

ANNUAL PLAN BUDGET UPDATE - GALLERIES, LIBRARIES AND MUSEUMS

Department: Executive Leadership Team

EXECUTIVE SUMMARY

- 1 This report provides an overview of the operating expenditure (opex) budget for the 2023/24 Annual Plan year for the Galleries, Libraries and Museums Group as shown at Attachment A. A draft funding impact statement (FIS) is shown at Attachment B. The following activities are provided for:
 - Dunedin Public Art Gallery (DPAG)
 - Dunedin Public Libraries
 - Olveston
 - Otago Museum Levy
 - Toitū Otago Settlers Museum (Toitū), including the Lan Yuan Dunedin Chinese Garden (Lan Yuan)
 - Ara Toi
- 2 A schedule of proposed fees and charges for the 2023/24 year is also presented at Attachment C.

RECOMMENDATIONS

That the Council:

- a) **Approves** the draft 2023/24 operating budget for the Galleries, Libraries and Museums Group as shown/amended at Attachment A.
- b) **Approves** the draft 2023/24 fees and charges schedules for the Galleries, Libraries and Museums Group as shown/amended at Attachment C.

OPERATING BUDGETS

Revenue

Rates

- 3 The rates contribution for this Group has increased by \$347k, 1.3%.

External revenue

- 4 External revenue has increased by \$541k, 44.6%. The main changes incorporate the following:

- a) An increase in DPAG, Toitū and Lan Yuan revenue of \$333k due to increased shop sales, functions and facility hire as well as increased admissions revenue at Lan Yuan.
- b) An increase in Olveston revenue of \$315k reflecting the return of international visitors.
- c) The external revenue budget for the Dunedin Public Libraries is reduced by \$107k mainly due to reduced revenue from collection rental.

Expenditure

Personnel costs

- 5 Personnel costs have increased \$188k, 1.7% reflecting salary changes, an increase in training and a return to full establishment for Olveston after the effects of COVID-19.

Consumables and general

- 6 Consumables and general costs have increased \$291k, 27.8%. The main changes incorporate the following:
 - a) Increased stock purchases and catering at DPAG, Toitū and Olveston of \$160k which are both recovered – see external revenue comment above.
 - b) An increase in DPAG and Toitū of \$70k to reflect actual costs and pre COVID-19 activities.
 - c) An increase in the Dunedin Public Libraries budget of \$61k is mainly due to additional database and software licence costs.

Grants and subsidies

- 7 Grants and Subsidies costs have decreased by \$81k, -1.6%, the net reduction in Otago Museum funding which is decreased to \$4.823 million for the following:
 - The one-off grant of \$175k in the 2022-23 budget towards a seismic survey of the Otago Museum facility has been removed,
 - An increase of \$94k being a 2% adjustment to the levy.

Internal charges

- 8 Internal charges have increased by \$245k, 3.7% mainly due to increased corporate and Fleet charges. The increase in Fleet charges relates to the new electric book bus.

Depreciation

- 9 Depreciation has increased by \$234k, 16.9% due to the capital expenditure programme.

FEES AND CHARGES

- 10 Fees and charges are largely unchanged from 2022/23.

Signatories

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Attachments

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SUMMARY OF CONSIDERATIONS
Fit with purpose of Local Government

This decision enables democratic local decision making and action by, and on behalf of communities, and promotes the social economic, environmental, and cultural well-being of communities in the present and for the future.

Fit with strategic framework

	Contributes	Detracts	Not applicable
Social Wellbeing Strategy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Economic Development Strategy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Environment Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Arts and Culture Strategy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Waters Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Spatial Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Integrated Transport Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Parks and Recreation Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other strategic projects/policies/plans	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

The Galleries, Libraries and Museums Group activities primarily contribute to the objectives and priorities of the above strategies.

Māori Impact Statement

Council budgets impact broadly across all Dunedin communities including Māori. The Council is committed to developing ongoing relationships with Māori communities, particularly with mana whenua. Strategic projects that have significance to Māori have been identified from across the organisation and these projects will work collaboratively with the Māori Partnerships Manager to ensure beneficial outcomes for Māori are achieved.

Sustainability

The Annual Plan is not proposing any changes to that provided for in the 10 year plan. Major issues and implications for sustainability are discussed and considered in the 50 year Infrastructure Strategy and financial resilience is discussed in the Financial Strategy of the current 10 year plan 2021-31.

LTP/Annual Plan / Financial Strategy /Infrastructure Strategy

This report provides a draft budget for the Galleries, Libraries and Museums Group for inclusion in the draft 2023/24 Annual Plan.

Financial considerations

Financial considerations are detailed in the report.

Significance

The 10 year plan 2021-31 budgets were considered significant in terms of the Council's Significance and Engagement Policy, and were consulted on. Variations to those budgets as discussed in this report are not considered significant in terms of the policy.

Engagement – external

There has been no external engagement in updating the draft budget for the Galleries, Libraries and Museums Group.

SUMMARY OF CONSIDERATIONS***Engagement - internal***

Staff and managers from across council have been involved in the development of the draft budget.

Risks: Legal / Health and Safety etc.

There are no identified risks.

Conflict of Interest

There are no known conflicts of interest.

Community Boards

Projects identified in Community Board Plans were considered in the development of the budgets for the 10 year plan, and Community Boards were consulted at this time. Community Boards will have an opportunity to present on the draft 2023/24 Annual Plan.

Galleries, Libraries and Museums Income Statement for the Year Ended 30 June 2024

Actual	Budget	Draft Budget	Budget Inc (Dec)	Budget Inc (Dec)
2021-22 \$000	2022-23 \$000	2023-24 \$000	\$000	%
Revenue				
24,672 Rates revenue	26,394	26,741	347	1.3%
- Rates penalties	-	-	-	-
1,304 External revenue	1,212	1,753	541	44.6%
232 Grants and subsidies operating	305	260	(45)	-14.8%
30 Grants and subsidies capital	30	30	-	0.0%
- Development contributions	-	-	-	-
- Vested assets	-	-	-	-
25 Internal revenue	30	173	143	476.7%
26,263 Total revenue	27,971	28,957	986	3.5%
Expenditure				
10,379 Personnel costs	10,959	11,147	188	1.7%
1,223 Operations & maintenance	1,167	1,231	64	5.5%
1,292 Occupancy costs	1,279	1,324	45	3.5%
914 Consumables & general	1,045	1,336	291	27.8%
4,599 Grants & subsidies	4,969	4,888	(81)	-1.6%
6,511 Internal charges	6,690	6,935	245	3.7%
1,279 Depreciation	1,382	1,616	234	16.9%
373 Interest	480	480	-	0.0%
26,570 Total expenditure	27,971	28,957	986	3.5%
(307) Net surplus/(deficit)	-	-	-	-

Galleries, Libraries and Museums Funding Impact Statement for the Year Ended 30 June 2024

	Draft Budget 2023/24 \$000
Sources of operating funding	
General rates, uniform annual general charges, rates penalties	26,741
Targeted rates	-
Subsidies and grants for operating purposes	260
Fees and charges	1,753
Internal charges and overheads recovered	173
Interest and dividends from investments	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-
Total operating funding (A)	28,927
Applications of operating funding	
Payments to staff and suppliers	19,926
Finance costs	480
Internal charges and overheads applied	6,935
Other operating funding applications	-
Total application of operating funding (B)	27,341
Surplus/(deficit) of operating funding (A-B)	1,586
Sources of capital funding	
Subsidies and grants for renewals expenditure	-
Subsidies and grants for other capital expenditure	30
Development and financial contributions	-
Increase/(decrease) in debt	892
Gross proceeds from sale of assets	-
Lump sum contributions	-
Other dedicated capital funding	-
Total sources of capital funding (C)	922
Application of capital funding	
Capital expenditure	
- to meet additional demand	-
- to improve the level of service	971
- to replace existing assets	1,537
Increase/(decrease) in reserves	-
Increase/(decrease) in investment (DCHL)	-
Increase/(decrease) of other investments	-
Total application of capital funding (D)	2,508
Surplus/(deficit) of capital funding (C-D)	(1,586)
Funding balance ((A-B)+(C-D))	-

Group - Galleries, Libraries and Museum

	2022/23 fees (GST Inclusive)	2023/24 proposed (GST Inclusive)	\$ change	% change
Dunedin Public Art Gallery				
Dunedin Public Art Gallery Admission				
Group tours by arrangement, cost negotiable.	\$0.00	\$0.00	\$0.00	0.00%
Special exhibition entry charges will vary depending on the exhibition	\$0.00	\$0.00	\$0.00	0.00%
Admission free	\$0.00	\$0.00	\$0.00	0.00%
Venue hire				
Venue Hire - by negotiation depending on the hirer's requirements	\$0.00	\$0.00	\$0.00	0.00%
Lan Yuan Chinese Garden				
Chinese Garden Admission				
Adult Admission	\$10.00	\$10.00	\$0.00	0.00%
Adult Season Ticket	\$23.00	\$23.00	\$0.00	0.00%
Adult Season Ticket renewal	\$20.50	\$20.50	\$0.00	0.00%
Student or Beneficiary	\$7.20	\$7.20	\$0.00	0.00%
Student or Beneficiary Season Ticket	\$17.00	\$17.00	\$0.00	0.00%
Student or Beneficiary Season Ticket Renewal	\$13.50	\$13.50	\$0.00	0.00%
Child (under 13 years with Adult) free	\$0.00	\$0.00	\$0.00	0.00%
Venue hire				
Venue Hire - by negotiation depending on the hirer's requirements	\$0.00	\$0.00	\$0.00	0.00%
Libraries				
Hot picks				
Hot Picks Books (two week loan)	\$5.00	\$5.00	\$0.00	0.00%
Hot Picks Magazines (one week loan)	\$2.50	\$2.50	\$0.00	0.00%
Hot Picks Voucher Pack (6 Hot Picks vouchers)	\$25.00	\$25.00	\$0.00	0.00%
Hot Picks DVDs (one week loan) (to be removed)	\$4.00	\$0.00	-\$4.00	-100.00%
Libraries				
City Library parking (per hour)	\$2.00	\$2.00	\$0.00	0.00%
Create and supply digital image, per image	\$35.00	\$35.00	\$0.00	0.00%
Inter-loan (plus any additional charges over the standard fee)	\$10.00	\$10.00	\$0.00	0.00%
Membership card replacement (Adult)	\$4.00	\$4.00	\$0.00	0.00%
Membership card replacement (Child)	\$2.00	\$2.00	\$0.00	0.00%
Non-residential membership (per family per year)	\$170.00	\$180.00	\$10.00	5.90%
Photocopying (black and white, A3, per copy)	\$0.30	\$0.30	\$0.00	0.00%
Photocopying (black and white, A4, per copy)	\$0.20	\$0.20	\$0.00	0.00%
Photocopying (colour, A3, per copy)	\$2.00	\$2.00	\$0.00	0.00%
Photocopying (colour, A4, per copy)	\$1.00	\$1.00	\$0.00	0.00%
Research enquiries undertaken by staff (per hour)	\$80.00	\$85.00	\$5.00	6.30%
Libraries may offer discounts on fees & services periodically to promote access and usage.	\$0.00	\$0.00	\$0.00	0.00%
Loss and damage charges				
Processing Fee per item	\$10.00	\$10.00	\$0.00	0.00%
Rentals				
DVDs (1 week loan) (to be removed)	\$2.00	\$0.00	-\$2.00	-100.00%
DVDs (2 week loan). DVDs over two years are now free to borrow, and the loan period is 2 weeks. (to be removed)	\$4.00	\$0.00	-\$4.00	-100.00%
Room Hire - Downes Room, Mosgiel Library				
Charges vary from \$15.00 for first hour, \$10.00 thereafter, up to \$60.00	\$0.00	\$0.00	\$0.00	0.00%
No charge for individuals or groups who are unfunded or provide a community service	\$0.00	\$0.00	\$0.00	0.00%
Room Hire - Dunningham Suite, City Library				
Full Suite (full day)	\$450.00	\$450.00	\$0.00	0.00%
Full Suite (half day)	\$325.00	\$325.00	\$0.00	0.00%
Kitchen	\$60.00	\$60.00	\$0.00	0.00%
Moderate Meeting Room (full day)	\$270.00	\$270.00	\$0.00	0.00%
Moderate Meeting Room (half day)	\$200.00	\$200.00	\$0.00	0.00%
No charge for individuals or groups who are unfunded or provide a community service	\$0.00	\$0.00	\$0.00	0.00%
Security Guard Service (After 8pm Monday – Friday, before 11am and after 4pm Saturday/Sunday) per hour	\$40.00	\$40.00	\$0.00	0.00%

	2022/23 fees (GST Inclusive)	2023/24 proposed (GST Inclusive)	\$ change	% change
Small Meeting Room (full day)	\$190.00	\$190.00	\$0.00	0.00%
Small Meeting Room (half day)	\$110.00	\$110.00	\$0.00	0.00%
Wedding Booking (includes full day for event, plus 2 half days for set up and clean up. Does not include security guard service)	\$1,000.00	\$1,000.00	\$0.00	0.00%
Room Hire - Meeting Room, Blueskin Bay Library				
Charges vary from \$15.00 for first hour, \$10.00 thereafter, up to \$60.00	\$0.00	\$0.00	\$0.00	0.00%
No charge for individuals or groups who are unfunded or provide a community service	\$0.00	\$0.00	\$0.00	0.00%
Hold fees				
Holds charge (per item)	\$1.50	\$1.50	\$0.00	0.00%
Holds Voucher Pack (6 Holds vouchers)	\$6.00	\$6.00	\$0.00	0.00%
Room Hire - Rolfe Room, Port Chalmers Library				
Charges vary from \$15.00 for first hour, \$10.00 thereafter, up to \$60.00	\$0.00	\$0.00	\$0.00	0.00%
No charge for individuals or groups who are unfunded or provide a community service	\$0.00	\$0.00	\$0.00	0.00%
Olveston Historic Home				
1 hour guided tour followed by croquet and tea and biscuits				
Additional adults	\$44.00	\$44.00	\$0.00	0.00%
Additional children	\$44.00	\$44.00	\$0.00	0.00%
For up to 4 people	\$170.00	\$170.00	\$0.00	0.00%
1 hour tour with high tea (for groups of 10 or more)				
Devonshire Tea per person	\$40.00	\$40.00	\$0.00	0.00%
Edwardian High Tea per person	\$55.00	\$55.00	\$0.00	0.00%
Servants' Tea per person	\$34.00	\$34.00	\$0.00	0.00%
2 hour Tours, Special Interest, Art Tours, Embroidery etc. (minimum group 8pax)				
Adult	\$44.00	\$44.00	\$0.00	0.00%
Child	\$25.00	\$25.00	\$0.00	0.00%
Concession (friends, student, seniors)	\$40.00	\$40.00	\$0.00	0.00%
Group (8+)	\$40.00	\$40.00	\$0.00	0.00%
Local	\$40.00	\$40.00	\$0.00	0.00%
Education groups				
Adult	\$20.00	\$20.00	\$0.00	0.00%
Primary student	\$10.50	\$10.50	\$0.00	0.00%
Secondary student	\$12.50	\$12.50	\$0.00	0.00%
Tertiary student	\$15.50	\$15.50	\$0.00	0.00%
Family				
2 adults and up to 3 children	\$77.00	\$77.00	\$0.00	0.00%
Additional adults	\$20.00	\$20.00	\$0.00	0.00%
Additional children	\$14.00	\$14.00	\$0.00	0.00%
Garden tours (minimum group 8pax)				
Adult	\$25.00	\$25.00	\$0.00	0.00%
Child	\$14.00	\$14.00	\$0.00	0.00%
Retail /Free independent traveller (FIT) guided tour				
Adult	\$25.00	\$25.00	\$0.00	0.00%
Child	\$14.00	\$14.00	\$0.00	0.00%
Concession (friends, students, seniors)	\$23.00	\$23.00	\$0.00	0.00%
Group (10+)	\$20.00	\$20.00	\$0.00	0.00%
Local	\$20.00	\$20.00	\$0.00	0.00%
Venue hire				
Equipment cost on request	\$0.00	\$0.00	\$0.00	0.00%
Garden and drying room 4 hours includes 1 security	\$550.00	\$550.00	\$0.00	0.00%
Garden Hire 4 hours includes 1 security	\$350.00	\$350.00	\$0.00	0.00%
Room Hire - Drying room 4 hours includes 1 security	\$200.00	\$200.00	\$0.00	0.00%
Room Hire - Great Hall 4 hours includes 2 security	\$1,000.00	\$1,000.00	\$0.00	0.00%
Additional staff as required for security and staff	\$45.00	\$45.00	\$0.00	0.00%

	2022/23 fees (GST Inclusive)	2023/24 proposed (GST Inclusive)	\$ change	% change
Toitū Otago Settlers Museum				
Toitū Otago Settlers Museum				
Archive/Collection queries first half hour free, then charge per half hour	\$68.50	\$68.50	\$0.00	0.00%
Archives	\$15.00	\$15.00	\$0.00	0.00%
Special exhibition entry charges will vary depending on the exhibition	\$0.00	\$0.00	\$0.00	0.00%
Venue Hire - by negotiation depending on the hirers requirements	\$0.00	\$0.00	\$0.00	0.00%
Admission free	\$0.00	\$0.00	\$0.00	0.00%
Group tours by arrangement - cost negotiable	\$0.00	\$0.00	\$0.00	0.00%