

Targeted Rate Approach of the three Kaipara Museums

Introduction – the “why?” has already been established by KDC

In 2024, for the first time since its establishment in 1989, Kaipara District Council is considering targeted rating to support Kaipara museums. The invitation for the three museums to participate in development of a targeted rate proposal has come from the Council, developed into a fully-fledged opportunity out of the earlier KDC Long Term Plan 2024-34 consultation.

The decision by KDC to engage with the three museums with this opportunity indicates a sincere intent and interest in proactively supporting the three Kaipara museums. This initiative is welcomed by the three museums, which, combined, have been in the business of sharing Kaipara history for more than 100 years about things dating back millions of years.

Kaipara District Council is acknowledged by the museums as already clearly understanding the “why” behind this initiative, as KDC itself brought this initiative forward, inviting us to contribute. Thank you.

How much do Councils fund museums?

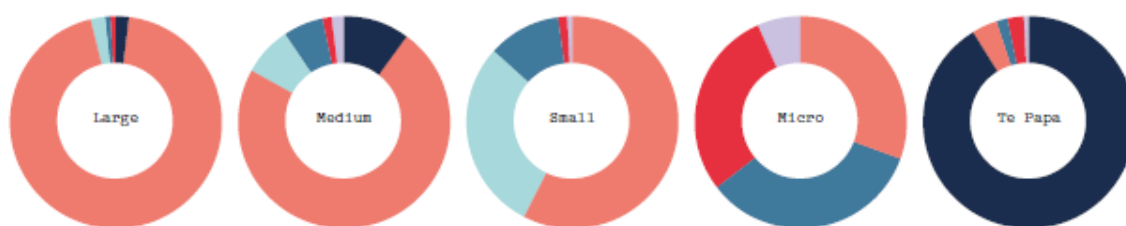
Across New Zealand the average funding of museums by councils is as shown in the attached information from Museums Aotearoa:

Proportion of external revenue sources, 2022/23

- Local council
- Central Government
- Grants
- Donations
- Lotteries
- Other

Funding to the sector, particularly for medium and small-sized institutions, is often delivered sporadically. An institution may receive significant funding one year, then nothing the next.

External sources of revenue include local council funding, lottery grants, donations, and funding from central government. Large, medium, small, and micro-sized institutions receive between 72-91 percent of their revenue from external sources.



In the chart above, in Kaipara District small-sized museums would include Mangawhai Museum and Dargaville Museum. Kauri Museum would be considered a medium-sized museum. The pink-coloured part of the donut charts is the proportion of local council funding for museums of these sizes across New Zealand.

Museums as core cultural institutions funded by councils is an accepted norm. Other councils fund museums well, including here in Northland. In the Whangarei District Council Long Term Plan 2024-34, Whangarei ratepayers support Kiwi North with a c.\$500,000 annual grant. Furthermore, new for their most recent LTP, WDC now also supports Whangarei Art Trust/Hundertwasser Centre with a similar c.\$500,000 annual grant. What might KDC do here?



Towards Kaipara Museums Targeted Rate

What we have done independently

Since the invitation to participate in this process was received by the three museums from KDC between late August and 5 September, the three museums have independently provided information to KDC. That information is not repeated here.

What we have done collectively

The three museums were set by KDC the following task:

Description
The three Museums agree on an approach and write to council as one

To progress this, representatives of the three museums met on 27 September for a facilitated workshop to develop a combined approach. This document is the agreed approach.

Common Values of 3 Museums

Economic Development: The museums play a pivotal role in driving tourism, which directly supports local businesses and contributes to the district's overall economic growth. They "open" the district to visitors.

Family and Social Culture: These institutions offer family-friendly, accessible environments and promote the sharing of cultural knowledge across generations. They provide "public good" which enriches lives.

Social Connection (Voluntary): The museums foster volunteerism, strengthening community ties and offering a sense of purpose and identity to many locals. They also engender community pride in local storytelling, history and identity. Combined, the three museums are keepers of the story of our places.

Education: As educational hubs, the museums provide schools and visitors with access to historical knowledge, local heritage, and learning opportunities.

Common Issues and Opportunities

Each museum faces operational challenges that require consistent funding to address.

Each museum has capital building cost challenges.

Each museum has a growth project or adjacent facility in its location/destination, the inclusion of which would expand the capacity of the museum destination beyond what it may be currently.

Each museum has reduced numbers compared with pre-Covid times due to changes in visitor flows and tourism.

Each museum sits on land owned by Kaipara District Council. In the unlikely event of operational failure of any museum, ultimately the council and ratepayers would be responsible in each of the three locations. The possible costs to be borne by ratepayers are unquantified.

Common approach to targeted rate

Summary: Targeted rate for purpose of supporting existing Kaipara museums. Gathered equally from ratepayers all across Kaipara District into one combined pool of funds, this fund would be divided equally and distributed equally among the three museums. All three museums would benefit from and share equally the support of the people of Kaipara District.

How much would ratepayers be rated?: A standard amount collected (eg \$X per ratepaying unit per annum).

Who would get rated?: Per ratepaying unit across all Kaipara District.

How much would be gathered for this purpose?: This would be relative to other districts. For example, if Kaipara District has 25% of the population of Whangarei District, it follows the KDC amount of funds may be 25% of what WDC gathers and distributes for its museums.

How would the fund be distributed?: Equally to the three museums. In the form of an annual grant.

Start date and period of funding: This would start for the 2025-26 Kaipara District Council Annual Plan, with an intention that it would be included in subsequent Long Term Plans. This is enduring annual funding, not funding for a single annual year.

Future: As Kaipara District grows, the simple approach to gathering targeted rate and distribution of it as recommended here would not change, even while this fund would grow with the Kaipara population. It would be a simple system based on a clear principle of district-wide equity.

Reasons for this approach

1 Risk Mitigation

The targeted rate will address several key risks for each of the museums:

Operational Risk: The funding would reduce financial uncertainty and ensure that each museum has the resources to maintain operations during periods of economic downturn. It would reduce the reliance on uncertain outcomes of funding applications for aspects of each museum which should have certain funding.

Cultural Risk: Application of a targeted rate would help ensure Kaipara District's rich cultural heritage will be preserved, even in the face of potential financial challenges.

By providing a stable funding source, the targeted rate minimizes the risk of these cultural institutions becoming financially vulnerable or losing their ability to serve the public.

Failure of museums would be a risk to Kaipara District Council, as each museum sits on land owned by Kaipara District Council. In the unlikely event of operational failure of any museum, ultimately the council and ratepayers would be responsible in each of the three locations. The possible costs to be borne by ratepayers are unquantified. It is recommended this item be added to the Risk Register of Kaipara District Council, with its mitigation being the proposed targeted rate.

2 Collaboration and Community Engagement

The three museums would seek to work together to ensure the success of this targeted rate. Joint initiatives may include:

- **Shared Educational Programmes:** Collaborative efforts to deliver shared programmes that benefit students and visitors across the region.
- **Volunteer Engagement:** Strengthening community ties through shared volunteer programmes that support all three museums.
- **Community Benefits:** Encouraging ongoing community participation and engagement with the museums' offerings for local residents and ratepayers.

3 Alignment with Kaipara Economic Development Strategy

Our proposal aligns with the Kaipara District's strategic focus on:

- **Economic Resilience:** By enhancing tourism and providing education, the museums contribute to job creation, visitor attraction, and community sustainability.
- **Community Well-Being:** The targeted rate will allow for improved accessibility and engagement, thus enhancing residents' quality of life.
- **Long-Term Sustainability:** The museums' roles in preserving local history and fostering education directly support Kaipara's vision of resilient, sustainable growth, integrating both regional and global trends into our operations.

4 Strategic Alignment and Community Benefits

The targeted rate aligns with Kaipara District Council's goals for economic growth, cultural preservation, and educational advancement. It will:

- **Preserve** Cultural Heritage by maintaining key exhibits and ensuring continued operations.
- **Enhance** Tourism by improving facilities, drawing more visitors to the region, and supporting local businesses.
- **Foster** Education through continued partnerships with schools and the provision of learning resources.
- **Strengthen** Community Connections through volunteer programs and encouraging museum access for locals, encouraging deeper engagement.



5 Monitoring and Accountability

Each museum will commit to transparent financial management and accountability for the use of targeted rate funds. This will include:

- **Annual Reporting:** Detailed reports on how the funds are used will be submitted to the council and made available to the public.
- **Performance Metrics:** Success will be measured by visitor numbers, educational program participation, community engagement, and financial stability.

6 Long-term Impact

- **Economic Impact:** By supporting tourism and local businesses, the targeted rate will contribute to job creation and local economic development.
- **Cultural and Educational Impact:** The museums will continue to serve as educational hubs, offering programs for schools and preserving the cultural heritage of the Kaipara District.
- **Community Engagement:** The targeted rate will ensure that the museums can continue to engage with local residents and ratepayers, also offering volunteer opportunities to build social cohesion.

Conclusion

The proposed targeted rate provides a critical solution to the ongoing financial challenges faced by the three Kaipara museums, specifically Mangawhai, Dargaville and Kauri Museum.

It would ensure support for these institutions to continue to play a vital role in the Kaipara District by preserving cultural heritage, promoting education, and contributing to local economic growth.

It would show other funders that Kaipara District Council acknowledges and values its museums; such acknowledgement and support would assist the museums to raise funds from other sources.

By advocating for and ultimately approving this proposal, Kaipara District Council would support the sustainability of these museums, helping secure their future as valuable community assets.

With the proposed targeted rate, the museums can continue to contribute to Kaipara's economic and social fabric. We are committed to working collaboratively with Kaipara District Council to achieve long-term sustainability, aligning our values and contributions with the broader goals of Kaipara District.

We welcome the opportunity to share this combined approach to a targeted rate for museums in Kaipara District, and would be available to address the Council on this subject.

Thank you

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President

Dargaville Museum
11 October 2024

Hinurewa Te Hau
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Mangawhai Museum