between 70,000 and 80,000).	The total number of box office paid seats at all RNZB performances was 105,792 (82,726).
The RNZB will undertake one (one) comprehensive audience satisfaction survey during the year.	The RNZB undertook two (one) comprehensive audience satisfaction surveys during the year.
A customer satisfaction rating of at least 80% (80%) will be achieved.	A customer satisfaction rating of 98% (96%) was achieved for the surveys.
The RNZB will receive positive formal feedback on its performance from three guest tutors or producers.	The RNZB received positive formal feedback on its performance from three choreographers/guest tutors.
The total cost of the Crown's contribution to this class of outputs is \$3.695 million (inclusive of GST).	The total cost of the Crown's contribution to this class of outputs was \$3.695 million (inclusive of GST).

The figures in parentheses refer to the performance targets for the previous year.

**STATEMENT OF LIABILITIES, COMMITMENTS AND CONTINGENT
LIABILITIES INCURRED BY THE CROWN AS AT 30 JUNE 2004**

At balance date there were no liabilities, commitments or contingent liabilities incurred by the Crown and arising from the purchase of this class of outputs.

OUTPUT CLASS

MUSEUM SERVICES

NEW ZEALAND FILM ARCHIVE – STATEMENT OF SERVICE PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2004

Performance against the New Zealand Film Archive's (the NZFA) 2003/04 objectives (as contained in the Estimates of Appropriations and the NZFA's Memorandum of Understanding with the Associate Minister for Arts, Culture and Heritage for the year ended 30 June 2004) is reported as follows:

Objectives	Service Performance
To acquire 3,500 new titles	4,650 new titles were acquired
To accession 3,500 new entries	4,700 new entries were accessioned
To deaccession 500 titles	2,500 titles were deaccessioned
To catalogue 3,000 titles	2,330 titles were catalogued
To undertake 10 research projects	15 research projects were undertaken
To preserve 50 (100) film titles	86 (633) film titles were preserved
To preserve 500 video titles	1,150 video titles were preserved
To assess 500 film & video items	600 film & video items were assessed
To assess 500 documentation collection items	800 documentation collection items were assessed
To complete an equipment and software plan	An equipment and software plan was completed
100,000 visitors to the website	108,925 visitors to the website
To publish 6 titles	8 titles were published
20 programmes, and 50,000 users, for the On Tape schools programme	The On Tape schools programme had 40 programmes and 70,000 users
25 screenings, and 5,000 audience members, for the Travelling Film Show	The Travelling Film Show had 15 screenings, and 4,000 audience members
To undertake screenings and kaitiaki negotiations with 2 iwi for Te Hokinga Mai	Screenings and kaitiaki negotiations with 2 iwi (Ngai Tahu and Ngapuhi) were undertaken for Te Hokinga Mai
To provide remote access for 50,000 (40,000) users, including to Auckland	55,000 (45,000) users were provided with remote access, including to Auckland
To complete the Mediaplex opening programme	The Mediaplex opening programme was completed
The total cost of the Crown's contribution to this class of outputs is \$0.324 million (inclusive of GST).	The total cost of the Crown's contribution to this class of outputs was \$0.324 million (inclusive of GST).

The figures in parentheses refer to the relevant performance targets and achievements for the previous year

Exceptions Report

The lower level of cataloguing resulted from the NZFA's decision to devote resources to maximising public access by packaging and updating data entries for all viewing videos (over 20,000 titles). Less screenings, and lower audience numbers, for the Travelling Film Show resulted from it being wound up in December 2003 at its sponsor's request.

STATEMENT OF LIABILITIES, COMMITMENTS AND CONTINGENT LIABILITIES INCURRED BY THE CROWN AS AT 30 JUNE 2004

At balance date there were no liabilities, commitments or contingent liabilities incurred by the Crown and arising from the purchase of this class of outputs.

OUTPUT CLASS

PERFORMING ARTS SERVICES

TE MATATINI – STATEMENT OF SERVICE PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2004

Performance against the Te Matatini's 2003/04 objectives (as contained in the Estimates of Appropriations and Te Matatini's Memorandum of Understanding with the Associate Minister for Arts, Culture and Heritage for the year ended 30 June 2004) is reported as follows:

Objectives	Service Performance
A programme of regional kapa haka competitions in Te Matatini member rohe, with associated wanaga.	11 regional kapa haka competitions were held in Te Matatini member rohe with support also given to the Ngati Kahungunu Festival, Matariki events in Wairoa, Hastings, Central Hawke's Bay and Masterton and the Secondary School kapa haka festival in Wellington. These events attracted some 35,000 people.
A top kapa haka group to represent New Zealand at a minimum of one major international event.	Waihirere represented New Zealand in Brazil.
A programme of work to improve the organisation and management of the regional developments, competitions and the biennial Festival in 2005, and to enhance the consideration of bids for hosting the next biennial Festival in 2007.	McCallum Pettersen on behalf of the Ministry for Culture and Heritage conducted an independent audit of Te Matatini. The recommendations from the audit underpinned the forward progress of Te Matatini with the appointment of a new Executive Committee and the introduction of new processes. The rules and regulations of the Society were reviewed and improved to meet the demands of accountability. A new programme to improve the organisation and management of regional competitions, local projects and events was introduced.
The development and implementation of processes and accountability arrangements for the regional development initiatives (including bidding for funding, making decisions on funding and assessing the effectiveness of the initiatives).	New processes and accountability arrangements for regional development initiatives were developed and implemented through the 14 regions.
The total cost of the Crown's contribution to this class of outputs is \$1.103 million (inclusive of GST).	The total cost of the Crown's contribution to this class of outputs was \$1.103 million (inclusive of GST).

Exceptions Reporting

Developments and support structures have been put into place to better manage the Te Matatini National Festival to be held in Palmerston North from 24-27 February 2005.

STATEMENT OF LIABILITIES, COMMITMENTS AND CONTINGENT LIABILITIES INCURRED BY THE CROWN AS AT 30 JUNE 2004

At balance date there were no liabilities, commitments or contingent liabilities incurred by the Crown and arising from the purchase of this class of outputs.

OUTPUT CLASS

PUBLIC BROADCASTING FUNDING

NATIONAL PACIFIC RADIO TRUST – STATEMENT OF SERVICE PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2004

Performance against the National Pacific Radio Trust's 2003/04 objectives (as contained in the Estimates of Appropriations and National Pacific Radio Trust's Memorandum of Understanding with the Minister of Broadcasting for the year ended 30 June 2004) is reported as follows:

1. Strategic Objectives - Year Two (2003 – 2004) Of Three Year Plan
2. Objectives in Annual Strategic Operations Plan

1. STRATEGIC OBJECTIVES - YEAR TWO (2003 – 2004) ¹

Objectives	Service Performance
1. Report to the Pacific communities on the state of operations and satisfaction of the objectives of the Trust.	Community fono were held in December in Auckland (including the Annual General Meeting), Wellington and Christchurch to present the annual report and communicate with regional communities on progress with the network.
2. Reposition NPRT to enable it to run the operations: <ol style="list-style-type: none">(a) Appoint a Chief Executive Officer for the network operations and the Trust.(b) Develop operations budget and financial management policies.(c) Develop operations strategies with respect to infrastructure, human resources, programming (including news and sport), community participation and feedback, sales and promotions.(d) Develop reporting regime on the Trust and operations activities, time frames and performance against budget.	<ul style="list-style-type: none">• Sina Moore appointed as Chief Executive - September 2003.• Employment of Financial Controller.• Development of financial delegations from NPRT to CEO.• Formulation of NPRT business plan.• Monthly reporting by CEO to Board against business plan and budgets. Developed reporting regime with Ministry for Culture and Heritage and Ministry of Pacific Island Affairs (see points 7 & 8).

¹ Memorandum of Understanding (MOU) Schedule 2: NPRT Business Plan 2003-2004 Section 4.2 page 11

3. Finalise with the Crown an agreed process and criteria for the independent review of the network.	NPRT had input into drafting of Request For Proposals by the Evaluation Steering Committee for the independent evaluation of network (May 2004).
4. Continue roll out of transmission sites around New Zealand.	5 new sites - Hawkes Bay, Dunedin, Rotorua, Taupo and Invercargill were rolled out this year.
5. Formulate and implement a self-assessment and review for the operation of the Trust and network.	To be developed and implemented in 2004/2005.
6. Assess long-term viability of network, and develop strategy and plan for network in the post-pilot phase.	The Trust participated in the independent evaluation of the network conducted in August 2004. Strategic work in relation to assessing the long-term viability of network to be done by the Board in November 2004 as part of reporting to Minister of Broadcasting.
7. Report to the Ministers of Pacific Island Affairs and Broadcasting on the operations of the Trust and network, and any other government agency as required.	Completed throughout the year as per requirements outlined in the schedule in MOU, and as listed below.
8. Provide quarterly reports and meet deadlines for finalising Memorandum of Understanding with the Ministry for Culture and Heritage.	Completed throughout the year as per requirements outlined in the schedule in MOU, and as listed below.

2. OBJECTIVES IN ANNUAL STRATEGIC OPERATIONS PLAN ²

Objectives	Service Performance
Reporting to Ministry	
NPRT will report to the Ministry for Culture and Heritage on activities identified in the MOU and business plan through quarterly/six-monthly and annual reports.	Reports were provided during the year as follows: quarterly report (14 November 2003) for period 1 July 2003 – 30 September 2003, six-monthly report (5 April 2004) for period 1 October 2003 – 30 March 2004, and six-monthly report (1 August 2004) for period 1 April – 30 August 2004 (covers part of 04/05 year).

² Memorandum of Understanding (MOU) Schedule 2: NPRT Business Plan 2003-2004 Appendix 5 p 32-36

	The annual report has yet to be provided due to unavailability of Audit NZ team to undertake audit until late October/early November 2004.
Financial Management	
Establish financial recording procedures and reporting and financial policies and delegations between Trust and CEO.	Processes and reporting systems established for management of Trust and operations budgets and accounts, and financial policies, and delegations set out between Board and CEO.
Programming	
Implement Trust Board decisions with respect to: <ol style="list-style-type: none"> 1 Language programmes - Samoan, Tongan, Cook Island Maori, Niuean, Tokelau, Fiji and Tuvalu 2. Promotion of Language 3. Youth specific programming 4. Religious programming 5. News and Sport 6. Purchase language programmes and introduce bi-lingual programming. 	<p>Documentation developed for tender and Request for proposals was sent out in July 2004. Tenders from interested parties have been received (August 2004).</p> <p>Evaluation process to assess tenders yet to be completed. Board awaiting outcome of litigation or settlement of litigation with PCNL/APICRT before progressing further with tender process.</p>
Implement programme delivery by employing a Network Programme Director and Language Programme Assistant.	Appointed Programme Director and Language Programme Coordinator.
Carry out a review of programme priorities and marketing.	<ul style="list-style-type: none"> • Major review over period from June – December 2003 saw introduction and implementation of many new programme elements and new programmes including news/information programmes, youth programming, specialist shows - sports, religious, music, lifestyle

	<p>weekend programmes.</p> <ul style="list-style-type: none"> • Ongoing regular review and development carried out throughout remainder of year.
<p>Deliver not less than 44 hours per week – (2112 hours per annum) of language programmes in the following languages – Samoan, Tongan, Cook Island Maori, Niuean, Tokelau, Fiji and Tuvalu;</p>	<p>Delivered 2356 hours of language programmes: including talkback, religious services, news and sports, and programming elements specifically for youth and the elderly.</p> <p>July 2003 – October 2003: 44 hours per week x 18 weeks: Total 792 hours.</p> <p>November 2003 – June 2004: 46 hours per week x 34 weeks Total 1564 hours.</p>
<p>Broadcast of bi-lingual programmes (Samoan, Tongan, Cook Island Maori and Niuean)</p>	<ul style="list-style-type: none"> • 1 hour Cook Islands bilingual youth programme Etu o Matariki (produced by Radio Matariki and funded by NZ On Air) went to air in December 2003: total of 28 hours. • Bilingual programme elements in Tongan, Samoan and Niuean languages still integrated within current language programme hours. Separate programmes to be considered in Tender process for contracting out language programmes in 2004/2005.
<p>Broadcast of 8 hours per week (384 hours per annum) of youth oriented programmes.</p>	<ul style="list-style-type: none"> • Delivered 448 hours of youth oriented programming: • Nesian Dreams youth programme (launched November 2003) November 2003 – June 2004: 4 hours per week x 34 weeks: total of 136 hours. • N3 (National Nesian Network) Virtual Niteclub. July 2003 – June 2004: 6 hours per week x 52 weeks: total of 312 hours.

<p>Religious programming (English):</p>	<ul style="list-style-type: none"> • Daily blessing 5.58am (launched November 2003) • Soulfood Gospel show (launched November 2003): total of 96 hours. • Broadcast of weekly church service not implemented at this time. Being considered in 2004/2005.
<p>Promote greater use of languages during English programmes and programme trailers of all shows to be scheduled.</p>	<ul style="list-style-type: none"> • “Lock into your Language” segments introduced to help teach basic words and phrases. • Network imaging and trailers for shows, including language programmes developed.
<p>News and Sports Programming</p>	<ul style="list-style-type: none"> • One senior journalist employed. Second journalist/news editor not employed in this year due to budgetary constraints. • Mainstream news facility purchased from Global News (Radioworks) for top of the hour news 6am-6pm. • Pacific News bulletins developed and presented by NiuFM journalist and/or news reader 4 times daily. • News bulletins prepared for specialist sports show and lifestyle weekend show(roundup). • News resource sharing facility/processes set up between senior news journalist and language programmers. • Specialist sports show redeveloped and re-launched in June 2004.

<p>Sales</p>	
<p>NiuFM will build up sales team, develop and implement strategies to achieve sales targets.</p>	<ul style="list-style-type: none"> • Existing under-performing sales team (inherited from PCNL) phased out. • New Sales Manager employed – started in February 2004. • Employed 3 new account managers for Sales team – induction & training programme conducted in April 2004. • Sales strategy developed and implemented including strategy for government agencies, TRB, and retail clients. • Sales systems, processes, materials and resources developed and implemented.
<p>Marketing and Promotions</p>	
<p>NiuFM will develop and implement marketing and promotions strategy to increase profile of network locally, regionally and nationally.</p>	<ul style="list-style-type: none"> • Maintained and built on NiuFM profile through events/promotions (on-air & offsite) within the community and for commercial clients, whilst working with very limited resources (i.e. personnel and budget). • Listener/audience questionnaires developed and completed at all major promotional events NiuFM was involved in. • NiuFM bought into six-monthly radio industry surveys (Auckland, Wellington, Christchurch - November 2003 and Auckland - April 2004). • NiuFM merchandise and promotional materials were developed and purchased for network use. • Website presence and online streaming completed - in July

	<p>2004 due to budget constraints in 2003/2004.</p> <ul style="list-style-type: none"> • Formal community/language feedback mechanisms and advisory groups will be established as part of tendering for language programme contracts in 2004/2005.
Operations and Administration	
NiuFM will establish new operational hub for network and good management systems and processes to ensure efficient and effective performance.	<ul style="list-style-type: none"> • Post-cancellation, a new location sourced and renovated and fitted out. NiuFM team moved from interim studios at Radioworks to refurbished Brown Street studios and offices in December 2003. • Office furniture and equipment purchased. Administration systems and processes were set up within office environment. • IT, audio engineering outsourced to specialist technical organisation which provides 24/7 support.
NiuFM will establish good employment relationships with staff.	<ul style="list-style-type: none"> • Individual employment agreements, including job descriptions for each position, written, developed and finalised with individual staff in July 2004. • Training completed for sales team, and one-on-one training and coaching given to on-air staff (dayparts and languages) by Programme Director and Language Programme Coordinator as required. Technical systems training for production and creative staff provided on an as-required basis. • Performance management plan will be fully developed and implemented in 2004/2005.
The total cost of the Crown's contribution to this class of outputs is \$2.086 million (inclusive of GST).	The total cost of the Crown's contribution to this class of outputs was \$2.086 million (inclusive of GST)

**STATEMENT OF LIABILITIES, COMMITMENTS AND CONTINGENT
LIABILITIES INCURRED BY THE CROWN AS AT 30 JUNE 2004**

At balance date there were no liabilities, commitments or contingent liabilities incurred by the Crown and arising from the purchase of this class of outputs.