



Rt Hon Jacinda Ardern
Minister for Arts, Culture and Heritage

cc Hon Robertson, Associate Minister for Arts, Culture and Heritage

cc Hon Sepuloni, Associate Minister for Arts, Culture and Heritage

Cultural Innovation Fund: High-level policy decisions

Date:	14 September 2020	Priority:	High
Security classification:	In Confidence	Reference:	BR2020/346

Minister	Action Sought	Deadline
Rt Hon Jacinda Ardern Arts, Culture and Heritage	<p>Agree to the recommended purpose of the Fund</p> <p>Agree to the recommended outcomes for the Fund</p> <p>Agree to the recommendation that there will be no limit on the size of applications</p>	21 September 2020

Contacts			
Name	Position	Contact	1 st Contact
Anna Butler	Deputy Chief Executive, Policy and Sector Performance	S9(2)(a)	✓
Laura Atiga	Senior Policy Adviser – Arts		

Minister's office to complete	<input type="checkbox"/> Approved <input type="checkbox"/> Noted <input type="checkbox"/> Seen <input type="checkbox"/> See Minister's notes	<input type="checkbox"/> Declined <input type="checkbox"/> Needs change <input type="checkbox"/> Overtaken by events <input type="checkbox"/> Withdrawn
Comments:		

Purpose

- 1 This briefing seeks your agreement to high-level policy settings for the \$60 million Cultural Innovation Fund (the Innovation Fund) announced as part of the Cultural Sector Regeneration Fund in May 2020.

Key Messages

- 2 On 11 May 2020, Cabinet approved the Cultural Sector Regeneration Fund for inclusion in the COVID-19 Response and Recovery Fund foundation package. It includes three funds; the Cultural Arts Recovery and Employment (CARE) Fund, the Cultural Sector Capability Fund, and the Innovation Fund.
- 3 You announced the \$60 million Innovation Fund on 29 May 2020. This Fund provides contestable funding over three years to support new ways of operating, cross-sector partnerships, and create new ways to add value to the arts, culture, and heritage sector (the sector) and the economy. This will include supporting Mātauranga Māori innovation and new approaches to Māori artforms and traditional knowledge.
- 4 The impact of the COVID-19 pandemic on the sector has been, and is expected to continue to be, significant. It is likely to impact key funding streams for organisations in the sector. This will have an impact on the sector being able to innovate, transform, and continue to build sustainability in the wake of the pandemic. This is on top of a sector that is already traditionally economically vulnerable. A strong focus on innovation, which is not currently well funded in the sector, could shift the sector away from its reliance on unsustainable funding streams through enabling development of new business models, partnerships, and commercialisation of opportunities. This could result in:
 - increased wages, employment, and training opportunities in the sector
 - increased longer-term business model resilience
 - potential increased commercial and export returns.
- 5 It could also have added access and participation advantages. For example through the development of new technologies and approaches to break down barriers to accessing the arts.
- 6 This briefing outlines high-level policy design settings for the Innovation Fund, including agreement to:
 - the purpose of the Innovation Fund
 - the outcomes for the fund - both behavioural and process outcomes - and final product outcomes
 - having no limits on the size of Innovation Fund applications and allowing for seed funding
- 7 The Ministry has begun external engagement with the sector on the Innovation Fund, and the other two Cultural Regeneration Funds, based on the high level policies outlined in this briefing.

Recommendations

- 1 **Note** that you announced a \$60m Innovation Fund as part as part of the Cultural Sector Recovery Package announced on 29 May 2020 YES / NO

- 2 **Agree** that the key intent of the Innovation Fund is to: support cultural, artistic, and heritage projects that enable content to be consumed in new ways and/or by new audiences, and which are new to Aotearoa New Zealand YES / NO

- 3 **Agree** that the process and behaviour outcomes for the Innovation Fund are:
 - i) partnerships, both within and outside the sector, including with other parts of Government, the private sector and with Māori, Pasifika and other underserved communities YES / NO

 - ii) idea and knowledge sharing within and beyond the sector YES / NO

 - iii) sector organisations generating co-investment from the private sector YES / NO

- 4 **Agree** that the final product outcomes for the Innovation Fund are to:
 - i) create new and diverse employment and skill development opportunities in the short to medium-term YES / NO

 - ii) support broader access, participation, and new ways to experience the arts, particularly for groups where there are consumer barriers that innovative technology approaches could address (e.g. people with disabilities) YES / NO

 - iii) enable increased longer-term business model resilience for organisations in the sector, including increased wages, more sustainable employment opportunities and an ability to build financial buffers for future economic shocks YES / NO

 - iv) support the development of commercially viable products, including digital products for export and reach to global markets online YES / NO

- 5 **Note** Mātauranga Māori will be considered as part of the selection process, with a minimum of \$3 million going towards mātauranga Māori applications. YES / NO

- 6 **Agree** that there will be no limit on the size of Innovation Fund applications YES / NO
- 7 **Note** that the Ministry is conducting a targeted round of engagement for the Innovation Fund and will seek your agreement to final proposals following this engagement. YES / NO



Anna Butler
**Deputy Chief Executive, Policy
and Sector Performance**

14 / 09 / 2020



Rt Hon Jacinda Ardern
Minister for Arts, Culture and Heritage

20 / 9 / 2020

Background

- 8 You announced the \$60 million Innovation Fund as part of the Cultural Sector Regeneration Fund package announced on May 29 2020.
- 9 The Innovation Fund provides contestable funding over three years to support new ways of operating, cross-sector partnerships, and to create new ways to add value to the economy. This will include supporting mātauranga Māori and innovative approaches to Māori artforms and traditional knowledge.
- 10 The Innovation Fund is one part of the wider suite of COVID-19-related initiatives that will be administered by the Ministry to enable the cultural sector to survive, adapt, and revitalise from the impacts of the COVID-19 pandemic and into the future.
- 11 The Innovation Fund sits alongside the \$70 million CARE Fund (over three years) and the \$20 million Cultural Sector Capability Fund (over two years) all announced in May as part of the Cultural Sector Regeneration Fund.
- 12 Collectively the three funds work as a package to support the sector. The CARE Fund will seek to protect jobs and public access to the arts, as well as creating new opportunities for both. The Cultural Sector Capability Fund will increase the operational and financial resilience of organisations in the cultural sector to respond to the challenges of COVID-19. The Innovation Fund will position the sector to adapt and thrive over the longer-term with a focus on creating more stable employment and a more resilient business model for the sector.

Existing Government innovation funding

- 13 A range of government funds exists to support innovation, however, current funds are primarily focussed on the science and technology sectors e.g. the Ministry of Business, Innovation and Employment (MBIE) administered National Science Challenges and COVID-19 Innovation Acceleration Fund. More detail on these funds is attached in Appendix One.
- 14 In the sector, Creative New Zealand (CNZ) previously provided innovation funding aimed at providing creative organisations with the opportunity to become more resilient to the challenges of the future by testing new ideas to create value. The funding was available for one year and was available only to CNZ's 86 investment clients, meaning it had limited reach, particularly among Māori and Pasifika and regionally.¹ The innovation fund was a response to a lack of success in efforts to stimulate innovation through general funding rounds. This lack of success was, in part, due to CNZ's accountability requirements for the funding stifling risk taking.
- 15 CNZ's fund was set up in 2019 with a total budget of \$150,000 and there were three successful applicants. It was expected to be offered again in 2020 and

¹ Of CNZ's investment clients seven out of 86 are Māori and five are Pasifika. Only one Māori client is based outside Auckland and Wellington and no Pasifika clients are.

2021, however, all CNZ funding programmes were suspended immediately as a response to COVID-19. It is uncertain if CNZ's fund will resume.

- 16 CNZ also recently launched its Adaptation Fund, which could also stimulate innovation in the sector. Like CNZ's innovation fund, however, the adaption fund is available only to CNZ's investment clients and is available for only one year, so would not have the reach of our proposed fund. It also does not have the same focus on partnerships within and outside the sector that we are proposing, and has a stronger focus on artistic practice.
- 17 No other specific government innovation funds are available to organisations or practitioners in the sector.
- 18 Philanthropic funds are occasionally available to fund innovation, for example, the Possibility Fund provides funding for the advancement of innovation that will ensure a truly accessible future for all. There do not appear to be any philanthropic funds currently dedicated to innovation within the cultural sector of any real scale.

Shifting the sector to a more resilient base and enabling innovative new ways to access the arts

COVID-19 has highlighted the vulnerability of the sector to economic shocks

- 19 Funding in the sector is often time-limited and highly-competitive. As a consequence, new partnerships and collaborations are not incentivised; funding is often focused on immediate activities; and cultural enterprises are not generally able to build or maintain financial buffers required to manage economic shocks.
- 20 This fragility is compounded by the sector's heavy reliance on disposable income, such as philanthropy and audience revenue, which is significantly reduced during shocks.
- 21 The Cultural Sector Regeneration Fund package (including the CARE Fund and Capability Fund) are critical to supporting the sector through the immediate impact of COVID-19, but there is a clear need to move the sector to a more resilient base to enable it to manage future shocks.

Using innovation to shift the sector to a more resilient base

- 22 Innovation is crucial to achieve this goal, however, funding constraints mean the sector is unable to self-fund significant innovation. This is a recognised need that has been addressed by some previous attempts (e.g. CNZ's fund and philanthropic investment as previously discussed) but not at the size and scale to make a significant difference.
- 23 Investment in innovation is a significant opportunity to shift the sector away from its reliance on unsustainable funding streams through enabling development of new business models, partnerships, and commercialisation of opportunities.

- 24 A strong focus on innovation could support the industry to increase its sustainability and resilience to external shocks through delivering:
- increased wages, employment, and training opportunities in the sector
 - increased longer-term business model resilience
 - potential increased commercial and export returns.
- 25 Innovation funding could, for example, be used to develop new ways for the creative arts to act as an ongoing support medium for other sectors such as health or education, with clear wellbeing outcomes.
- 26 This might be in the form of new and innovative ways to deliver mental and physical health treatments, where artists would benefit from wages closer to that of their counterparts delivering conventional health treatments and an ongoing stable source of income. The development of successful products could also be commercialised and exported overseas generating further revenue returns to New Zealand's creative sector.
- 27 There are also opportunities for non-governmental co-investment in innovation projects and for the co-investment to continue after the life of the innovation project.

Developing innovative new ways to access the arts

- 28 Funding innovation in the sector also offers an opportunity to develop new technologies and approaches to break down barriers to accessing the arts. For example, the opportunity to create immersive experiences for people with disabilities that go beyond traditional delivery models of the arts to respond specifically to their needs. Such products would also come with commercialisation and export opportunities, further diversifying revenue streams.

Proposed purpose and outcomes for the Innovation Fund

Purpose

- 29 Innovation is a broad term and, by its very nature, subjective. For example, in the sector it could include: innovation in different art forms and artistic processes; innovation in the way art is presented and consumed; and innovation in artistic skills and how they are passed on.
- 30 Whilst there are creative benefits for the sector in exploring new and innovate art forms, officials recommend that the focus of the fund is on increasing the resilience and sustainability of the sector in the long-term. Therefore the Innovation Fund needs to focus on innovation in the presentation and consumption of content. This focus will bring the cultural and creative sectors to a wider audience; and create potential new revenue streams and new, and hopefully enduring, partnerships.
- 31 To ensure the Innovation Fund does not overlap with the CARE Fund, particularly in bringing creative content to new audiences, it will be clear that the Innovation

Fund is seeking to fund ideas that are new to Aotearoa New Zealand. This does not mean they have to be unique to New Zealand as ideas that already exist or are being put into practice elsewhere in the world but haven't yet been applied here would be considered. Consequently, officials propose that the purpose of the Fund is as follows:

- to support cultural, artistic, and heritage projects that enable content to be consumed in new ways and/or by new audiences, and which are new to Aotearoa New Zealand.

Outcomes

- 32 To ensure the Fund delivers on the opportunities identified above, officials recommend a set of outcomes focused on signalling the types of processes and behaviours that are expected from organisations accessing the fund (these would be behaviours that stimulate innovation), and signalling the end outcomes that are expected from these processes and behaviours.
- 33 When developing our monitoring and evaluation system officials will need to ensure that the value of any proposal is measured both in how it changes processes and behaviours in the sector as well as the final product outcome. A balanced approach to this should encourage the kind of risk taking and comfort with failure that is needed to stimulate true innovation in the sector.
- 34 The Ministry therefore recommends the following process and behaviour outcomes:
 - partnerships, both within and outside the sector, including with other parts of Government, the private sector and with Māori, Pasifika and other underserved communities
 - idea and knowledge sharing within and beyond the sector
 - sector organisations generating co-investment from the private sector.
- 35 The Ministry also recommends the following final product outcomes:
 - new and diverse employment and skill development opportunities in the short to medium-term
 - broader access, participation, and new ways to experience the arts, particularly for groups where there are consumer barriers that innovative technology approaches could address (e.g. people with disabilities)
 - increased longer-term business model resilience for organisations in the sector, including increased wages, more sustainable employment opportunities and an ability to build financial buffers for future economic shocks
 - the development of commercially viable products, including digital products for export and reach global markets online.

What might projects look like

- 36 Examples of potential Innovation Fund projects might include:
- the creation of an incubator innovation hub, owned and led by Māori partners, which supports iwi, hapū, whānau and Māori communities to explore new approaches to protect and promote Māori artforms and traditional knowledge, as appropriate
 - development of immersive technology for New Zealanders with disabilities that enhances access to, or removes barriers to, accessing content
 - the development of innovative new ways to deliver mental and physical health treatments with the support of the creative arts
 - using technologies new to the creative sector to deliver content to different audiences, for example, the use of audiobook technology to deliver New Zealand stories to people with low literacy levels
 - collaboration leading to developing new ways to deliver art from both Western and te ao Māori perspectives.

Prioritising Mātauranga Māori in the Innovation Fund

- 37 On May 11 2020, Cabinet approved the Cultural Sector Regeneration Fund for inclusion in the COVID-19 Response and Recovery Fund foundation package [CAB-20-MIN-0219.03]. A specific funding stream for mātauranga Māori within the Innovation Fund was approved in Budget Initiative 12606 and a minimum of \$3 million of funding will go towards mātauranga Māori applications.
- 38 The Ministry acknowledges that the scope of mātauranga Māori and its meaning can have many interpretations and differs from iwi to iwi. A consistent theme across multiple interpretations (including the Waitangi Tribunal) is that mātauranga Māori refers to Māori knowledge systems, values and ways of perceiving and understanding the world, framed by the whakapapa (genealogy) of all things and whanaungatanga (kinship connections) between them. Arts, culture and heritage can be an expression of Māori knowledge, values and ways of understanding the world and can help Māori build connections to their whakapapa and whanaungatanga.
- 39 A key part of the Innovation Fund will be focussed on supporting mātauranga Māori. Officials propose giving consideration to mātauranga Māori innovation applications in the design of the fund.
- 40 A potential tool to do this is by applying the Mātauranga Māori Te Awe Kōtuku Funding Framework to the Innovation Fund². Although not developed in an innovation context, the framework could still provide a useful guiding mechanism for preferencing mātauranga Māori Innovation Fund applications.

² The framework sets out an approach for government support to iwi, hapū, whānau and Māori communities to safeguard and revitalise traditional knowledge systems and practices in the context of heightened risk created by COVID-19.

- 41 The framework recommends prioritising investment in mātauranga Māori in the following ways:
- *Tiaki* ('to care for'): protect toi Māori, taonga tuku iho, wāhi tapū and wāhi tūpuna, and build community resilience
 - *Maioha* ('to have regard for'): sustain uri Māori (descendants) through Arts, Culture and Heritage sector training and skills development
 - *Manako* ('wish/desire'): support cultural connection of uri Māori to mātauranga Māori and taonga.
- 42 The Ministry is working on ensuring mātauranga Māori is given appropriate consideration within the Innovation Fund and will report back on how mātauranga Māori will be considered through the application process. This could include what innovation is within mātauranga Māori and the approach to prioritising arts, culture and heritage mātauranga Māori within the context of the broader outcomes and purpose of the Innovation Fund.
- 43 It is expected the Innovation Fund selection process will embed the right principles to support Māori artists and Mātauranga Māori throughout the process, and will include appropriate Māori representation on the selection panel.

Proposed structure of the fund to deliver on its purpose and outcomes

Eligibility

- 44 Innovation requires thinking beyond traditional structures and forms, and previously Ministers have been clear of the need to encourage new and different ways of working. Therefore, officials recommend that the Innovation Fund has the broadest scope of all the three contestable Cultural Sector Regeneration Funds. It is anticipated that the reach of this Fund would go beyond the traditional interpretation of the sector to include areas like gaming and design within a broad definition of the sector for this fund.
- 45 This would allow for a wide range of new ideas, creative thoughts, and new ways of working both within the sector and between sectors to be tested and implemented, in turn leading to a greater likelihood of the process and behaviour outcomes and the final product outcomes being met.
- 46 The Ministry will prioritise continued engagement with appropriate stakeholders to ensure opportunity, leadership and partnership within the Innovation Fund is aligned with the aspirations of Māori and Iwi.

Size of projects the fund would support

- 47 The total size of the Innovation Fund provides a significant opportunity to meaningfully support innovation in the sector, both in supporting numerous projects and supporting large projects. The quantum also provides opportunities to consider how the Fund could be structured to effectively deliver the purpose and outcomes sought.
- 48 The Ministry proposes a 'one front door' approach and is not proposing to have a minimum or maximum limit for applications. Rather the fund would be structured to allow for small, medium, and large application thresholds, providing clear expectations as to what is anticipated for funding applications.
- 49 Below is a summary of the initial proposed project size; likely participants at each level; the types of projects we are expecting; and expected outcomes. We plan to test this as part of the external engagement.

Project Size	Likely participants	Anticipated project type and approach	Expected outcomes
Seed Funding – less than \$10,000	All levels.	Test initial ideas and concepts. No co-investment required.	Proof of concept. Some failure, others progress to further rounds of funding.
Less than \$100,000	Individuals and smaller organisations.	Focused projects, likely within one sector or specific area of interest. Co-investment encouraged.	Generating new relationships and partnerships. Lower numbers of jobs and limited commercial outcomes likely.
\$100,000 to \$1million	Mixture of smaller and larger organisations, some degree of cross-sector partnerships.	Broad projects impacting widely on one sector or across multiple sectors. Co-investment expected in larger end.	Balance between generating new collaborations and partnerships, job generation and commercial outcomes.
\$1million to \$5 million	National level organisations and cross-sector partnerships expected.	Deliver significant change within the sector or across sectors. Co-investment expected in all projects.	High levels of employment and strong expectation of commercial outcomes, including export potential.

- 50 These proposed thresholds, without a minimum and maximum limit, would enable the broadest range of projects to be funded. They will provide maximum flexibility for individuals and organisations to explore innovative ideas; collaborate to create partnerships; and to take risks knowing they will not be penalised financially.
- 51 This approach proposes that groups and organisations can also apply for initial seed funding to grow capability and capacity to submit a full project proposal. Seed funding is often utilised across the public sector, including within the innovation funds at MBIE.
- 52 Some other government innovation funds do not impose minimum and maximum funding thresholds. For example, MBIE's COVID-19 Innovation Acceleration Fund does not have thresholds and has funded projects ranging from \$57,600 to \$1.658 million.
- 53 This approach is likely to require the Ministry to work between applicants, merging project ideas, facilitating connectivity, and building relationships across the sector.
- 54 At this time, the Ministry is not proposing to allocate specific amounts to each funding threshold.
- 55 The Ministry will test eligibility criteria, size and scope recommendations with stakeholders during the engagement in September.

High-level delivery model

- 56 The Ministry will manage the delivery of the Cultural Sector Regeneration Funds, including the Innovation Fund. The delivery of all Funds will be aligned as much as possible.
- 57 Officials propose to take a phased approach to deliver the Fund, with applicants being able to access multiple rounds of funding during each year.
- 58 The Ministry intends to take a 'learn and grow' approach, seeking to improve on the design and delivery of the fund each year based on lessons from the previous year. This may require in future decisions by you to further refine scope, eligibility, outcomes, intent, and delivery of all or some of the funds if we assess that changes are needed.
- 59 The Ministry will develop the detailed criteria and application process in a way that ensures the Innovation Fund will not overlap with any other government innovation funding, particularly CNZ's Innovation Fund and Adaptation Fund for its investment clients.
- 60 Officials are undertaking further work to develop the details of the Innovation Fund's delivery model, including the need to utilise sector and innovation expertise, and will seek your agreement to a final delivery model following stakeholder engagement with the sector.

Next Steps

Innovation Fund

- 61 The Ministry has commenced engagement with the sector on the Innovation Fund, and the two other Cultural Regeneration funds. The format of the engagement has been adapted to be fully online in response to current COVID-19 Alert Level restrictions. This engagement will enable the views of a broad range of stakeholders to be considered.
- 62 We will test the settings of all three funds, including the key intent and outcomes, and use the engagement to inform the detailed policy settings and final delivery model.
- 63 The Ministry also intends to engage with other relevant government agencies, such as the Ministries of Health, Social Development, Corrections, Police and Education. Through these conversations we hope to develop a stronger understanding of issues and processes within these other sectors where the arts, culture, and heritage sector may be able to play a role in resolving issues, offering solutions, making a meaningful impact, and contributing to wellbeing overall.
- 64 Following the current sector engagement, officials will provide you with further advice on the outcomes of the engagement, the detailed design of the Innovation Fund, and our proposed implementation approach.

Appendix One: Government innovation funds

- 1 The Ministry for Business, Innovation and Employment administers the following innovation funds:
 - a. COVID-19 Innovation Acceleration Fund: aims to accelerate innovative solutions to support responses to COVID-19 and to provide rapid short-term support to New Zealand based entities to quickly deploy new products and services. The size of this fund was \$25 million and is expected to be a one-off.
 - b. Catalyst Fund: supports activities that initiate, develop and foster collaborations which take advantage of international science and innovation for New Zealand's benefit.
 - c. Endeavour Fund: comprises two mechanisms. The Smart Ideas mechanism tests promising and innovative research ideas with high potential for benefit to New Zealand, to refresh and enable diversity in the science portfolio. The 2020 investment round has \$18m in funding available. The Research Programmes mechanism supports research ideas which, collectively, have credible and high potential to positively transform New Zealand's future in areas of future value, growth or critical need. The 2020 investment round has \$38.8m available.
 - d. National Science Challenges: aim to tackle the biggest science-based issues and opportunities facing New Zealand. The Challenge includes 11 unique projects with a project life expectancy of 10 years. Cabinet funding is secured until 2024 and total funding is expected to reach \$680 million.
 - e. Strategic Science Investment Fund: funds strategic investment in research programmes and scientific infrastructure that have long-term beneficial impacts on New Zealand's health, economy, environment and society. In 2017/18, this fund was worth over \$260 million per year.
 - f. Te Pūnaha Hihiko: Vision Mātauranga Capability Fund: This fund aims to strengthen capability, capacity, skills and networks between Māori and the science and innovation system; increase understanding of how research can contribute to the aspirations of Māori organisations; and deliver benefit for New Zealand. Approximately \$2.0 million per year is available.
- 2 Te Papa Mahuki Innovation Fund: This fund was established in 2016 as an innovation programme supporting entrepreneurs to develop solutions for the global culture and heritage sector; strengthen sector capability; and create opportunities for local creative industries to leverage Te Papa's collections, expertise, relationships and brand. The programme came to an end in 2019.



Hon Carmel Sepuloni
Minister for Arts, Culture and Heritage

cc Rt Hon Jacinda Ardern, Associate Minister for Arts, Culture and Heritage

Hon Kiri Allan, Associate Minister for Arts, Culture and Heritage

CULTURE SECTOR INNOVATION FUND – fund outcomes and approach to delivery

Date:	10 December 2020	Priority:	High
Security classification:	In Confidence	Reference:	BR2020/409

Minister	Action Sought	Deadline
Hon Carmel Sepuloni Arts, Culture and Heritage	<p>Agree to the revised purpose and outcomes for the \$60 million Innovation Fund</p> <p>Agree to the delivery approach for the initial round of the Innovation Fund</p> <p>Forward a copy of this briefing to the Minister of Finance for approval of the financial recommendations</p>	17 December 2020

Contacts			
Name	Position	Contact	1 st Contact
Polly O'Brien	Manager, Heritage Policy	S9(2)(a) [REDACTED]	✓
Sebastian Clarke	Senior Advisor, Heritage Policy	S9(2)(a) [REDACTED]	

Minister's office to complete	<input type="checkbox"/> Approved	<input type="checkbox"/> Declined
	<input type="checkbox"/> Noted	<input type="checkbox"/> Needs change
	<input type="checkbox"/> Seen	<input type="checkbox"/> Overtaken by events
	<input type="checkbox"/> See Minister's notes	<input type="checkbox"/> Withdrawn

Comments:

Purpose

- 1 This briefing seeks your agreement to the revised purpose and outcomes, and approach to initial delivery of the \$60 million Innovation Fund, to be delivered over three years as part of the Arts and Culture COVID Recovery Programme.

Key Messages

- 2 In September 2020, the previous Minister for Arts, Culture and Heritage agreed to high-level policy settings for the Innovation Fund (\$60 million over three years) [BR2020/346 refers]. It was agreed that:
 - the purpose of the Innovation Fund is ‘to support cultural projects that enable content to be consumed in new ways and/or by new audiences, and which are new to Aotearoa New Zealand’
 - specific outcomes would sit under the purpose, and align with goals of supporting economic recovery, a vibrant cultural sector, and better access and participation in the cultural sector.
- 3 Following the Ministry’s recent sector engagement and further policy work, officials have refined the fund purpose and outcomes. This will support potential applicants to have a clear understanding of the fund.
- 4 The refined purpose for the Innovation Fund is to support innovative projects that improve the sustainability and resilience of the cultural sector.
- 5 The refined outcomes for the Innovation Fund are:
 - sector sustainability and resilience is improved
 - there are more commercial opportunities available for the cultural sector
 - access and participation is improved.
- 6 The Ministry has developed a proposed approach to the initial delivery of the Innovation Fund. The approach involves:
 - an initial first round (with an anticipated opening by April 2021) with a ‘Culture Sector Challenge’ to bring together people from the sector, entrepreneurs, experts, Māori and Pasifika and investors to solve the challenges the sector is facing
 - the ‘Cultural Sector Challenge’ running in up to eight regions over a two-month period
 - phasing the opening of the fund to occur after the opening of other Cultural Sector Regeneration Fund’s (Capability and CARE), to ensure the cultural sector is not having to apply for multiple funds at the same time
 - providing wrap-around innovation support (such as facilitation, expert advice on issues such as protecting intellectual property, coaching and mentoring) to support applicants to achieve fund outcomes

- assessing the experience of the first round and making any refinements to the delivery approach for future funding rounds.
- 7 Support for mātauranga Māori is embedded in all three outcomes of the Innovation Fund. To ensure the proposed delivery approach is appropriate for Māori applicants, the Ministry will be further engaging with Māori in January 2021, before any detailed design is finalised and communicated to the public. This will be an opportunity to work on the detailed delivery approach for the fund to ensure it meets expectations and needs of iwi/Māori applicants, and to report back to you by March 2021 on any proposed changes to the delivery approach (including establishing an alternative process for mātauranga Māori innovation if relevant).
 - 8 Officials consider that the wrap-around innovation support will be essential to ensuring the outcomes of the Innovation Fund can be achieved. This was also the message that the Ministry received during our sector engagement. The Ministry does not currently have the capability to provide these services and is therefore proposing that we purchase the required wrap-around innovation support from an experienced third party that has relevant innovation expertise.

Recommendations

- 9 The Ministry for Culture and Heritage recommends that you:
 - 1 **Note** the purpose and high-level policy settings agreed for the Innovation Fund by the previous Minister for Arts, Culture and Heritage **YES / NO**
 - 2 **Note** the Ministry has engaged with the cultural sector on the previously agreed high-level policy settings for the Innovation Fund **YES / NO**
 - 3 **Agree** to the revised purpose for the Innovation Fund: To support innovative projects that improve the sustainability and resilience of the cultural sector **YES / NO**
 - 4 **Agree** to the following revised outcomes for the Innovation Fund: **YES / NO**
 - a) Sector sustainability and resilience is improved
 - b) There are more commercial opportunities available for the cultural sector
 - c) Access and participation is improved
 - 5 **Agree** that the preservation, retention and transmission of mātauranga Māori will be provided for across all the outcomes **YES / NO**
 - 6 **Agree** to the delivery approach for the first round of the Innovation Fund, which includes a 'Cultural Sector Challenge' providing a coordinated and cross sector support mechanism **YES / NO**

- to select and progress ideas and projects to implementation and to commercial opportunities YES / NO
- 7 **Note** the ‘Cultural Sector Challenge’ will be run across up to eight regions from April to June 2021 and officials will refine the delivery where there are opportunities to improve delivery YES / NO
- 8 **Agree** that 10% of the fund (\$6.0M over three years) be used to deliver the required wrap-around innovation support (such as facilitation, expert advice, coaching and mentoring) to participants YES / NO
- 9 **Note** that if you agree for the Ministry to use 10% of the fund to deliver the required wrap-around innovation support, we will procure these services from third parties that have the relevant innovation expertise YES / NO
- 10 **Note** the Ministry will continue to investigate innovation best practice delivery options for the Innovation Fund YES / NO
- 11 **Note** the Ministry will work with your office to confirm your preference for any public announcements about the launch of the Innovation Fund YES / NO
- 12 **Forward** a copy of this briefing to the Minister of Finance for approval of the financial recommendations

Financial recommendations for Joint Ministers	MINISTER FOR ACH	MINISTER OF FINANCE
13 Approve the following fiscally neutral adjustment to provide for the decision in recommendation 8 above, with no impact on the operating balance and net Core Crown debt:	YES / NO	YES / NO

	\$m – increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Vote Arts, Culture and Heritage Minister for Arts, Culture and Heritage					
Non-Departmental Other Expense: COVID-19: Culture sector Response and Recovery	(2.000)	(2.000)	(2.000)	-	-
Departmental Output Expense: Heritage Services (funded by revenue Crown)	2.000	2.000	2.000	-	-

- | | | | |
|----|--|----------|----------|
| 14 | Note that expenditure in 2020/21 is a conservative estimate and given the timing of funding rounds and associated support may fall in 2021/22. | YES / NO | YES / NO |
| 15 | Agree that any amounts that are unspent in 2020/21 above remain available for transfer to 2021/22, subject to confirmation by the Minister of Finance and the Minister of Arts, Culture and Heritage. | YES / NO | YES / NO |
| 16 | Agree that the proposed change to appropriations for 2020/21 above be included in the 2020/21 Supplementary Estimates and that, in the interim, the increase be met by Imprest Supply. | YES / NO | YES / NO |



Anna Butler
**Deputy Chief Executive,
 Te Aka**

Hon Carmel Sepuloni
Minister for Arts, Culture and Heritage

_____ / _____ / 2020

Hon Grant Robertson
Minister of Finance

_____ / _____ / 2020

The Innovation Fund is an essential component of the Ministry's support for the cultural sector to recover from COVID-19

- 10 On 11 May 2020, Cabinet approved the Cultural Sector Regeneration Fund. It comprises three funds (Capability, CARE, and Innovation), which provide a range of support for the cultural sector to recover from the impact of COVID-19.
- 11 The Innovation Fund provides \$60 million of contestable funding over three years including \$3 million minimum towards mātauranga Māori projects. On 20 September 2020, the previous Minister for Arts, Culture and Heritage agreed to high-level settings for the fund [BR2020/346 refers].
- 12 The Innovation Fund is an essential component of the Cultural Sector Regeneration Fund. It provides significant funding for the cultural sector to respond to strategic sector issues, including the:
 - significant sector reliance on government grant and philanthropic funding, and overall vulnerability of the sector to economic shocks, as many of the existing jobs are low wage and reliant on unstable funding sources¹
 - limited commercialisation of sector offerings, and little available support to explore commercial opportunities
 - known gaps in access and participation for New Zealanders to engage with culture and heritage²
 - known risks for the preservation, retention, and transmission of arts, culture and heritage mātauranga Māori³, which have been exacerbated by COVID-19.
- 13 Existing funding for the cultural sector is limited and is generally allocated for the delivery of specific, narrow outputs. This means that currently there is little support for the cultural sector to undertake strategic and innovative measures to address known sector challenges.
- 14 Addressing these issues through the Innovation Fund will enable creative, collaborative, and sector-led solutions to be developed.

A clear purpose and set of outcomes will ensure the objectives of the Innovation Fund are well-understood

- 15 In September 2020, the Ministry conducted a targeted round of engagement with its funded agencies and the wider cultural sector, including focused sessions with Māori cultural practitioners, to test the high-level policy settings and to inform the

¹ CNZ's 2019 sector survey 'A Profile of Creative Professionals' found that creative professionals earn \$35,800 per annum on average compared to \$51,800 across the economy as a whole.

² There is a strong body of evidence of overseas evidence which shows that people from low socio-economic groups are less likely to participate in cultural activities eg, Coulter, R, Patterns of Social Inequality in Arts and Cultural Participation, 2020. The Museums Aotearoa 2020 National visitor survey showed that 88% of visitors to museums and galleries were New Zealand European. All other ethnic groups in New Zealand visited at rates well below their representation in the population.

³ *National Marae Survey* (Te Puni Kokiri, 2009); *He Rangahau I te Ora o nga Toi Tuku Iho – An investigation into the health of Maori Heritage Arts* (kowhai Consulting, 2009)

detailed design and delivery of the three funds within the Cultural Sector Regeneration Fund. A summary report on this engagement has been provided to your office [BR2020/397 refers].

- 16 Following the engagement, officials have refined the purpose and outcomes of the Innovation Fund to improve their clarity for potential fund applicants.

Fund purpose

- 17 The fund purpose has been amended to capture the breadth of the innovative projects that the fund aims to support. The previously agreed purpose was: *To support cultural, artistic and heritage projects that enable content to be consumed in new ways and/or by new audiences, and which are new to Aotearoa New Zealand*'
- 18 The purpose has now been simplified, and is expressed as:
- Purpose: To support innovative projects that improve the sustainability and resilience of the cultural sector.
- 19 The refinements to the purpose reflect that the Innovation Fund is not only about the way cultural content is consumed, it is equally about the production of new content, different ways of operating, cross sector partnerships and new ways to add value to the sector and wider economy. The overall purpose of the Innovation Fund is for a more resilient sector that is self-sustainable, and this is now better expressed in the refined purpose.

Fund outcomes

- 20 Officials have refined the outcomes based on recent engagement and further policy work. While the intent in the seven previously agreed outcomes⁴ is still supported and retained, the Ministry has consolidated them into the following three outcomes:
- Sector sustainability and resilience is improved
 - There are more commercial opportunities available for the cultural sector
 - Access and participation is improved.

⁴ The seven previously agreed outcomes for the Innovation Fund are 1) partnerships, both within and outside the sector, including with other parts of Government, the private sector and with Māori, Pasifika and other underserved communities, 2) idea and knowledge sharing within and beyond the sector, 3) sector organisations generating co-investment from the private sector, 4) create new and diverse employment and skill development opportunities in the short to medium-term, 5) support broader access, participation, and new ways to experience the arts, particularly for groups where there are consumer barriers that innovative technology approaches could address (e.g. people with disabilities), 6) enable increased longer-term business model resilience for organisations in the sector, include increased wages, more sustainable employment opportunities and an ability to build financial buffers for future economic shocks, and 7) support the development of commercially viable products, including digital products for export and reach global markets online.

- 21 *Sector sustainability and resilience is improved:* Currently, employment in the cultural sector is largely dominated by short-term employment and small contracting opportunities. Creative New Zealand's 2019 profile of creative professionals showed more than a third of creatives surveyed were finding it 'difficult' or 'very difficult' to have a sustainable career as a creative. The sector also relies heavily on a range of grant and philanthropic funding.
- 22 Additionally, there are significant opportunities to improve sustainability for arts, culture and heritage mātauranga Māori. COVID-19 has highlighted that the Māori cultural ecosystem, already under pressure, is at further risk.
- 23 Key areas of known risk to mātauranga Māori, identified by the Ministry, Te Puni Kōkiri, and Creative New Zealand include the small numbers of mātauranga Māori knowledge holders and practitioners (and lack of career and training pathways for their successors), the high demand from iwi, hapū and Māori communities to access knowledge holders, and heritage and artform practitioners, the lack of support for practitioners to practise their artform/heritage mātauranga and transfer their knowledge, and the need to capture mātauranga Māori in culturally appropriate ways (including digitally) so it can be protected for future generations.
- 24 This outcome will support projects that:
- encourage the exploration of new revenue streams, co-investment opportunities from the private and philanthropic sector
 - test new and diverse employment opportunities and business models within the sector and across other sectors
 - develop new ideas and knowledge to foster an ongoing culture of innovation in the cultural sector
 - support the preservation, retention, and transmission of mātauranga Māori.
- 25 *There are more commercial opportunities available for the cultural sector:* Currently, there are few funding opportunities within the cultural sector to support commercialisation of products, including for export. Existing opportunities are most accessible to larger companies that already have the infrastructure, capability and capacity to evaluate and invest. Many small cultural organisations, especially outside of metropolitan centres, do not have the support and expertise required to explore and evaluate commercial opportunities.
- 26 The Ministry is also aware that the sector would like more opportunities to collaborate (as opposed to compete against each other) and partner with other sectors, such as science and technology.
- 27 This outcome is also well-placed to respond to the known needs to record and document mātauranga Māori in culturally appropriate ways (including digitally) so it can be protected for future generations, and used in ways that fulfil aspirations for Māori. We will also include discussion on how to best ensure Māori intellectual property is protected and not used inappropriately, in our January 2021 engagement on the innovation fund detailed design.

- 28 This outcome will support projects that:
- have a clear path to achieve commercial success, including through the development of new exports
 - explore and identify other funding streams that are sustainable and enduring
 - create innovative opportunities for Māori to fulfil their cultural aspirations.
- 29 *Access and participation is improved:* Currently, access and participation in the cultural sector is uneven, both across regions and different demographics. Regions such as Northland, Coromandel, West Coast and Southland are known to be under resourced and lack stability of funding. There is also a lack of adequate representation of Māori, Pacific, and Asian arts organisations within Creative New Zealand’s investment clients⁵ (who receive multi-year funding), and this has resulted in representatives of some these ethnic groups describing the cultural sector as not wholly inclusive.
- 30 There are also opportunities to improve the access for iwi, hapū and Māori communities to connect to taonga and holders of mātauranga Māori. This outcome aims to increase the demand for services by improving accessibility and opportunities to participate.
- 31 This outcome will support projects that:
- create new and innovative ways for people to create, deliver or consume an expanded range of existing or new cultural products and taonga
 - remove or reduce barriers that reduce opportunities for particular people or communities, including people with disabilities, or underserved or isolated communities
 - provide new ways of reaching new audiences or better connecting the sector through digital technology.
- 32 Applicants to the Innovation Fund will be required to identify how their proposal will benefit at least one outcome. It is likely that some applications will benefit multiple outcomes.
- 33 Support for mātauranga Māori is embedded in all three outcomes of the Innovation Fund. To ensure this approach is appropriate for Māori applicants, the Ministry will be further engaging with Māori in January 2021. This will be an opportunity to work on the detailed design of the fund to ensure it meets expectations and needs of iwi/Māori applicants, and to make any changes (including establishing an alternative process for mātauranga Māori innovation) to the delivery approach.

The initial delivery approach includes a ‘Cultural Sector Challenge’

- 34 The level of innovation funds available and innovation expertise varies significantly across sectors. For example, the science and technology sectors

⁵ Of CNZ’s investment clients seven out of 86 are Māori and five are Pasifika. Only one Māori client and no Pasifika clients are based outside Auckland and Wellington.

have received significant investment for innovation and have greater experience in running and participating in innovation initiatives.

- 35 The cultural sector has limited opportunity to access dedicated innovation funding. To date innovation funding has been small, irregular and with limited reach, especially among Māori, Pasifika, and in the regions [BR2020/346 refers].
- 36 Innovation requires thinking beyond the traditional structures and forms, and it is particularly successful when different perspectives, skills, interests and experiences are brought in together to work in partnership.
- 37 For example, in the technology sector this is achieved through ‘challenges’ or hackathons, which are short, collaborative events where developers, business owners, creative thinkers and subject matter experts are brought together to work on solutions to certain problems and/or opportunities, which are defined in the challenge.
- 38 Currently many companies and government entities drive innovation through these kinds of challenge events. Ideas derived from challenges have helped deliver innovative products, better customer experience, and greater revenue.
- 39 Advantages of these ‘challenge’ style events include:
 - the ability to bring together a large number of participants, and promote a collaborative approach to innovation development
 - the inclusive opportunities they facilitate, that allow participation
 - shorter, more agile innovation cycles that reduce overall risk
 - opportunities for participants to develop a learning and innovation network (an innovation ecosystem) for future ideas and proposals, even if specific ideas are not progressed.
- 40 Officials propose to use this approach for the initial round of the Innovation Fund, through a ‘Cultural Sector Challenge’.

High-level overview of the proposed delivery approach for the initial round

- 41 The following section provides the high-level overview of the proposed delivery approach for the initial round of the Innovation Fund. The Ministry will continue to develop the detailed delivery approach. This will include further engagement with Māori on how best to support mātauranga Māori innovation.
- 42 Appendix 1 provides a high-level overview of the proposed delivery approach for the initial round of the Innovation Fund.

Initial round: the ‘Cultural Sector Challenge’

- 43 For the first round of delivery, anticipated to start in April 2021, officials propose a ‘Cultural Sector Challenge’ to bring together people from the sector, entrepreneurs, experts, Māori and Pasifika and investors to address the issues the sector is facing, which may include:
- making the sector more sustainable and resilient
 - creating more commercial opportunities
 - improving access and participation.
- 44 The challenges will be also be defined and presented with a Te Ao Māori lens to ensure tiaki (to care for), maioha (to have regard for) and manako (wish/desire) aspects are built into the challenges.

Two-day rapid design process

- 45 New ideas, opportunities and potential solutions to the challenges will be encouraged from participants within the cultural sector, entrepreneurs and from other sectors such as technology, science, health and social.
- 46 Māori-centred processes and approaches, such as those developed by Kōkiri⁶, will complement and be integrated into the end-to-end process.
- 47 Over the two days, participants with the support from experts in innovation will evaluate, refine and develop ideas into proposals through a ‘rapid design’ cycle.

Panel evaluation

- 48 Expert panels brought together by the Ministry will evaluate and provide the adequate level of support to take the proposal to the next level of development through three potential paths:
- *Accelerator*: Proposals that are considered to have potential but requiring a lot more work will be put through an ‘accelerator’ path (of about two to four weeks) where more intensive and specialist support is provided to develop the proposals to progress to the ‘incubator’ path (subject to panel approval).
 - *Incubator*: Proposals that are considered to be viable but not yet fully developed will be put through an ‘incubator’ path where relevant experts will assist and support further development of the proposals. Incubation periods may vary but generally are between four and six months. At the end of the incubation period the panel will evaluate the proposal and assess whether it can access funding for development/delivery.

⁶ Kōkiri is a 12 -week kaupapa-based start-up accelerator developed for Māori by Māori.

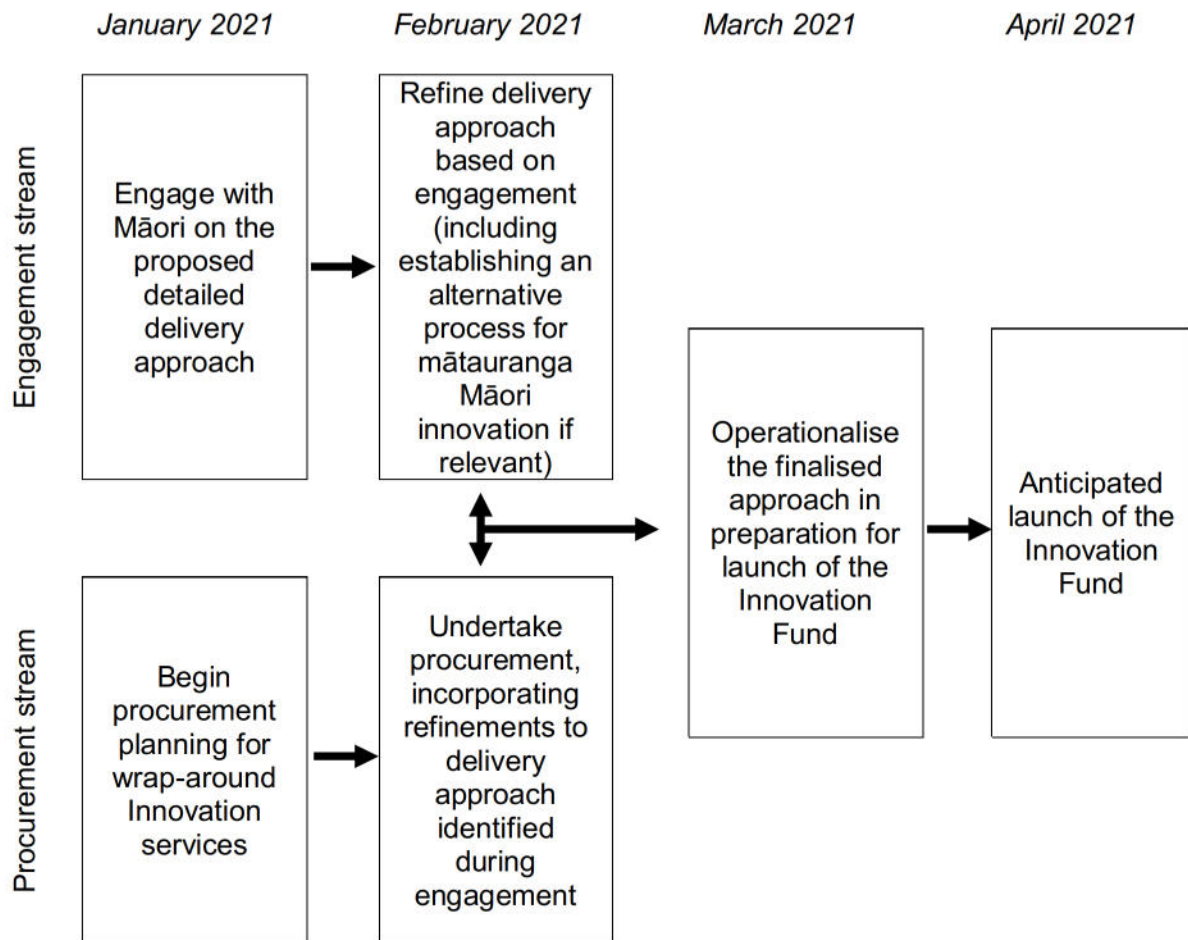
- *Direct Funding:* Proposals that are considered to be fully developed, tested, robust and ready to move to delivery will be able to access seed or full (project ready) funding immediately. Funding will be approved from May 2020.
- 49 After being approved for funding, projects will have varying timeframes for development and delivery depending on size and complexity. Expert support will remain available throughout the life of projects. The Ministry will closely monitor projects to completion and aim to identify emerging risks and issues quickly for prompt intervention/support.
- 50 The ‘Cultural Sector Challenge’ is expected to run in up to eight regions over a two-month period, taking into account the specific regional context of the local cultural sector.

Wrap-around innovation support costs

- 51 Based on initial estimates and engagement with other public sector entities that have run similar processes (MBIE, DIA and Callaghan Innovation), the cost for the wrap-around innovation support (such as facilitation, expert advice, coaching and mentoring) is expected to be 10% of the total value of the fund or \$6.0M over the three financial years from 2020/21 to 2022/23.
- 52 This cost would enable the delivery of at least sixteen Culture Sector Challenge events (over eight different regions) over the life of the Innovation Fund, as well as the associated acceleration and incubator support participants to best respond to the fund outcomes.
- 53 Officials consider this level of wrap-around support to be appropriate for the Innovation Fund. As the cultural sector has not had significant opportunity to access dedicated innovation funding, officials also anticipate the demand for such wrap-around innovation support is expected to be higher than in other sectors with more established innovation programmes (such as the science and technology sectors).
- 54 The Ministry is aware that there are experienced innovation providers that would have the capacity and capability to meet our needs and timeframes. The Ministry does not currently have the capability to provide these services and if it were to build them in-house then the outcomes, quality, risk and timeframes of the Innovation Fund would be impacted.
- 55 The Ministry seeks joint Ministerial approval to allow the administrative and wrap-around innovation support costs to be paid from the \$60 million fund. The Ministry does not have an alternate source of funding for these costs. The Treasury Vote team have been consulted and agree with the recommendations within this paper.

Next steps

- 56 The diagram below outlines the sequence of next steps for the Ministry to deliver the Innovation Fund:



- 57 Officials will also continue communications planning to support the launch of the fund. This will include promotional activity to ensure potential applicants, including priority groups, having clear information about the funding available, and how to participate. The Ministry will work with your office to confirm your preference any public announcements about the launch of the Innovation Fund.

Appendices

Appendix 1: Innovation Fund – proposed high-level overview of the initial delivery approach.

Appendix 1: Innovation Fund – proposed high-level overview of the initial delivery approach

Proposed high-level approach for the initial delivery of Innovation Fund

This approach will be used for round one, and evaluated afterwards to inform the optimal ongoing delivery of the Innovation Fund

Overview

The Innovation Fund provides \$60 million over three years

Purpose

To support innovative projects that improve the sustainability and resilience of the cultural sector

Outcomes

1

Sector sustainability and resilience is improved

2

There are more commercial opportunities available for the cultural sector

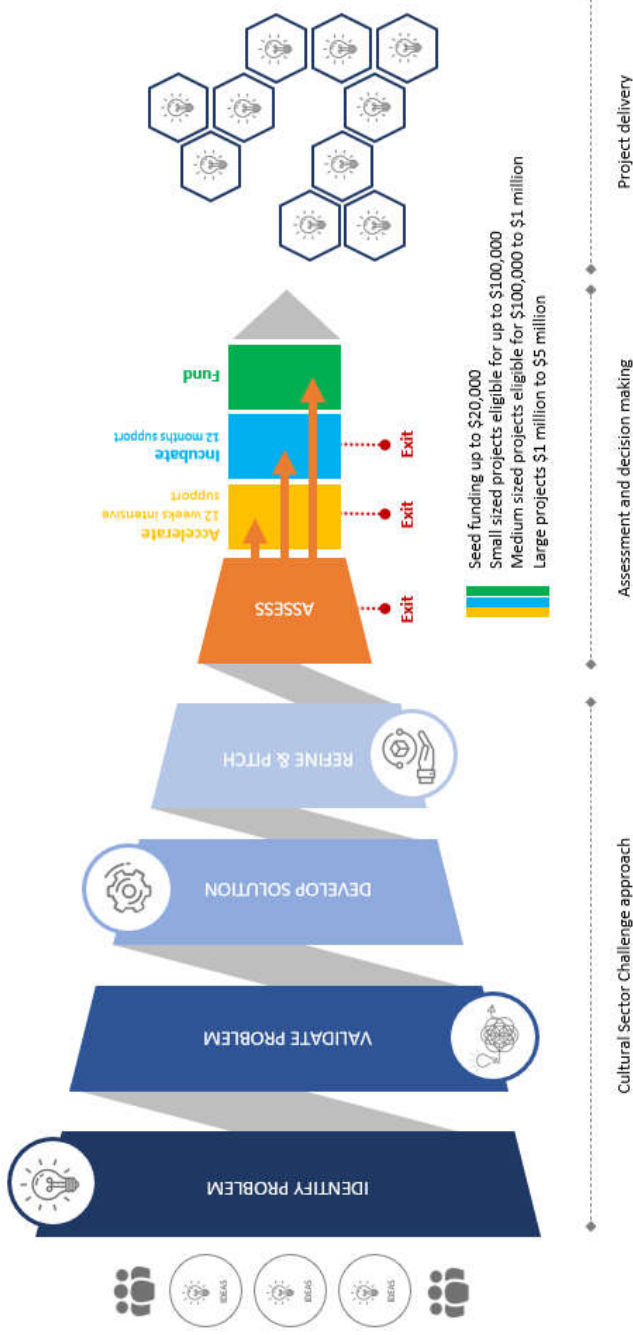
3

Access and participation is improved

We will use an innovative design model that addresses the fund outcomes by inviting the cultural sector to participate in two-day ideation workshops.

This will create an opportunity to connect and pitch ideas that could lead to funding and further support.

NB: To ensure this approach is appropriate for Māori applicants, the Ministry will be further engaging with Māori in January 2021. This will be an opportunity to work on the detailed design of the fund to ensure it meets expectations and needs of iwi/Māori applicants, and to make any changes to the delivery approach (including establishing an alternative process for mātauranga Māori innovation).



Eligibility: Participation in the Innovation Fund will be broad, and will include those from the cultural sector, as well as individuals and organisations from other sectors partnering with those in the cultural sector.

SECTOR SUPPORT GOVERNANCE COMMITTEE

Cover note

Paper title:	Innovation Fund procurement for Cultural Sector Challenge Events
Reference:	Arts, Culture and Heritage Programme
Meeting:	19/01/2021
Author:	Sam Kemp-Milham. Senior Project Manager

Purpose

1. This paper seeks endorsement from the SSGC on the proposed procurement plan and approach for the Innovation Fund Cultural Sector Challenge Events.

Recommendations

2. It is recommended that you:
 - 2.1. **Note** the attached draft procurement plan for Innovation Fund – Cultural Sector Challenge events - Design and Delivery and the preferred option is to direct source CreativeHQ from the Consultancy Services All of Government panel (AoG) (Business Change).
 - 2.2. **Note** the Ministers expectation to open fund if possible in March, leading to a tight timeframe to procure and deliver the Culture Sector Challenge events
 - 2.3. **Note** the risks identified in the procurement plan
 - 2.4. **Note** that the procurement plan has been reviewed and approved by MCH Legal, and Procurement.
 - 2.5. **Note** during the procurement process, SSGC will be kept informed of relevant progress by Rich Cook or Jeff Gibson.
 - 2.6. **Endorse** the procurement plan for approval by the Chief Executive.

Background

3. In a paper to the Minister “Culture Sector Innovation Fund – fund outcomes and approach to delivery”, dated 10 December 2020 [BR2020/409 refers], it was agreed that Manatū Taonga would run “Cultural Sector Challenges” as a key engagement tool with the cultural sector to identify innovative and creative ideas that will improve the sustainability and resilience of the cultural sector.
4. The ‘Cultural Sector Challenge’ event is a two-day collaborative workshop that facilitates the co-creation of ideas, to solve the challenges that the sector is

SECTOR SUPPORT GOVERNANCE COMMITTEE

facing, like a hackathon. This type of event was developed in response to feedback about needing a different way to approach funding.

5. The paper outlined that at least sixteen challenge events would be held over the life of the Innovation fund, eight of these to be part of round one.
6. It was also identified in the paper that Manatū Taonga does not have the capability to design and deliver these events as they require specialised experience and skills. There are experienced innovation providers in the market that can meet Manatū Taonga's requirements.
7. This procurement plan is in relation to sourcing an innovation provider to co-design the initial eight events and then run these events during April / May 2021. As part of the design phase, the provider will also provide input into the design of the wrap-around support model that has been identified as being critical to the success of the Innovation Fund approach.
8. Research was undertaken into other providers on the AoG Consultancy Services Panel to see if any other organisations have the same experience and capability as CreativeHQ. The only providers that appear to have the theoretical capability to undertake this type of work were the big consultancy firms such as PwC. While these companies may technically have the ability to undertake the work, the references for CreativeHQ from Callaghan Innovation and MBIE, suggests that CreativeHQ is the most experienced in the market in this type of event design and management.
9. The preferred approach is to direct source CreativeHQ given its national coverage and extensive experience undertaking similar events (including with a number of government agencies) and short timeframe. A proposal will be requested from them for the project.
10. The expected cost of the contract is estimated at \$550k and needs to be in place by early February to meet the Minister's expectations for the opening of the funds in March/April 2021.
11. As identified in the paper to the Minister, there will be more than one round of challenge events. This is to ensure that the approach is meeting the needs of the Fund and the sector and any learnings from round one can be incorporated into any future rounds.
12. Any subsequent cultural sector challenges will undergo a separate procurement exercise. Opening up to individual local providers will be considered for this second round as Manatū Taonga will have more in-house experience to support a number of smaller providers.

Manatū Taonga for Culture & Heritage Procurement Plan

Innovation Fund – Cultural Sector Challenge events - Design and Delivery

What Manatū Taonga is seeking and why

In a paper to the Minister “Culture Sector Innovation Fund – fund outcomes and approach to delivery”, dated 10 December 2020 [BR2020/409 refers], it was agreed that Manatū Taonga would run “Cultural Sector Challenges” as a key engagement tool with the cultural sector to identify innovative and creative ideas that will improve the sustainability and resilience of the cultural sector.

The paper outlined that at least sixteen challenge events would be held over the life of the Innovation fund, eight of these to be part of round one.

It was also identified in the paper that Manatū Taonga does not have the capability to design and deliver these events as they require specialised experience and skills. There are experienced innovation providers in the market that can meet Manatū Taonga’s requirements.

This procurement plan is in relation to sourcing an innovation provider to co-design the initial eight events and then run these events during April / May 2021. As part of the design phase, the provider will also provide input into the design of the wrap-around support model that has been identified as being critical to the success of the Innovation Fund approach.

Background

COVID-19 has had an impact on the arts, culture, heritage, media, and broadcasting sectors and has created the requirement for Manatū Taonga to expand our work programme and evolve the way we work. Not only must we continue to develop and provide expert policy advice, monitoring and oversight, but as a Manatū Taonga, it is a priority for us to become more active in managing and directly delivering outcomes for the sectors we support.

As part of the COVID-19 emergency response initiatives, Manatū Taonga has been tasked with leading and directly managing the delivery of contestable funds. \$150 million of funding has been provided over three new funds, which work collectively as a Cultural Sector Regeneration Fund package to support the sector:

- Creative Arts, Recovery and Employment Fund (CARE)
- Cultural Sector Capability Fund
- Innovation Fund

The Innovation Fund

The Innovation Fund is an essential component of the Cultural Sector Regeneration Fund and will support innovative projects that improve the sustainability and resilience of the cultural sector.

There is \$60 million of contestable funding over three financial years to provide significant funding for the cultural sector to respond to strategic sector issues, including the:

- significant sector reliance on government grant and philanthropic funding, and overall vulnerability of the sector to economic shocks, as many of the existing jobs are low wage and reliant on unstable funding sources
- limited commercialisation of sector offerings, and little available support to explore commercial opportunities
- known gaps in access and participation for New Zealanders to engage with culture and heritage
- known risks for the preservation, retention, and transmission of arts, culture and heritage mātauranga Māori, which have been exacerbated by COVID-19

Innovation fund round one approach

In a paper to the Minister “Culture Sector Innovation Fund – fund outcomes and approach to delivery”, dated 10 December 2020[BR2020/409 refers], it was agreed that the delivery approach for the initial round of the Innovation Fund would be:

1. a ‘Cultural Sector Challenge’ to bring together people from the sector, entrepreneurs, experts, Māori and Pasifika and investors to solve the challenges as identified by Manatū Taonga (with an anticipated opening by April 2021)
2. the ‘Cultural Sector Challenge’ running in up to eight regions over a two-month period
3. phasing the opening of the fund to occur after the opening of other Cultural Sector Regeneration Funds (Capability and CARE), to ensure the cultural sector is not having to apply for multiple funds at the same time
4. providing wrap-around innovation support (such as facilitation, expert advice on issues such as protecting intellectual property, coaching and mentoring) to support applicants to achieve fund outcomes

The challenges will be also be defined and presented with a te ao Māori lens to ensure tiaki (to care for), maioha (to have regard for) and manako (wish/desire) aspects are built into the design of the events.

Cultural Sector Challenge Event

The Innovation Fund is about long term transformational change and not only about the way cultural content is consumed, It will be about the production of new content, different ways of operating, cross sector partnerships and new ways to add value to the sector and wider economy. The overall purpose of the Innovation Fund is for a more resilient sector that is self-sustainable. Consultation with the sector suggests that the process to access funding needs to be easier and there is a need to reach underserved communities.

To respond to the feedback about needing a different way to approach funding, it was agreed that a ‘Cultural Sector Challenge’ type event would enable Manatū Taonga to respond to the sector in new and innovative ways. Specifically - the cultural sector challenge is an alternative to, and replaces, other ways of applying for funding.

The ‘Cultural Sector Challenge’ will be a two-day collaborative workshop that facilitates the co-creation of ideas, to solve the challenges that the sector is facing, like a hackathon.

The word hackathon is a combination of the word’s "hack" and "marathon":

- “Hack”: referring to an experimental, collaborative and creative way of solving problems, with a bias towards building something to fix the problem; and
- “marathon”: referring to the duration of the event.

It will allow anyone to pitch an idea, concept, or problem related to the challenge at the start of the event, gather a team around them, develop a solution and pitch again at the end of the two days. Through this process, Manatū Taonga will source ideas and ventures that it can then support via the Innovation Fund.

Services

It was recognised that Manatū Taonga would require additional capability to design and develop the initial events, including the design of the event and developing the model for the wrap-around support.

Specifically, this procurement is to support Manatū Taonga in delivering this agreed approach.

Manatū Taonga needs to procure expertise in designing and running rapid two-day innovation design events in a compressed timeframe.

What Manatū Taonga is buying and why

This Plan relates to the purchase of design and delivery services for the **first round** of eight ‘Cultural Sector Challenge’ events and design services for development of the wrap-around support model. Any subsequent cultural sector challenges (or similar innovation events) will undergo a separate procurement exercise.

The key objective of this procurement is to ensure that Manatū Taonga engages the best expertise to deliver the ‘Cultural Sector Challenge’ in a two-day design event, especially given the tight timeframe.

An estimate of the total cost over the whole-of-life of the contract, exclusive of GST is \$500,000.

Area	Cost per event	Subtotal
Cost per event (excludes disbursements including travel, venue hire, catering etc)	\$50,000 (x 8 events)	\$400,000
Design expertise for wrap around support model	\$30,000	\$30,000
Disbursements including travel, venue hire and catering for 8 events	\$100,000	\$100,000
Contingency	\$20,000	\$20,000
Total		\$550,000

The contract is required to commence by Monday 1 February 2021.

Specification of Requirements

Manatū Taonga is seeking the expertise and capability of an innovation design company to co-design and run eight cultural sector challenges across the country.

Skills and experience required.

- Experience in designing innovation events
- Experience in running a 'Cultural Sector Challenge' (or similar) design workshops
- Ability to run workshops nationwide
- Connection to wider innovation ecosystem in New Zealand to be able to leverage off existing links to experts such as IP experts, business mentors, tech experts, entrepreneurs.
- Capability to run up to eight workshops in short time period April/May 2021
- Expertise in innovation and facilitation
- Expertise in cultural competency and running events in a bicultural way

Description of Market

To determine the best approach for the design and delivery of the Culture Sector Challenge events, Manatū Taonga has undertaken significant research including:

- Discussions with other Ministries that have undertaken similar events
 - Callaghan Innovation for their experience in designing and delivering innovation and administering grants in the science sector
 - Ministry of Business of Innovation and Employment who ran similar events for science and business innovation (2015-2017) however are no longer running these events
 - DIA who provided an innovation lab (space) where people could come in and get business and digital innovation support – note this lab was closed in 2020
 - NZTE who have a national and international branch for innovation and growing New Zealand businesses, they have established 14 regional business networks to support small businesses. NZTE do not run the events themselves but partner with Callaghan Innovation
- Discussions with individuals that have participated in similar events
 - Sam Kemp-Milham – project manager for the Innovation fund project and has participated in 2 hackathon and accelerator events
 - Dan Whiting – run and participated in a few hackathon events for NZTE
 - Gordon McKenzie – has had teams participate in accelerator events
 - Stefan Korn – GM of Callaghan Innovation and ex CEO of Creative HQ (a wholly-owned subsidiary of WellingtonNZ (a Wellington Council Controlled Organisation, and is 80 per cent owned by Wellington City Council and 20 per cent by Greater Wellington Regional Council) who have run national and international innovation events).

As a result of these discussions and research, the following companies have been identified that have run similar hackathon or innovation type events.

- Callaghan Innovation – a Crown Entity that has designed and run similar events for the science and technology sectors (noting that they often contract the event design and delivery to their third-party provider Creative HQ)
- Creative HQ – has run a number of events for several organisations (government and private)
- Icehouse – Auckland only based company that runs capability training for start-ups and small businesses
- Ministry of Awesome – Christchurch only based company that runs networking and capability training for entrepreneurs
- PwC – have run a number of workshop-based sessions (sandpits) for a number of organisations, but these are usually internally focused to the organisation that they are working for

Options to procure the required services

Option 1 - Procure services via another public service organisation

MBIE and DIA – are no longer running similar events

NZTE – They do not run the events themselves but partner with Callaghan Innovation

Callaghan Innovation

Manatū Taonga considered engaging Callaghan Innovation to lead the design and delivery on Manatū Taonga's behalf given they are a Crown entity that has significant experience in designing and running similar events and already have contacts in the industry, but this was discounted as Manatū Taonga recognised that this event requires ownership and leadership in the sector rather than outsourcing the whole event design and management. Callaghan Innovation also recognised that while they have done similar events for other organisations – this has only been in the science and technology sectors and their experience in the arts sector space is limited. However, Manatū Taonga will include Callaghan Innovation in the design phase given their extensive experience and subject matter expertise in this type of event management.

Option 2 – Procure services from an external provider

Option 2 is the recommended approach to provide the required services.

External Provider analysis

The following table outlines the possible providers identified and their relevant experience and coverage.

Provider	Experience	Geographic reach	Panel	Currently engaged with	Previously engaged with
Creative HQ	Extensive (over 10 years)	NZ wide	AoG Consultancy Services	MFAT, Saudi Government	MOE, MIBE, MFAT, DIA DOC, MPI, Kainga Ora
Icehouse	over 10 years in the start-up world	Mainly Auckland	No	Mainly private	
Ministry of Awesome	7 years in the start-up world	Mainly Christchurch	No	Collaboration with Christchurch public sector ecosystem	

Preferred provider

Given its national coverage, extensive experience undertaking similar events (including with a number of government agencies) and already being on an AoG panel the preferred provider is Creative HQ

Procurement Approach

As per the Procurement and Broader Outcomes 2020 Policy, goods or services over the value of \$100k are to use a secondary procurement process if there is an existing AoG panel.

The identified preferred provider, Creative HQ, is part of the All of Government (AoG) collaborative Contract Panel of Suppliers (Consultancy Services – Business Change).

Research was undertaken into other providers on the AoG Consultancy Services – Business Change Panel to see if any other organisations have the same experience and capability as CreativeHQ. The only providers that appear to have the theoretical capability to undertake this type of work were the big consultancy firms such as PwC. While these companies may technically have the ability to undertake the work, the references for CreativeHQ from Callaghan Innovation and MBIE, suggests that CreativeHQ is the most experienced in the market in this type of event design and management.

The preferred approach is to direct source CreativeHQ given its national coverage and extensive experience undertaking similar events (including with a number of government agencies). A proposal will be requested from them for the project.

As identified in the paper to the Minister, there will be more than one round of challenge events. This is to ensure that the approach is meeting the needs of the Fund and the sector.

Any subsequent cultural sector challenges will undergo a separate procurement exercise. Opening up to individual local providers will be considered for this second round as Manatū Taonga will have more in-house experience to support a number of smaller providers.

It is proposed to use the All of Government (AoG) (Consultancy Services – Business Change) Statement of Work Agreement for the delivery of the services.

Evaluation

The proposal will be evaluated on fit for purpose, capability to deliver to the timeframes and price. Should any of the parameters not be satisfactory, and the mitigations identified in the Risk section of this Plan not be effective, then the procurement approach will be reviewed.

Indicative timeline

Action	Indicative date
Request proposal	22 January 2021
Evaluation and recommendation complete	28 January 2021
Negotiations completed	29 January 2021
Contract executed	1 February 2021

Budget

The budget for this project has been transferred to the Department as approved by the Minister in the Culture Sector Innovation Fund – fund outcomes and approach to delivery”, dated 10 December 2020 ([Signed by MoF - BR2020/409 Cultural Sector Innovation Fund](#)).

Key decisions

The business owner is Anna Butler, Deputy Chief Executive, Policy and Sector Performance through Jeff Gibson, Programme Director.

The Chief Executive has the delegated financial authority to approve this procurement plan and any resultant contract.

Jeff Gibson, will assume authority for the delivery of the services.

Contract

- If the proposal is satisfactory the provider will be offered a standard AOG consultancy services order. The proposed contract term is fixed term.
- The key performance indicators for measuring the provider's performance will be delivery on time to Manatū Taonga's satisfaction
- The timeframes for delivery are February 2021 – June 2021.
- Specific reporting requirements will be via the Project Manager via scheduled meetings.
- Payment will be based on the provider's successful completion of milestones as detailed in the contract.
- New intellectual property arising as a result of the contract will be the property of Manatū Taonga.
- Consideration will be given to including an option of being able to sub-licence (or similar) the event design to other parties for the remaining 8 events (should Manatū Taonga wish to).

Risk

Overall, this procurement is deemed low-medium value, medium-risk.

Key risks to be managed

Risk	Mitigation action	Responsible
1. IF the procurement method is challenged THEN Manatū Taonga may be bought into disrepute	The proposed process complies with Government and Manatū Taonga procurement guidelines and market research has been undertaken	Sam Kemp-Milham
2. IF Programme timeframes are delayed THEN a suitable provider may not be able to be sourced in a timely manner	Depending on the value of the services, a direct approach from the providers listed will assist with the selection of a suitable provider	Sam Kemp-Milham
3. IF the price provided is not competitive THEN Manatū Taonga may pay too much for the service	Indicative pricing has been obtained by other Agencies that have run similar events. If the price is above this then the team will negotiate before executing any contract The subsequent round(s) are still up for contention so the provider will need to be competitive to be eligible for any future opportunities.	Sam Kemp-Milham

<p>4. IF the provider does not provide a good result THEN Manatū Taonga may be bought into disrepute</p>	<p>The market research has included informal conversations with other Agencies, extensive review of the AoG panel, and informal online research.</p> <p>The subsequent round(s) are still up for contention so the provider will need to perform to be eligible for any future opportunities.</p>	<p>Sam Kemp-Milham</p>
<p>5. If there is a further outbreak of COVID -19 , we will not be able to hold the events face to face in the eight regions</p>	<p>We will hold the events online</p>	<p>Sam Kemp-Milham</p>
<p>6. IF the time to procure and contract a provider is longer than planned THEN this will have an impact on the overall delivery programme to when the funds open.</p>	<p>A direct source is expected to be the shortest procurement process.</p> <p>Contract will be via a SoW which has already been agreed.</p> <p>Resources will be identified to review the SoW.</p>	<p>Sam Kemp-Milham</p>

Probity

Probity in this procurement will be managed by:

- acting fairly, impartially and with integrity, acting lawfully, and being accountable and transparent
- ensuring compliance with the agency's code of conduct
- ensuring that financial authority for the procurement is approved before proceeding
- identifying and effectively managing all conflicts of interest
- protecting the provider's commercially sensitive and confidential information.

Approval

I confirm that the following have approved this Procurement Plan:

<p>Finance</p>	<p>Y</p>
<p>Manatū Taonga Legal Team</p>	<p>Y</p>

Name:

Date:

This document should be emailed to OP-Legal@mch.govt.nz (and approved by the Legal Team) before initiating your tender process

Memo

Subject	For Noting - Innovation Fund Challenge Event Design workshop
Date	16 February 2021
To	Anna Butler
Copies to	Richard Cook, Jeff Gibson, Mike Nathan
From	Hannah Leahy
Attachments	None

Purpose

This memo is for your noting regarding:

- the confirmed list of stakeholders invited to participate in a design workshop for the Innovation Fund ‘Cultural Sector Challenges’.
- the approved approach for remunerating these stakeholders for their participation, as well as travel and accommodation (where required).

Context

- On 16 December the Minister approved the fund outcomes and delivery approach for the Innovation Fund. [BR2020/409]
- The first round will consist of a series of ‘Cultural Sector Challenges’ in up to eight locations across Aotearoa beginning in April 2021.
- These challenges will bring together people from the arts, culture and heritage sector, entrepreneurs, Māori and Pacific peoples, as well as investors, to solve the challenges the sector is facing around three broad themes: sector sustainability, access and participation and commercial opportunities.
- Similar collaborative ‘challenges’ or ‘hackathons’ are common in the technology and commercial sector. Manatū Taonga have engaged the specialist innovation design agency Creative HQ to help adapt and deliver this model for the cultural sector.
- As part of this adaptation process, Manatū Taonga and Creative HQ will host a workshop with a small group of sector representatives to test and validate the design of ‘Cultural Sector Challenge’ events.

Design workshop

- This one-day design workshop is scheduled for 17 February. It will be jointly hosted by Creative HQ and the Innovation Fund project team from Mānatu Taonga.

- A group of up to nine stakeholders from different parts of the sector will be invited to provide feedback and offer input into the design of the Cultural Sector Challenge events based on their knowledge and experience of the sector.
- A maximum of nine stakeholder participants was recommended by Creative HQ to ensure an effective design workshop.
- Five of the sector stakeholders have been selected expressly to provide Māori and Pacific perspectives, and to ensure the design of the Challenge Events supports the cultural aspirations of these priority audiences.
- The stakeholder participants have been selected based on their individual knowledge and experience within the cultural sector. They have not been selected to represent or speak on behalf of 'the sector' or elements of the sector.
- The confirmed stakeholder participant list is included as Appendix 1.
- The design workshop was intended to be a face-to-face session. Due to the change in COVID alert levels, we have adapted this workshop to be a hybrid model of face-to-face and online.

Remuneration

- Sector participants have been offered a payment of \$800 a day to acknowledge their expertise and contribution to the design workshop. The exception being any participants who work for a central government agency, who will not be offered payment.
- Offering these payments is important to ensure there are no financial barriers to participation.
- The rate proposed is in line with the Cabinet Fees Framework to appoint bodies in which the crown has an interest.
- Manatū Taonga is budgeting a total of \$8,000 to cover the workshop fees and travel and accommodation for the 9 participants, where required.

Appendix 1: Design workshop confirmed participant list

Sector Stakeholders

Māori perspective (4 total)			
Teina Moetara (Rongowhakaata/ Ngāpuhi)	Independent arts practitioner with expertise around indigenous wisdom and knowledge. Leader of Tū te manawa kapa haka group. Gisborne -based	Ngapera Riley	GM of Figure (data sources for Aotearoa) and connected to the entrepreneur sector. Former director of KEA. Ngapera is a singer and has a deep interest in creative practice. Wellington-based
Boni Te Rongopai Tukiwaho (Tūhoe/Te Arawa/Tūwharetoa)	Producer, director, actor, educator. Boni is educated in the arts and health sectors and has leadership roles in both industries. He is Director of the Auckland Fringe Festival and is on the Health Promotion Agency National Māori Mental Health Advisory Panel. Dunedin-based	Mere Boynton (Te Aitanga-a- Māhaki/Tūhoe)	Recently appointed Director Ngā Toi Māori, Tāwhiri (NZ Festival, Jazz Festival, Second Unit etc.). Critically acclaimed performer and singer. Wellington-based
Pacific perspective (1 total)			
Ahilapalapa Rands	Multidisciplinary artist, writer and curator of Pacific descent with a diploma in Te Reo Māori. Creating and imagining alternative ways of exhibition making is a specific focus Ahilapalapa's practice. Auckland-based		

Other cultural sector perspective (4 total)			
Leo Gene Peters	Independent theatre practitioner. Leo was one of the instigators of Ringatoi Pōneke: Artist Intensive (PAI) at Creative HQ, which supports artists to explore sustainable business models. Wellington-based	Gisella Carr*	Head of Arts and Culture and Community at Wellington City Council, Gisella is a strategic thinker who has had many roles in the arts, from Creative New Zealand to developing plans for Auckland to leading WOW and NZ Film. Wellington-based
Fiona Fieldsend*	Director of Digital Experience at the National Library. Co-chair of the National Digital Forum Wellington-based	Stephen Knightly	Chief Operating Officer at RocketWerkz and former chairperson of the NZ Game Developers Association. He is also on the Steering Group of WeCreate, the coalition of creative industries. Auckland-based

*Attended Innovation focus group session

Manatū Taonga staff

Suggestions	Representative
Sam Kemp-Milham	MCH Project Lead
Gordon McKenzie	MCH Establishment Lead
Simon Bowden	MCH Principal Adviser Sector
Hannah Leahy	MCH Communication Lead
Mareikura Brightwell	MCH Communications, Māori
Jason Van Hattum	MCH Senior BA

Name

Marae committee member

Short Bio

- In her 20s
- On her marae committee
- Has a Masters of Arts and education
- Records oral histories as a personal project
- Interested in studying the museum system and getting greater access to taonga

Why would they want to attend (goals and aspirations)

- Interested in exploring some ideas she has about new ways to share mātauranga Māori with uri who whakapapa to her marae (these uri live all over the world).
- Interested in connecting with other people exploring similar ideas, as well as people with the skills sets she needs to turn her idea into reality.

Specific event needs

- Needs to feel culturally safe
- Looking for help and mentoring around things like IP, marketing and digital storytelling
- Knows that issues of access and sustainability from a Māori perspective will be discussed and supported

Name

A team from a Pacific dance company

Why would they want to attend (goals and aspirations)

- Would like additional funding support
- Interested in exploring the feasibility of ideas to collaborate with other small, like-minded performing arts companies to pitch work to international festivals in a more sustainable, effective and efficient way.
- Interested in connecting with other people exploring similar ideas, as well as people from other parts of the cultural sector or other sectors who have solved similar problems

Short Bio

- Small professional company based in Auckland
- Works mostly in New Zealand but has performed work at festivals internationally
- Most of the dancers do other jobs to supplement this work

Specific event needs

- Needs to feel culturally safe
- Looking for help and mentoring to help make their pitch most likely to succeed
- Doesn't want to be the only Pacific team in the room
- **Understands that access to authentic, sustainable and cost-effective materials sourced from the islands which stimulates the Pacific economy are discussed and supported.**

Name

A team from a large heritage organisation

Short Bio

- Primarily local government funded but reliant on grants and sponsorship for ambitious projects.
- Have had to scale back forward programme due to reductions in funding from sponsorship resulting from COVID

Why would they want to attend (goals and aspirations)

- Would like funding to progress innovative ideas that are constantly parked due lack of money and resources.
- See the Challenge event as a professional development opportunity. Their organisation is interesting in creating a culture of innovation

Specific event needs

- One member of the team is in a wheelchair
- Would like take-away materials so they can share them with colleagues.
- Would like videos from presentations to be available online

Name

An independent arts practitioner

Short Bio

- Senior and respected visual arts practitioner
- Is represented by a dealer gallery
- Has work in collections of public galleries across Aotearoa and is frequently included in exhibitions here and in Asia Pacific region.

Why would they want to attend (goals and aspirations)

- Attending by themselves
- Interested in finding new ways to connect with art collectors.
- Also looking for connections with the tech sectors to look at new ways to run their business
- Interested in mentoring/ consulting emerging artists as a possible future income stream

Specific event needs

- Opportunities for networking with other teams and also with mentors and experts
- Ability to connect with a wider more diverse team

Name

A team from a gaming start-up

Short Bio

- Successful funded first game through crowd-funding
- All in their early 20s
- Interested in telling New Zealand stories in their games as a way to connect rangatahi with history
- Based in Kerikeri

Why would they want to attend (goals and aspirations)

- Opportunity to work with government, especially with the new history curriculum that is being developed
- Looking to find funding for their next project
- See themselves as part of the cultural innovation ecosystem
- Sounds like a cool event, good for their personal brand

Specific event needs

- Access to the mentors and experts from across the sector and potential funders
- Need to feel recognised as a part of the cultural sector
- Want to learn more around mātauranga Māori and would like advice on how to start conversations in this space in terms of their business venture and their own cultural identity.

Innovation Fund event design workshop – Overview

This document provides background information for the Workshop you are attending on 17 February to support the design of the Cultural Sector Innovation Fund ‘Cultural Sector Challenges’.

Context

Te Tahua Āki Auahatanga | Cultural Sector Innovation Fund

The \$60 million Cultural Sector Innovation Fund is a key initiative within the Arts and Culture COVID Recovery Programme, which provides \$374 million over four years to help the sector survive and adapt in the short-term and thrive in the future.

The Cultural Sector Innovation Fund is about the future. It’s about supporting the sector to thrive. It provides \$60 million over three years to support the sector to explore different, sustainable ways of working, and to enhance access to enriching and inspiring cultural experiences for all New Zealanders. The Fund also has a dedicated focus on supporting the Māori cultural ecosystem, and particularly on safeguarding mātauranga Māori as well as nurturing innovation stemming from this mātauranga.

Specifically, the purpose of this Fund agreed by Ministers in December 2020 is to support innovative projects that improve the sustainability and resilience of the cultural sector. It will fund projects that contribute towards the following outcomes:

- Access and participation is improved
- Sector sustainability and resilience is improved
- There are more commercial opportunities available for the cultural sector

The ambition is to establish an ecosystem dedicated to innovative solutions in the cultural sector that continues beyond the life of the Fund.

Sector engagement

In September 2020, we asked a wide range of representatives from across the cultural sector for their thoughts about the Innovation Fund. Key themes to emerge from this engagement were:

- concerns about contestable funding and the traditional approaches to application and assessment, which tend to favour larger, well-resourced applicants, and which encourage competition as opposed to collaboration
- a desire to see an application process developed that nurtured and developed applicants and their ideas by connecting them to organisations or individuals that can assist in the development of those ideas
- support for a kaupapa Māori approach to inform the design and implementation of the Fund

The response – Cultural Sector Challenges

In response to this feedback from the sector, Manatū Taonga spoke to key organisations within other sectors to explore funding models they have used to successfully foster innovation, including the science, technology and business sectors. The 'Challenge' or 'hackathon' was identified as a model proven to support diverse participants to validate problems and develop solutions collaboratively and quickly.

An adaption of this Challenge model will be used to deliver Round One of the Innovation Fund. Manatū Taonga have engaged the specialist innovation design agency Creative HQ to help adapt and deliver this model for the cultural sector.

What is a Cultural Sector Challenge

These Cultural Sector Challenge Events will be held in seven locations across Aotearoa. They will bring together people from the arts, culture and heritage sector, entrepreneurs, Māori and Pacific peoples, as well as investors, to solve the challenges the sector is facing around three broad themes: sector sustainability, access and participation and commercial opportunities.

The Challenge Events themselves will be two-day workshops, which will take place over a weekend. Our aim is to create an environment where future thinking people from the cultural sector and experts from the start up sector can attend and cross-pollinate. The format is designed to support anyone with an idea, concept or problem to gather a team around them, or to attend as individuals and then develop a proposal in a short space of time, with the support of innovation experts, mentors, and cultural sector advisors. At the end of the weekend they pitch their idea for funding support from the Innovation Fund.

Why we chose this model

The advantages of the Challenge model are:

- The ability to bring together a large number of participants, and promote a collaborate approach to innovation development
- Canvas wide range of ideas and short-circuit the ideation process
- An inclusive process that develops a cohort around a common problem
- Shorter, more agile innovation cycles that reduce overall risk

Purpose of this design workshop

This workshop is an opportunity for us to design a unique Challenge model for the cultural sector. We want your help to design the Cultural Sector Challenge Events in a way that is:

- Appropriate, meaningful, and effective for the cultural sector
- Culturally safe and accessible, and
- Inspirational.

Our challenge is to take a model that is traditionally designed to launch new commercial ventures and reshape it with the goal of funding ideas and projects that create positive change and new

opportunities for the cultural sector and Aotearoa. Your understanding of the cultural sector, the change that's required, and the talent and ability within the sector will be critical to help us do this.

Who's attending

You have been invited along with other practitioners from the cultural sector for your experience and expert knowledge. People attending from the cultural sector include:

- Ahilapalapa Rands
- Boni Te Rongopai Tukiwaho
- Fiona Fieldsend
- Gisella Carr
- Leo Gene Peters
- Mere Boynton
- Ngapera Riley
- Stephen Knightly
- Teina Moetara

You'll be joining key staff from Creative HQ and the core Innovation Fund development team from Manatū Taonga

- Sam Kemp-Milham, Project Manager
- Simon Bowden, Principal Advisor - Sector
- Hannah Leahy, Communications Lead
- Mareikura Whakataka-Brightwell, Communications - Māori
- Gordon McKenzie, Establishment Lead
- Jason van Hattum, Business Analyst

Workshop Details

Wednesday 17 February 2020

9am – 5pm, registration from 8.45am (we all have to sign in)

Creative HQ

Level 1, 7 Dixon St, Wellington

We will begin with a mihi whakatau to welcome you into our space followed by a harirū and morning tea before getting into the kaupapa of the day. At the whakatau, you will be asked to introduce yourselves.

For travel arrangements please contact Pene Sue: penee.sue@mch.govt.nz

Brief for building Innovation Fund Stakeholder master list

February 2021

Background

About the Innovation Fund

The purpose of the Innovation Fund is to support innovative projects that improve the sustainability and resilience of the cultural sector. There is \$60 million available to support this purpose between now and June 2023.

The first round of the Innovation Fund is being delivered through a series of events, Cultural Sector Challenges which will take place across Aotearoa beginning in April 2021.

These Challenges will bring together people from the arts, culture and heritage sector, entrepreneurs, Māori and Pacific peoples, as well as investors, to develop projects that solve the challenges the sector is facing around three broad themes: sector sustainability, access and participation and commercial opportunities. The most promising projects will receive funding to support their development.

Audience for the Innovation Fund

We are looking to attract a diverse range of people to participate in the Cultural Sector Challenges. This includes individuals and groups who are involved in, or have an active interest in, the arts, culture and heritage sector in its broadest sense.

We want to attract participants that are driven by an ambition to collaborate with others to create innovative projects which benefit their own work, the wider cultural sector, and as a result, Aotearoa as a whole.

Māori are a priority audience for this Fund.

Compiling the stakeholder lists

Meaningful stakeholder engagement will be a key success factor in the delivery of the Cultural Sector Challenges. To support this work, we need to start building a stakeholder list.

In the first phase, we are prioritising building a contact list of the following types of organisations.

Central Government

Sam Kemp- Milham can supply the contacts in the key government agencies the team have already talked to.

These include:

- MBIE
- NZTE
- Callaghan Innovation

National Membership organisations / peak bodies

We need to be able to turn these organisations into champions for the Innovation Fund and Cultural Sector Challenges. They will be key to effectively reaching the different parts of the cultural sector

as well as audiences who may sit outside the cultural sector but are of interest for the Innovation Fund (i.e. Philanthropists)

Examples include: I.e. Museums Aotearoa, WeCreate, PAANZ, Local Government NZ, National Digital Forum, LIANZA, Te Rōpu Whakahaui, Toi Māori, EVANZ, ETNZ, PHANZA

This list should also include our funded cultural agencies, I.e. Creative NZ

A good number of these are already captured in the source documents lists in the draft stakeholder list spreadsheet.

Regional contacts

The locations for the Cultural Sector Challenges are still to be determined. It is intended that all regions in Aotearoa will be reached over time. For the purposes of developing this list we are using this [list of regions](#) from DIA.

Test regions: It is likely that the Wellington Region will be the first location for a Cultural Sector challenge, with Gisborne likely to follow closely behind. It is proposed that we use these two regions as test cases for building the stakeholder list as per the approach below. We can then check in with the wider Innovation team and make any necessary adjustments before continuing.

Approach for regional contacts

- Our first priority is to compile a list of contacts for organisations who will be key **partners** and collaborators to the initial planning of the Cultural Sector Challenge in each region.
- We are also looking to compile a list of those who we may **consult** in the course of planning the event. I.e. we may seek advice/ input from them about potential speakers, mentors, activities.
- As a secondary task we can start to compile a list of people we'd like to **inform** about Cultural Sector Challenges. These are our potential participants. Feel free to note them down as you come across them, but our primary focus is to populate the partner and consult categories of stakeholders for each region. Remember we can look to reach these individual organisations working through other stakeholders.

Partners

- Iwi organisations
- Regional Economic Development Agency
 - CE
 - Communications manager
- Local Government
 - DCE or GM with responsibility for the arts, culture, heritage, community portfolio
 - The Creative Communities Scheme Administrator ([See CNZ website](#))
- Regional Arts Organisation

Consult

- Funders: Key Trusts or Foundations who fund arts/ culture and heritage projects
- Potential Champion Organisations: arts/ cultural / heritage / Incubator / Startup / community organisations who may have strong networks around them (Ensure representation of organisations who may help us reach our priority audiences as well as diverse audiences). Arts Festivals would be one example of these
- Tertiary Education Organisation

- Head of most relevant school/ Department

Inform

- Potential participants (organisations)
- Potential participants (individuals)

Style notes

Key Contacts

- In each organisation please look to collate the names (and contact details where they are available) for the CE and also the Communications Manager or someone who looks to have responsibility in a practical sense for communicating with their members. Also note anyone else who may be a useful contact.
- Do a separate listing for each person (we will be able to filter by organisations name to group the different listings together).
- Privacy note: We need to be mindful of collecting contact details in a way which means we understand how they can be used going forward. There is a column in the spreadsheet to note how individual contact details were collected. Suggested categories are:
 - Publicly listed on website
 - Supplied by Manatū Taonga staff member (include staff member's name)
 - Has previously contacted Arts and Cultural COVID programme team
 - Email address on programme newsletter list

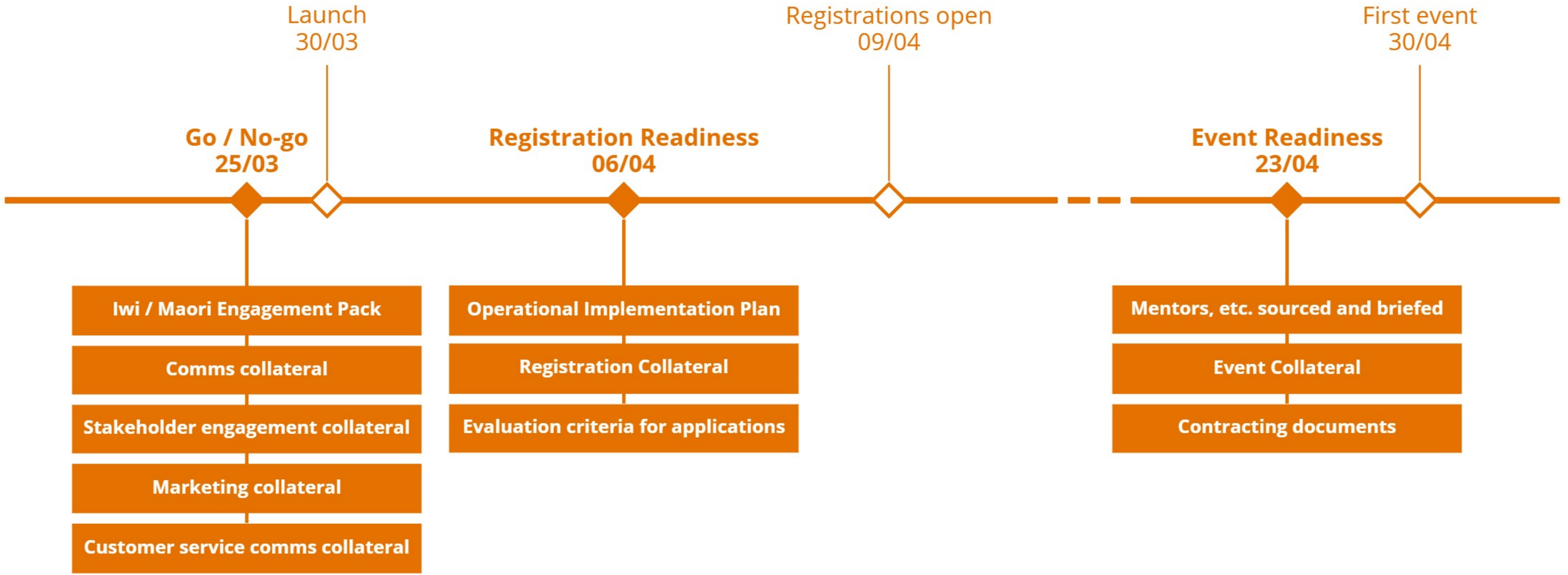
Accuracy

- This list will be used as a picking list for stakeholder communication.
- Please capture the full names of organisations as we would address them in correspondence
- Check spelling of names and title as you go

List management

- Suggest we set up drop down lists to ensure consistency of categories and to facilitate sorting further down the track.

Next Steps



SECTOR SUPPORT GOVERNANCE COMMITTEE

Paper sign out sheet

Paper title:	Cultural Sector Innovation Fund Implementation Plan
Author:	Sam Kemp-Milham
Paper consultation	
Policy and Sector Performance	<p>4 March 2021</p> <ul style="list-style-type: none"> • Polly O'Brien, Manager, Policy (Heritage) • Emma Spooner, Manager, Policy (Arts) • Sebastian Clarke, Senior Policy Advisor
MCH COVID Response Programme	<p>4 March 2021</p> <ul style="list-style-type: none"> • Rich Cook, Arts and Culture Programme Manager • Ngapaki Moetara, Strategic Māori Adviser • Simon Bowden, Principal Advisor, Sector • Mareikura Brightwell, Communications and Engagement • Jason Van Hattum, Senior Business Analyst • Chris House, Stakeholder Engagement Manager

Cover note

Paper title:	Cultural Sector Innovation Fund Implementation Plan
Reference:	Arts, Culture and Heritage Programme
Meeting:	9 March 2021
Author:	Sam Kemp-Milham

Purpose

1. The purpose of this paper is to:
 - 1.1. Inform SSGC of the Implementation Plan for the initial round of eight Cultural Sector Challenge events planned to launch on 24 March 2021.
 - 1.2. Seek agreement to delegate the approval of Cultural Sector Innovation Fund launch collateral to Jeff Gibson and Anna Butler.
 - 1.3. Seek agreement to delegate the go / no-go decision for the initial round of Cultural Sector Challenge events to Jeff Gibson and Anna Butler.

Recommendations

2. It is recommended that you:
 - 2.1. **Approve** delegation of the approval of collateral to support the launch of the Cultural Sector Innovation Fund to Jeff Gibson and Anna Butler.
 - 2.2. **Approve** delegation of the go / no-go decision for the launch of the initial round of the Cultural Sector Challenge events to Jeff Gibson and Anna Butler.
 - 2.3. **Approve** the Implementation Plan.
 - 2.4. **Note** the Implementation Plan to opening the initial round of the Cultural Sector Challenge events, planned to launch on 24 March 2021 (pending Ministerial approval of the date) with registrations opening for the first two events on 7 April 2021.
 - 2.5. **Note** that this Implementation Plan is aligned with the Cultural Sector Challenge events communications and engagement approach.

Background

1. The purpose of the Innovation Fund is to support innovative projects that improve the sustainability and resilience of the cultural sector. Fund outcomes and the approach to fund delivery were approved by Minister Sepuloni in December 2020 (BR2020/409 refers).
2. As outlined in BR2020/409, the initial round of the Innovation Fund will consist of a series of Cultural Sector Challenge events. In the last fortnight, Manatū Taonga has undertaken further sector consultation, including with Māori, to inform the detailed design of the Cultural Sector Challenge events. In 2021, there will be 16 events delivered across Aotearoa beginning on 30 April 2021, including two online events. Manatū Taonga will launch the marketing campaign for the events on 24 March 2021.
3. These events will bring together teams and individuals involved in arts, culture, and heritage in its broadest sense — including tangata whenua, communities, entrepreneurs, and investors — to develop projects that address issues the sector is facing around three outcome areas:
 - sector sustainability
 - access and participation
 - commercial opportunities.
4. At the conclusion of these events, the most promising projects will receive either *seed funding* or *full project funding* to support their further development.
5. More than just a series of events, the ambition is to foster a collaborative innovation ecosystem within the sector dedicated to exploring innovative solutions into the future.
6. This implementation plan will address activities and engagement pre-event and during events. There will be a further detailed plan for post-event activities, including wraparound support and ongoing engagement.
7. Planning has confirmed that the delivery approach is acceptable to the sector and that the timeframes are realistic and achievable. Lessons learned from the launch of the Capability Fund have been factored into the approach taken for planning this launch including ensuring additional time is planned for translation and clear identification of business owners.
8. There will be an in-depth review and evaluation of the process after the second event, and informal design and delivery reviews after all events. This will allow us to iterate and adapt to meet the needs of the sector for upcoming rounds. This will also inform the wider procurement approach for the subsequent eight events.

What we heard at the sector design workshop

9. In February 2021, our delivery partner, Creative HQ (CHQ), facilitated consultation with sector representatives, including four Māori, one Pasifika, and three pākeha advisors. This consultation helped Manatū Taonga to further develop and refine the delivery model for the Cultural Sector Challenge events.

10. Key themes of feedback from the sector design workshop:

- Engage with the wider sector and, where possible, reduce the pace of implementation
- Align this kawa with mana whenua in the locations of the face-to-face events
- Ensure the facilitators and mentors are representative, especially of Māori
- Reduce the emphasis that applicants are in competition with each other for funding and elevate the opportunity to collaborate, for example by giving the participants a role in project selection, and de-emphasising the “challenge” aspect of the events
- Reposition Manatū Taonga from a funding body to a partnership organisation by making a commitment to learning together
- Clarify Manatū Taonga’s strategy, vision, and target audience for the Cultural Sector Challenge events
- Ensure the mana and the intelligence of the participants is recognised and preserved by paying people to attend the Cultural Sector Challenge events
- Consider providing seed funding for the development of ideas and full funding to developed ideas
- Strong concern about only visiting eight regions and Manatū Taonga needed to offer the opportunity to all regions to ensure equity

11. Kaupapa Māori principles were presented, endorsed, and developed at the workshop. The development included placing the principles in a Marae context so the principles can act as a framework for event development, marketing, and delivery.

Refinements to design following sector and Māori consultation

12. After giving regard to sector feedback and the outcomes agreed with the Minister in December 2020 (BR2020/409 refers), the following approach to delivery of the Cultural Sector Challenge events has been developed:

- A Kaupapa Māori framework has been developed to guide event development, delivery, and communications. The kawa of this model will be altered to be constant with mana whenua in any location an event is presented.
- In addition to the 14 face to face events, two online events will be produced. The first online event will consider developed projects and teams. The main purpose of this event is to consider full funding for projects.
- The locations for the 14 events are being selected following a Kaupapa Māori process. The events are being held throughout Aotearoa to ensure access.

- With stakeholder support in each region and targeted communications for priority groups, the events will be marketed to cultural sector practitioners and to wider innovation sector excerpts. Participants will be able to attend the events as individuals or as teams.
- Thirty percent of the capacity at Cultural Sector Challenge event will be reserved for Manatū Taonga to manage to ensure the attendees are representative of priority groups and provide a good gender balance. People that do not register in time will be wait listed.
- Manatū Taonga representatives will attend the Cultural Sector Challenge events along with evaluation panel members. The events will serve as an opportunity for Manatū Taonga to learn from the sector.
- All Cultural Sector Challenge event participants will be treated with the utmost respect with their knowledge and commitment acknowledged, however, participants will not be paid to attend.

Using a Kaupapa Māori approach

Te ingoa

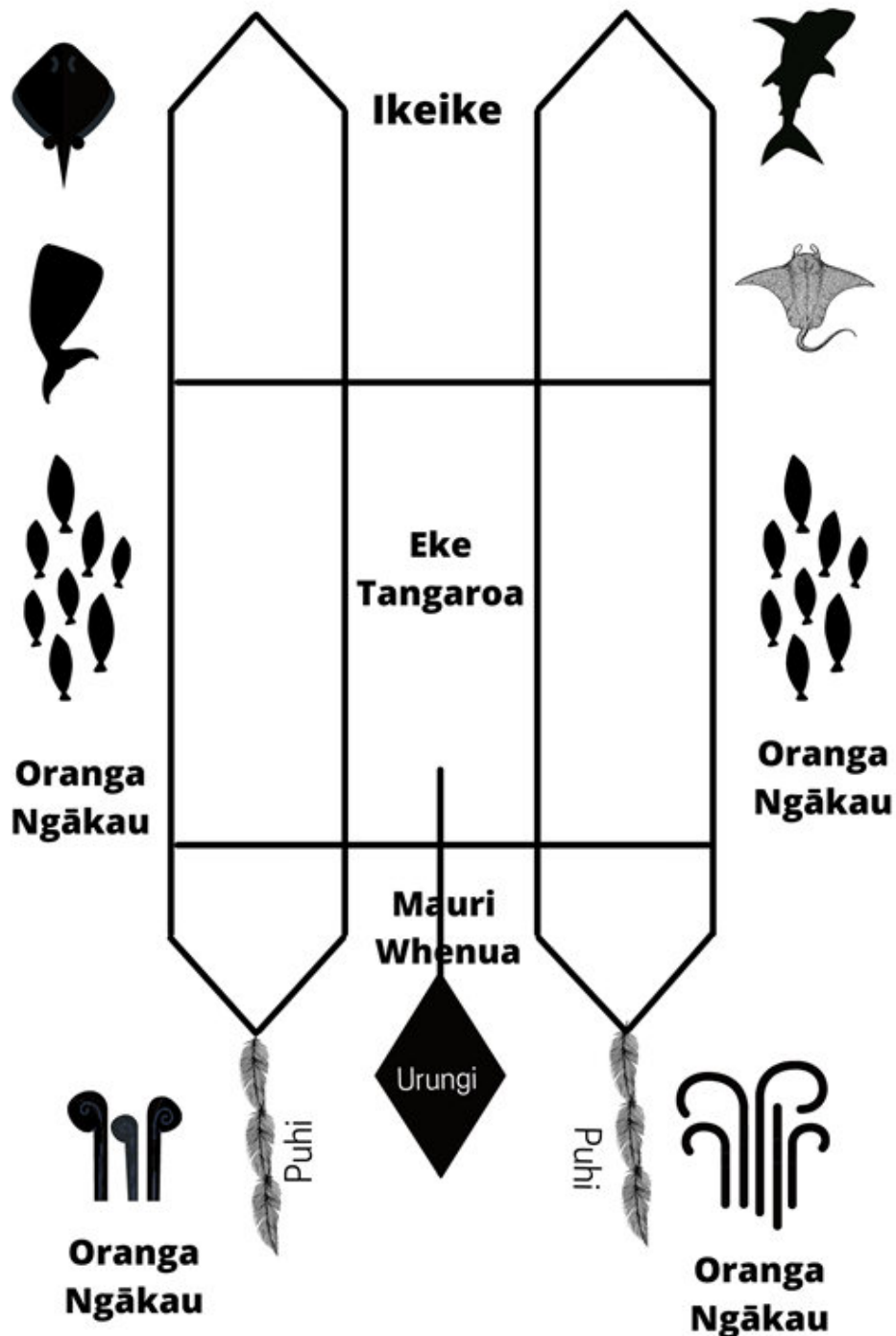
13. The proposed name for the event series is Te Urungi: Innovating Aotearoa. This will be tabled for further discussion at the SSGC meeting.
14. Te Urungi, the steering paddle of the waka is equal parts art, technology, science and spirit. It has a higher purpose beyond function and aesthetic. It is a rudder that guides agility and provides stability. It drives direction from the taurapa, the back of the vessel. Long streamers known as puhi hang from different parts of the stern, acknowledging the elements in a journey and the final point of connection to the land of origin. The context of place gives purpose to exploration. Te Urungi guides innovation to include a clear relationship to context and purpose.

Te whakatauki

15. Manatū Taonga has developed a whakatauki to support delivery of the Fund: *Kia rapahoe te uru, anō he matimati nō Tangaroa ā te Toi* which loosely translates to *When the blade of the steering paddle plunges into the water, it becomes the creative fingers of Tangaroa.nua.*
16. The following illustration represents an aerial view of a waka hourua which shows the Fund's Mātauranga Māori principles within the waka context.
- 17.
18. The rapahoe is the blade of a paddle and embodies the epitome of maritime technology as it is the very tool used to stabilise the waka on its path through the waves. It is both functional and artistic in nature. When the paddle plunges into the water, it takes on a spiritual element and becomes the fingers of Tangaroa, the God of the ocean, and of the arts, guiding the waka through the great seas to its final destination: a multi layered approach to innovation.

Mātauranga Māori principles

19. The waka is a universal icon for exploration and journey. In the context of the Fund, 'innovation' is the vehicle, and the practitioner is the kai-urungi (navigator). Te Urungi is the steering paddle by which the waka is guided. Both the puhi and the steering paddle connect innovation to the principle of purpose - Mauri Whe



20.

Guiding Principles

Ikeike | elevate – This is the impetus or call of the Fund. It calls for the sector to strive for excellence and to reach the top. This principle is represented by the front of the waka or the ‘tau ihu’, which embodies the space of skill, ambition and striving to be the best. It is also the first part of the canoe that meets the waves head on.

Eke Tangaroa | audacity – From the whakataukī ‘Eke Panuku, Eke Tangaroa’ which speaks about braving the great oceans of Tangaroa, this gives permission to be bold and take risks. This principle is positioned in the middle of the waka where the tohunga would stand and direct the front and the back.

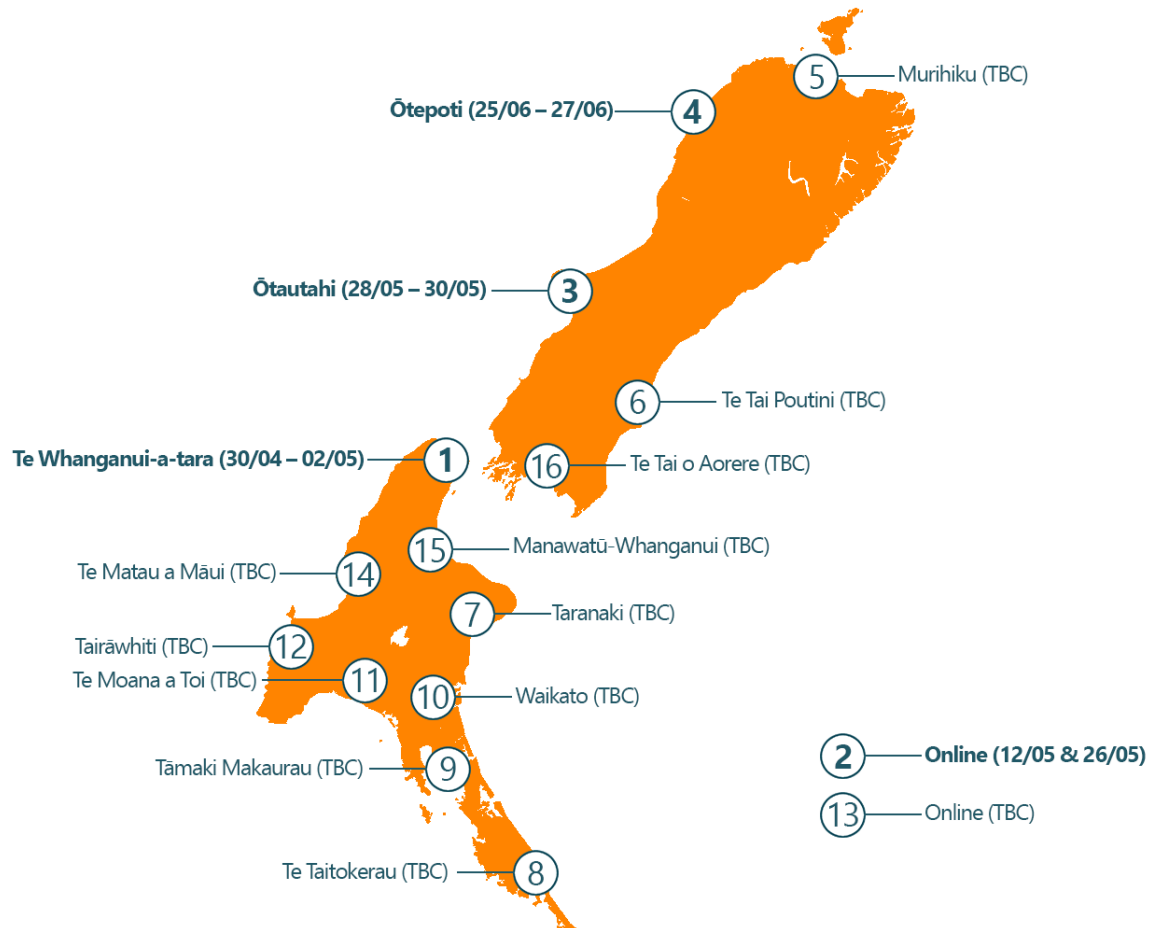
Mauri Whenua | life force of the land to which we are all connected – This is what grounds everything done in pursuit of innovation and success: it informs the rules of engagement and compels us to consider the whenua as central to our endeavours. This principle is represented by the urungi or the steering blade at the back of the waka because it speaks to our direction and purpose.

The Puhi is also significant as it is the first part of the waka that touches the whenua after a voyage and acts to whakamana the mauri and kawa of that particular area. It connects the waka to that whenua.

Oranga Ngākau | the living essence – This is the aspiration of the Fund. It describes the heart-flutter and excitement that innovation brings us in the moment and after. Within the waka context, this principle is represented by the elements, maritime creatures and deities who enable the canoe to stay on the right path by providing the support and resources necessary to arrive safely to the destination. These principles are universal ao Māori concepts that are rooted in Māori heritage and culture and are applicable to all tangata whenua as they are not iwi specific. In addition, because they are universal, these principles are applicable in any tikanga or kawa setting.

Locations and timing

21. The following map outlines the order of regions for the events. Events in bold are planned to take place in FY20/21:



Note: Māui is one of our great heroes and is also responsible for fishing up the great fish that forms the North Island of Aotearoa. We now call it, Te ika a Māui and Te Whanganui-a-Tara is the head of the fish or Te ūpoko o te ika a Māui. The South Island or Te Wai Pounamu is called Te waka a Māui or Māui's canoe. Therefore, from an ao Māori perspective, the map of Aotearoa should position the ūpoko of the ika as facing upwards as this would be appropriate from an ao Māori worldview.

22. The regional selection was based on two narratives. To begin in Te Whanganui-a-Tara at the head of te Ika-a-Māui is appropriate and Manatū Taonga is situated there. The same kawa will then be applied to the two online events. We then cross over to Te Wai Pounamu to follow the pounamu trade routes that were administered by waka. There is a story of an expert masonry situated in the far north that sourced pounamu from the South Island and obsidian from Tuhua Island in the Bay of Plenty to make chisels and adze's to supply the countries artists. They would send the waka up north with the source material to be fashioned then redistributed throughout the country.

23. Appendix 1 provides a more detailed timeline for the initial round of Cultural Sector Challenge events.

Entry criteria and registration process

24. BR2020/409 recommended that the Fund should have broad scope and reach beyond the traditional interpretation and definition of the sector. This must be balanced by the Fund's focus on Mātauranga Māori and the widely recognised benefits that diversity has for creativity and innovation.
25. To achieve this balance the Fund registration process will allow for open registration for the first 70% of available spaces in each event. Manatū Taonga will then assess the demographics of registrations to determine whether there is reasonable gender, ethnicity, and sector representation. If there is not reasonable representation, Manatū Taonga will engage its regional networks to fill the remaining spaces.
26. Registration will be open to individuals and teams, with regional events targeted at ideas that need further development and online events targeted at funding-ready proposals. This approach will be refined as the events progress.
27. Manatū Taonga will manage registrations using an online event management service, such as Eventbrite. These are commonly used by government agencies to manage events of this nature, easy for participants to use, and are usually provided for free for free events. The project team has engaged the Digital Operations Advisory Group (DOAG), the Legal Team, and Privacy Officer to ensure the correct process is followed for selecting and using an online event management service.

About the events

28. Each Cultural Sector Challenge event will be a 2.5-day high-touch, short-format workshop that facilitates the co-creation of ideas within a theme to address the Fund's outcomes. They are designed to provide:
 - an experimental, collaborative, and creative way of solving problems or seeding ideas, with a bias towards building a solution that fixes a problem, or identifying a gap in the cultural sector that is currently not met effectively by others; and
 - a fast pace that enables the rapid development of those solution ideas into something that is efficiently identifiable as either feasible for the Fund or not.
 - a strong focus on supporting projects that encourage the protection, transmission, and retention of Mātauranga Māori.
29. Manatū Taonga will also invite cultural sector leaders, innovation experts, mentors, technical specialists, and private investors to attend the events. These attendees will be available to offer support, advice, and technical assistance for applicants in developing their proposals. It is hoped that by encouraging these interactions and new relationships Manatū Taonga is creating the foundations of a sustainable innovation ecosystem.
30. Throughout the event, participants will work in small groups, generally 3 to 5 participants, following a structure facilitated by trained Innovation Specialists. We

will aim to provide a fun, permissive, and inclusive environment in which to do this, and we will use experienced facilitators to deliver an experience that brings out the best in the participants. Appendix 2 includes a high-level run sheet for the face-to-face events.

31. There will be training available for Manatū Taonga staff to be able to co-facilitate the events, thereby lifting the capability of Manatū Taonga through the process, with a view to building sustainability within Manatū Taonga to be able to facilitate similar events in the future.
32. Appendix 3 describes the positioning of each Mātauranga Māori principle and its function in relation to the Cultural Sector Challenge events and its participants.

Panel membership and responsibilities

33. In line with other contestable funding administered by Manatū Taonga, a pool of panel members will be available to evaluate applications. They will attend events and evaluation panel meetings after the events.
34. A minimum of three panel members will attend each event and will collectively possess skills/knowledge in Mātauranga Māori, sector expertise, and Innovation Fund policy. The Panel may also call upon additional expert advisors to assist with evaluation when required. Specific responsibilities for the panel members are included in Appendix 4.
35. In addition to MBIE's procurement best practice guidance, the Investment and Outcomes Team has developed standard operating procedures to support evaluation panels. Following Panel moderation and recommendations, SSGC will be asked to confirm funding decisions and applicants will be advised of results.

Funding

36. The Ministry has committed to allocating a minimum of \$5 million of the Innovation Fund for FY20/21, with up to \$12 million available and at least \$1 million of this to be awarded to Mātauranga Māori projects. Up to \$26 million has been allocated for FY21/22. Funding will be a mixture of seed funding (up to \$20,000) and full project funding (up to \$5 million).

Performance measures

37. Performance measures have been developed for this financial year. These are provided in Appendix 5.

Contingency in the case of COVID-19 alert level changes

38. There is potential for COVID-19 alert level changes to disrupt the face-to-face events outlined in this implementation plan.
39. In the case that a location is at COVID-19 alert level 2 at the time of an event, Manatū Taonga plans to reduce registration to no more than 80 participants and

hold any additional participants in a waiting list. This leaves capacity for up to 20 support people.

40. Auckland has recently faced fluctuating COVID-19 alert levels up to level 3. To manage this risk, we plan to hold the Auckland face to face event in the latter half of the fund timeline.

41. If the country moves to COVID-19 alert level 3 or 4 Manatū Taonga will move the events online.

Go / no-go decision

42. The go / no-go decision includes:

- confirmation of the minimum viable product collateral required for launch
- technology registration tool readiness, and
- readiness of the Investment and Outcomes team.

43. To provide flexibility to the programme, this paper seeks your agreement to delegate this decision to Jeff Gibson and Anna Butler. Similar to the approach taken for the launch of Capability Fund round one, a minimum viable approach to collateral is being taken.

Procurement

44. There will be an in-depth review and evaluation of the process after the second event, and informal design and delivery reviews after all events. This will allow us to iterate and adapt to meet the needs of the sector for upcoming rounds. This will also inform the wider procurement approach for the subsequent eight events.

Appendix 2 – Cultural sector challenge event high level run sheet

Day 1

- Pōwhiri
- Hākari - Kai after the Pōwhiri
- Expert inspirational presentations
- Mingle
- Konohete | Performance

Day 2

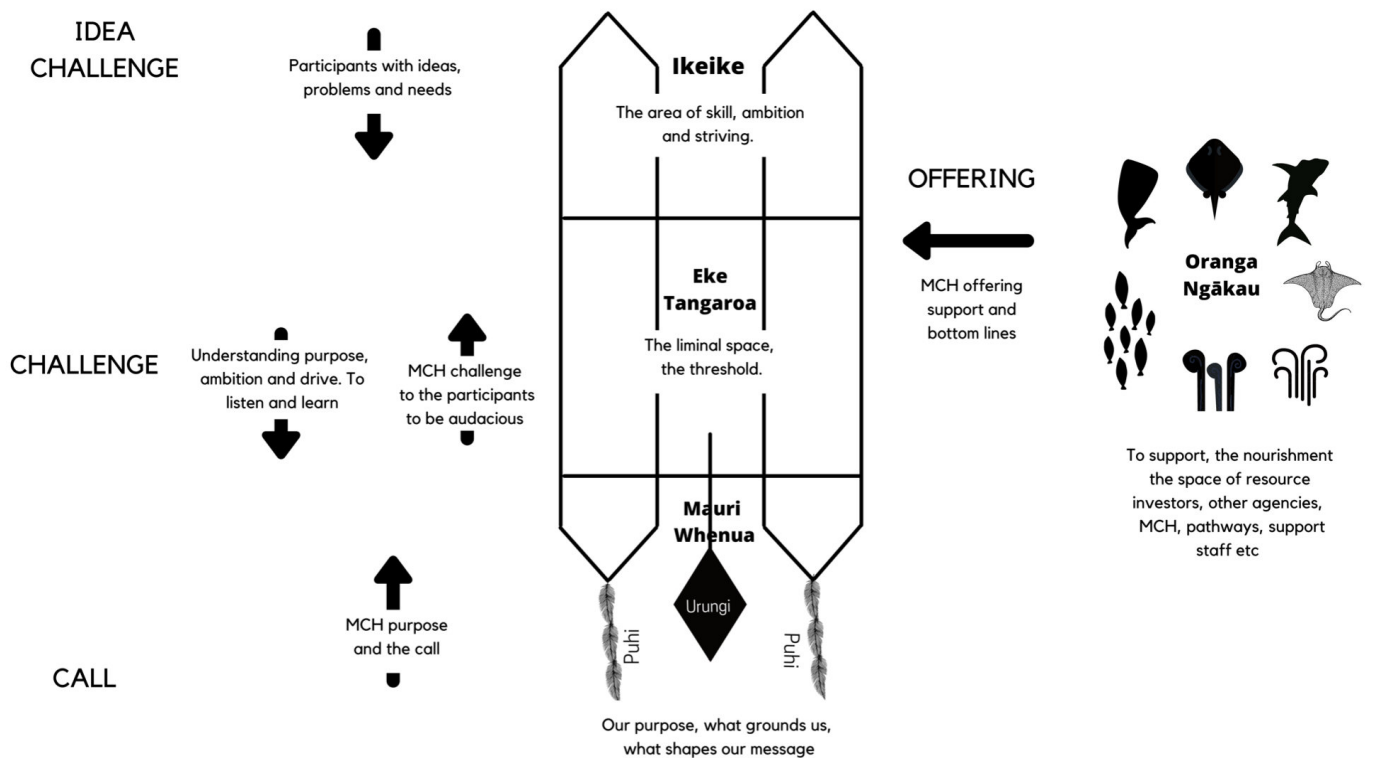
- Te Hōtaka and Ngā Pou | Agenda and Principles
- Mahi Tuatahi | Working session one (problem statement & validation)
- Mahi Tuarua | Working session two (1:1 with experts, mentors & coaches)
- Ea | Wrap-up | Next Steps
- Pōwhakangahau | Evening event

Day 3

- Revisit te rā tuatahi | day one
- Mahi Tuatahi | Working session one (community cohort testing)
- Mahi Tuarua | Sharing back (make pitch)
- Ea | Wrap-up | Next Steps

Appendix 3 - The function of the Mātauranga Māori principles

This illustration demonstrates the positioning of each principle and its function in relation to Manatū Taonga and the Cultural Sector Challenge events and its participants.



Mauri Whenua is universal and speaks to purpose and direction. In this case, Manatū Taonga’s purpose through the Innovation Fund is to create sustainability, access and appropriate commercialisation opportunities for the arts and culture sector with the goal of establishing a resilient ecosystem. This purpose is grounded in the need for Manatū Taonga to create the conditions in which the sector can thrive in the future. Participants also enter this exercise with their own purpose, their own Mauri Whenua which provides Manatū Taonga with a real opportunity to learn and listen to the sector to support their needs and aspirations.

Eke Tangaroa is placed in the liminal space and has a main function to challenge participants to be audacious in their endeavours to innovate. Also, it controls the front and the back and so has the dual function of encouraging boldness at the front but also to be calm and listen at the back. Both notions are important when incubating and testing ideas and so participants will be able to apply this system to the development of their projects.

Ikeike represents the front of the canoe and invites participants to bring their best foot forward in order to brave the waves of challenges ahead. Everyone who is involved in this process will have an end goal in mind or the pinnacle of their particular project and so this principle allows them to disagree, debate, provoke, validate and test old and new thinking in order to reach the very top of their game.

Oranga Ngākau is represented by the elements and maritime life because they enable the waka to arrive safely to the desired destination. This notion makes the heart flutter as when participants know that they are fully supported, they will be able to reach their innovation goals. This speaks to the role of Manatū Taonga and others in enabling the process to happen and to support the sector in their endeavours to build resilience and sustainability. This positioning is fundamental as Manatū Taonga is not here to judge, rather to listen, learn and support.

These principles will be applied to the shaping of the Fund's delivery of the Cultural Sector Challenge events - the way that the schedule, facilitation, evaluation, and regional stakeholder engagement is developed and implemented and to inform Manatū Taonga's approach to upholding standards of Mātauranga Māori.

Appendix 4 – Panel member responsibilities

When attending an event, panel members will be responsible for:

- Responding to invitations from event teams wishing to share an idea or proposal with Manatū Taonga.
- Ensuring all kōrero with event teams is recorded.
- Listening to teams to understand the problem they are addressing and the intentions behind their innovative solution.
- Ensuring that participants understand the criteria that Manatū Taonga will be basing decisions upon.
- Drawing out any relevant information that may help participants to be successfully funded by Manatū Taonga.
- Informing participants of timeframes relating to funding decisions.

When attending an evaluation panel meeting, panel members will be responsible for:

- Reviewing all audio/video recordings
- Considering all ideas/proposals against the set criteria
- After robust discussion with the panel, agree consensus scores and comments for each idea/proposal
- Determine funding recommendations, amounts and conditions
- Agreeing to minutes capturing the key discussion points decisions resulting from the evaluation panel meeting.

Appendix 5 – Performance measures for FY20/21

For the initial round of eight events, the following performance measures will be used to assess:

- How successful the Cultural Sector Challenge event concept and design were at engaging the sector and Māori
- How successful the Cultural Sector Challenge event concept, design, and implementation were at establishing the foundation of an innovative ecosystem
- How successful the concept, design, and event facilitation were at supporting applicants through a non-traditional process from idea to funded proposal.

The proposed performance measures are:

Measure	Target	Which tells us	Source
Events were well attended	> 80% of capacity over the events	The concept and design were successful at engaging the sector and Māori	Registration form
Events were attended by a diverse cohort	> 50% from cultural sector over the events	Manatū Taonga was successful at targeting its communications	Registration form
	> 16.5% Māori over the events	The concept and design were successful at engaging Māori Manatū Taonga was successful at targeting its communications	Registration form
Attendee satisfaction	> 80% of attendees met someone new that they would consider keeping in touch with or working with in future	Manatū Taonga was successful at laying an initial foundation for an innovation ecosystem in the cultural sector	Event survey
	> 80% learned about a new resource or tool	The concept and design were successful	
	> 80% learned something that they would use in future		
	> 80% feel more confident about how to develop their ideas		
Proposals put forward	> 60% of teams attending put forward a proposal at the end	The design of the events was effective at helping applicants develop their ideas into funding proposals	Post-event analysis

Cultural Sector Challenge events

Communications and Engagement Approach

Te Tahua Āki Auahatanga | Cultural Sector Innovation Fund

Purpose

This document outlines the communications and engagement approach for the Cultural Sector Challenge events.

The scope of this paper includes communications and engagement activities leading up to and during the events. A separate paper will be developed to address communications and engagement requirements for post-event activities, including wraparound support.

Context

The Innovation Fund has a cross-sector, future-focus and provides \$60 million in support between now and June 2023. It complements two other important cross-sector funds within the Arts and Culture COVID Recovery Programme, the Cultural Sector Capability Fund (\$20 million over two years) and the Creative Arts Recovery and Employment Fund (CARE) (\$70 million over three years). Collectively, these funds are designed to help the sector, survive, adapt and thrive in a COVID environment and beyond.

The purpose of the Innovation Fund is to support innovative projects that improve the sustainability and resilience of the cultural sector. The initial round of the Innovation Fund will consist of a series of Cultural Sector Challenge events. These events will be delivered in a rolling programme across 14 regions beginning on 30 April 2021. There will also be two online events.

The Cultural Sector Challenge events will bring together teams and individuals involved in arts, culture and heritage in its broadest sense, tangata whenua, communities and entrepreneurs, as well as investors, to develop projects that address issues the sector is facing around three outcome areas:

- sector sustainability
- access and participation
- commercial opportunities.

At the conclusion of each Cultural Sector Challenge event, the most promising projects will receive either seed funding or project funding to support their further development.

More than just a series of events, the ambition is to nurture a collaborative innovation ecosystem within the sector dedicated to exploring innovative solutions into the future.

The Cultural Sector Challenge events will be launched on 24 March 2021 [date pending Ministerial agreement]. This launch announcement will include details of the first three events – two regional events in Te Wanganui-a-Tara Wellington and Ōtautahi Christchurch [pending Mana whenua support] and a third nationally focused online event.

Mātauranga Māori principles

The Mātauranga Māori principles below have been developed to help shape the Innovation Fund as a whole and will also guide the implementation of the communications and

engagement approach. An explanation of these principles is included on page 8 of the Cultural Sector Challenge events Implementation Plan.

- Ikeike
- Eke Tangaroa
- Mauri whenua
- Oranga ngākau

Communications and engagement overview

The communications and engagement activities will be critical to achieving the purpose and objectives of the Innovation Fund. The approach outlined here is designed to enable Manatū Taonga to build strategic relationships with iwi/Māori and key stakeholders, generate awareness about the Fund, drive participation in the Cultural Sector Challenge events, and nurture an innovation ecosystem.

The Cultural Sector Challenge events will be rolled out region-by-region across Aotearoa. After an initial national launch, the communications and engagement approach outlined here adopts this same region-by-region pacing. This allows for meaningful, tailored engagement and communications, which will help ensure the best outcomes for each community. See Appendix 1 for an illustration of this phased approach.

Consideration has been given to how best to position the Cultural Sector Challenge events alongside the other funding opportunities available for communities within the Arts and Culture COVID Recovery Programme. A schedule plotting out communications to stakeholders and audiences will be produced so that joined-up activities are achieved where possible.

Engagement approach

OBJECTIVES

- Build Manatū Taonga's reputation as a leader and partner in the arts culture and heritage sector
- Build meaningful relationships between Manatū Taonga and iwi/Māori and strategic stakeholders to support the delivery of the Fund over its lifecycle
- Build regional connections to help ensure the delivery of the best outcomes for communities
- Explore options with iwi/Māori and strategic stakeholders to create a collaborative innovation ecosystem.

Iwi/Māori engagement

Embedded within its purpose and across all three outcome areas, the Innovation Fund has a focus on supporting the cultural aspirations of iwi/Māori, particularly on safeguarding mātauranga Māori while nurturing innovation stemming from this mātauranga.

The following kinds of organisations and groups have been identified:

- National and urban Māori organisations
- Iwi trusts
- Iwi and hapū
- Ngā toi Māori, Māori media and entertainment organisations
- Māori groups in the art, culture and heritage space

- Government departments that support iwi/Māori development: Te Puni Kōkiri (TPK), Department of Internal Affairs (DIA), and Ministry of Business, Innovation and Employment (MBIE)
- Local body iwi/Māori relationship managers

APPROACH

The Innovation Fund project team recognises that Manatū Taonga has a number of existing relationships with iwi/Māori. After consultation with the Manatū Taonga kaimahi who hold these relationships, an initial approach will be made to iwi who are mana whenua in each of the proposed Cultural Sector Challenge events locations to discuss the best timing and opportunities to deliver these events within their communities.

Building these relationships, will help lay the foundations for new and ongoing relationships between Manatū Taonga and regional Māori communities for the life of the Fund and beyond.

To achieve the broader outcome of developing an innovation ecosystem, a more detailed plan will be developed. This will outline what ongoing engagement with iwi/Māori in each region might look like, how iwi/Māori may want to work with us going forward, and what support Manatū Taonga may like or expect from these groups. It will also identify options for who is best placed in Manatū Taonga to steward these relationships.

Stakeholder engagement

Manatū Taonga has a network of sector stakeholders. The Innovation team have begun a process of identifying which of these stakeholders are critical to our strategic objectives for the Innovation Fund. These include:

National

- Government departments with an interest in innovation (i.e. MBIE, New Zealand Trade and Enterprise (NZTE), DIA, TPK, Local Government New Zealand (LGNZ), Callaghan Innovation)
- Funded Cultural Agencies
- Peak bodies/ membership organisations (within and outside cultural organisations such as entrepreneurs)
- Investors (philanthropists, trusts and foundations, angel investors)

Regional

- Local government
- Regional Economic Development Agencies
- Regional Arts Organisations
- Major cultural organisations (i.e. Festivals, galleries, theatre/ companies)
- Key regional creative / cultural thought leaders

APPROACH

The regional events offer an immediate opportunity to start building these relationships which will lay the foundations for new and ongoing relationships between Manatū Taonga, the sector and regional communities for the life of the Fund and beyond.

The first two Cultural Sector Challenge events have short timeframes however, so a flexible approach around the initial engagement will be required. The planning for each event will

begin with engagement with both national and regional strategic stakeholders, to discuss the opportunities for each region's communities.

To achieve the broader key outcome of developing an innovation ecosystem, a more detailed plan will be developed that outlines what the ongoing engagement might look like, how our strategic stakeholders may want to work with us going forward, and what support Manatū Taonga may expect from these groups. It will also identify options for who is best placed in Manatū Taonga to steward these relationships.

The communications approach below captures the network of stakeholders the Innovation team will collaborate with to utilise their networks to help promote the Cultural Sector Challenge events.

Communications approach

External communications

OBJECTIVES

- Build nationwide awareness of Innovation Fund, its objectives and how it complements other funding opportunities within the Arts and Culture Programme
- Build regional awareness of the Cultural Sector Challenge events.
- Drive event registrations from a diverse range of participants in line with intended audience
- Inspire stakeholders to become champions for the Innovation Fund and share our messages with their communities
- Seed the idea of an innovation ecosystem
- Reflect ao Māori perspectives in all communications
- Reinforce the value of arts, culture and heritage for Aotearoa and make innovation part of that story

AUDIENCES

Manatū Taonga is looking to attract individuals and teams who are involved in, or have an active interest in arts, culture and heritage in its broadest sense.

Tangata whenua are a priority audience for this Fund and diversity is a prerequisite for innovation.

In addition to those who are already likely to consider themselves to be in the arts, culture and heritage sector, Manatū Taonga is explicitly looking to attract individuals and teams representing the following areas:

- Tangata whenua (iwi, hapū and marae communities)
- Creative industries
- Start up, entrepreneurial community
- Tech sector
- Digital delivery platforms
- Community development

Across all audience areas, Manatū Taonga is looking to attract participants from:

- Diverse ethnic communities
- Rangatahi youth

- Groups who experience barriers to access and participation in arts, culture and heritage, such as the disability community.

Regardless of which audience segment an individual is in, Manatū Taonga is looking to attract people who are driven by an ambition to work in different, collaborative ways to create innovative projects which benefit their own work, the wider arts, culture and heritage ecosystem, and as a result, Aotearoa as a whole.

CONTENT

A compelling narrative will be written that captures the essence of the Innovation Fund and has a strong value proposition for both participants and our stakeholders.

The narrative will clearly communicate the benefits the Cultural Sector Challenge events will provide to participants, and to New Zealand by helping build an innovation ecosystem focused on arts, culture and heritage. This narrative will be designed specifically to speak to our intended audience.

Diversity is a prerequisite for innovation and is therefore a key driver of the communications messaging for the Cultural Sector Challenge events. Māori are a priority audience for this events series and attention will be given to ensuring ao Māori is reflected in all communications.

A design agency with specialist kaupapa Māori expertise is being engaged to develop a visual identity which will translate the narrative and messaging through every touch point we use to communicate the Cultural Sector Challenge events.

Content will be developed and repurposed through multimedia streams such as videos, blogs, digital assets and media.

Key messages and reactive Q&As will be developed to support the Minister's office and media responses. These key messages will also help inform all engagement and communications content.

This messaging will cover:

- Event FAQs
- Project criteria
- Eligibility criteria
- Registration process
- What happens after the Cultural Sector Challenge events?
- What other funding opportunities are available within the Arts and Culture COVID Recovery Programme?

CHANNELS

To support the launch of the Cultural Sector Challenge events multiple channels will be used to reach our different targeted audiences. This campaign will be designed to tell the story of the Cultural Sector Challenge events, generate excitement, drive participation in the events themselves, and seed an ongoing innovation ecosystem.

The campaign will be run through:

- Newsletters to existing lists
- Social media including using Manatū Taonga's existing digital channels - Facebook, Instagram, LinkedIn, Twitter and YouTube (paid and organic campaigns)
- Manatū Taonga website
- Iwi/Maori, Pacific and other cultural groups channels
- Stakeholder channels (as listed in stakeholder section plus others)

- Online information sessions (similar to the recent sessions run in collaboration with Arts Access Aotearoa for the Creative Space initiative)
- Other offline marketing activity as appropriate to the region

LAUNCH AND NATIONAL MEDIA CAMPAIGN

The Cultural Sector Challenge events will be launched by the Minister for Arts, Culture and Heritage on 24 March [date to be confirmed with Minister's office]. This will mark the beginning of a proactive national and regional media campaign.

The plan for the launch will be finalised in discussion with the Minister's office once this paper is approved.

This launch will profile the overarching the Cultural Sector Challenge events concept, and the locations and dates of the first three events - Te Wanganui-a-Tara Wellington, Ōtautahi Christchurch and online.

A comprehensive national and regional media plan will be developed identifying stories for a range of media designed to reach the diverse audience for the Cultural Sector Challenge events.

Examples of national media who will be targeted in the initial launch phase include:

- Big Idea
- Standing Room Only (RNZ)
- Stuff
- Māori TV
- Ideolog
- #nzentrepreneur

REGIONAL MEDIA CAMPAIGN

A focused regional media campaign will be launched in the lead up to each event.

Examples of regional media which will be targeted include:

- Newspapers
- Iwi, Access and Student Radio.

MEDIA SPOKESPEOPLE

The spokesperson will be determined on a case by case basis depending on the nature of the media request.

Around the time of the launch, the Minister will be the spokesperson for the Cultural Sector Challenge events and will be offered all substantial interview requests.

Potential Manatū Taonga spokespeople include:

- Tumu Whakarae Chief Executive
- Pou Mataaho o Te Pae Huarewa Deputy Chief Executive, Māori
- Pou Mataaho o Te Aka Deputy Chief Executive, Policy and Sector Performance.

The Manatū Taonga team will also build a group of external subject matter expert spokespeople and champions from different audience segments, and different regions who can speak to media about different aspects of the innovation kaupapa. This list will be agreed in advance.

Internal communications

OBJECTIVES

- All staff understand the Innovation Fund, its objectives and how it sits alongside other funding opportunities within the Arts and Culture programme
- All staff understand where to direct enquiries
- Staff involved in managing public and stakeholder queries feel well equipped to do so

APPROACH

Manatū Taonga staff are an important part of the communications and engagement approach for the Innovation Fund. Our staff are deeply connected within the cultural sector. Empowered with good key messages, and clear guidance on how and when to hand over enquiries to the programme team, staff can be good advocates for the Fund.

Communications with staff will be shared through all the usual channels around the time of the launch, including:

- Intranet
- Managers' cascade
- All staff emails
- Te Hinu

More in-depth material will be prepared to support those directly handling stakeholder and public enquiries. The programme communications team will work alongside the Investments and Outcomes team to prepare template responses, and a full set of Q&As to support those working in these roles.

Communications and engagement measures

The following measures will be used as indications of the effectiveness of the communications and engagement approach outlined here. The regional roll out of the Cultural Sector Challenge events means there will be opportunities for continual refinement and improvement of our approach.

- Media coverage (national and regional, spread of publications to reach diverse sectors)
- Social media reach
- Strong attendance by diverse participants (average of 80% capacity, Māori participation in line with census)
- Stakeholders helped extend our reach by pushing the information through their channels.
- Positive feedback from strategic stakeholders in each region, that it was valuable partnering with us on this initiative, and that they are interested in engaging with us for the life of the Fund.
- Strong stakeholder and participant networks are established and are interested in being part of ongoing innovation ecosystem.

Key risks and mitigations

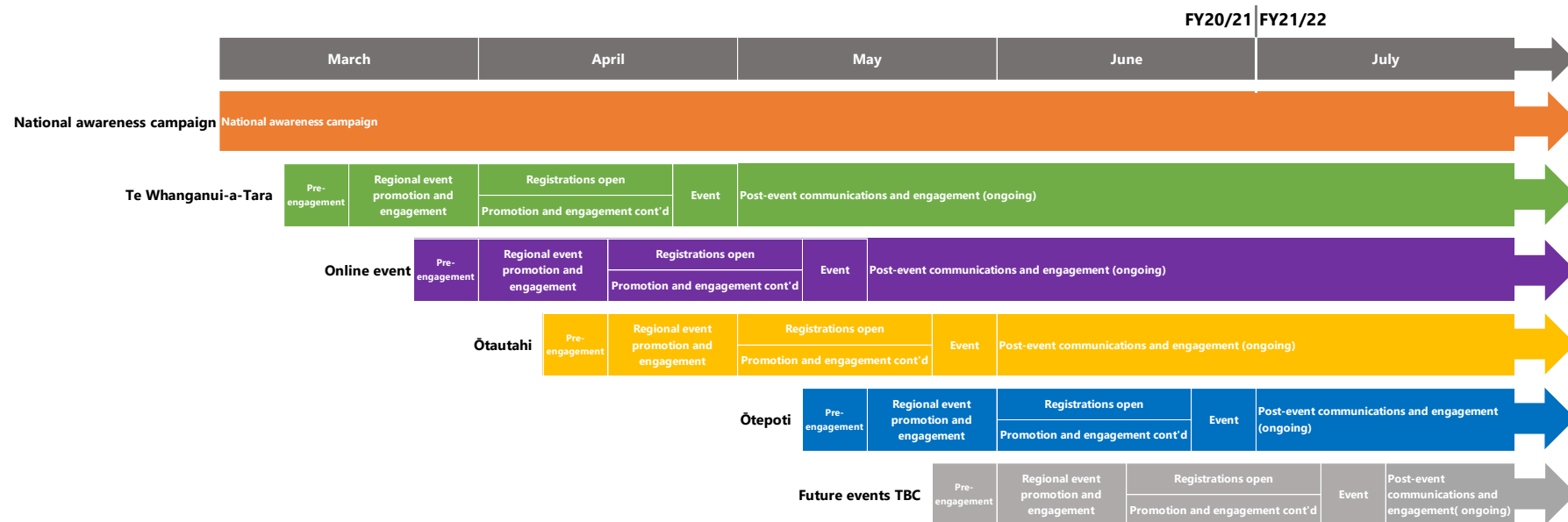
Risk	Mitigation
Disappointment from some organisations/individuals that this funding is not what they expected	<ul style="list-style-type: none"> • Communications about the Innovation Fund will be set within the wider context of the Arts and Culture COVID Recovery Programme highlighting other funding opportunities. • Communications will also clearly outline rationale for adopting the Cultural Sector Challenge Approach
This Fund delivery model is new for the arts, culture and heritage sector and could be difficult for people to get their heads around in a short space of time	<ul style="list-style-type: none"> • Comprehensive information available on website, including FAQs and an outline of the rationale for adopting the Cultural Sector Challenge Approach • Information delivered in different ways i.e. written information but also via online information sessions to cater to different preferences.
Regions not included in the initial announcement are frustrated about not knowing when they will be able to access the Innovation Fund.	<ul style="list-style-type: none"> • A full list of regions will be published as part of the announcement (without dates) and people will be able to express their interest in these sessions. This ensures they receive future communications about their regional event and allow team to monitor the levels of interest.
Communications campaign did not reach intended audiences and they did not register in time	<ul style="list-style-type: none"> • Online events to capture those who weren't able to register • Amend communications and engagement approach for future regions
Compressed timelines for first events impact on capacity for meaningful engagement	<ul style="list-style-type: none"> • Transparency with stakeholders about timeline • Flexibility around approach to accommodate stakeholder needs within the constraints
Compressed timelines for first event impact diverse participation in the Cultural Sector Challenge events	<ul style="list-style-type: none"> • Careful prioritisation of stakeholder engagement to those organisations and groups which will help reach diverse audiences • Minimum two-week awareness campaign before registrations open for each event to allow communications and engagement campaigns time to reach diverse audience segments and level the playing field • Open registrations process capped at 70% capacity to allow for additional targeted

Risk	Mitigation
	communications and engagement to achieve more diverse participation
Other funds are live at same time causing message confusion	<ul style="list-style-type: none"> • Joined up approach to communications and engagement planning • Innovation Fund key messages put it in context of the wider programme
Overwhelming interest in the Fund stretches the capacity of the team responding to queries	<ul style="list-style-type: none"> • Use FAQs and updates via social media to try to address most common questions • Develop system to triage queries • Run an awareness campaign for two weeks prior to opening for registrations to give people time to have their queries answered

Appendix 1:

Cultural Sector Challenge events

Communications and engagement phasing





Kia rapahoe te uru, anō he matimati nō Tangaroa ā te Toi
When the blade of the steering paddle plunges into the water, it becomes the creative fingers of Tangaroa.

Overview

Te Urungi

Te Urungi events will allow teams and individuals with different skills, experiences and perspectives in each region of Aotearoa to work together to develop innovative projects which address challenges faced by the sector around sustainability, economic opportunities, and/or access and participation for everyone.

Events

Participants will be supported through a rapid-design process to fully validate, explore, and develop their ideas into project proposals for potential funding.

Each session is designed with a specific focus to help applicants answer certain questions. These answers will help the Evaluation Panel to assess the project's potential to contribute to the fund outcomes and whether it will receive funding from Manatū Taonga.

The Evaluation Panel will meet with teams on day three to have facilitated discussions with teams about their communities, their Project, including around it's ambition and the communities that will benefit.

Who will be at the regional events?

Events are open to anyone in Aotearoa with an idea that will benefit the cultural sector. The events will also be attended by:

- Manatū Taonga & Creative HQ facilitators
- Mana whenua
- Mentors and experts from relevant fields
- Evaluation Panel members
- Performing artists
- Inspirational speakers

What will happen after the regional events?

The Evaluation Panel will assess each recorded discussion against the fund evaluation principles and outcomes (Mauri Whenua, Eke Tangaroa, Ikeike, and Oranga Ngākau) and make recommendations to Manatū Taonga.

Manatū Taonga will approach successful teams to discuss how best to support them within two categories: **Seed funding** up to \$20,000 or **Project funding**.

How will the regional events work?

Day one FRI 17:00 –21:00

Welcome | Inspire | Frame

Day one is focused on welcoming participants to the event, setting the scene by describing the key problems facing the sector, and explaining how the event will progress.

- Pōwhiri
- Te Urungi Principles
- Problem definition / challenge

These activities will be supported by inspirational speakers and performances from mana whenua and local artists.

Day two SAT 8:45 –17:00

Frame | Explore | Imagine

Day two is focused on understanding problems and developing solutions.

- Context session
- Working sessions, including:
 - Problem validation
 - Customer journey mapping
 - Lean canvas / business model development

Mentors, experts, and the Evaluation Panel will be available throughout the day to ask teams questions about their projects. This will not be used for evaluation.

(Expert examples; UX Designers, Developers, Marketers, Legal and IP specialist)

Day three SUN 8:45 –17:00

Imagine | Test | Iterate

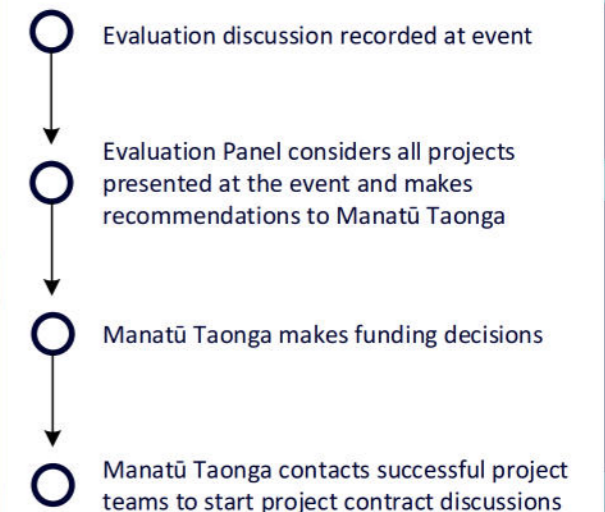
Day three is focused on refining solutions, identifying team and project needs, and defining the project.

- Review and recap
- Working sessions, including:
 - Solution refinement & validation
 - Pitch development

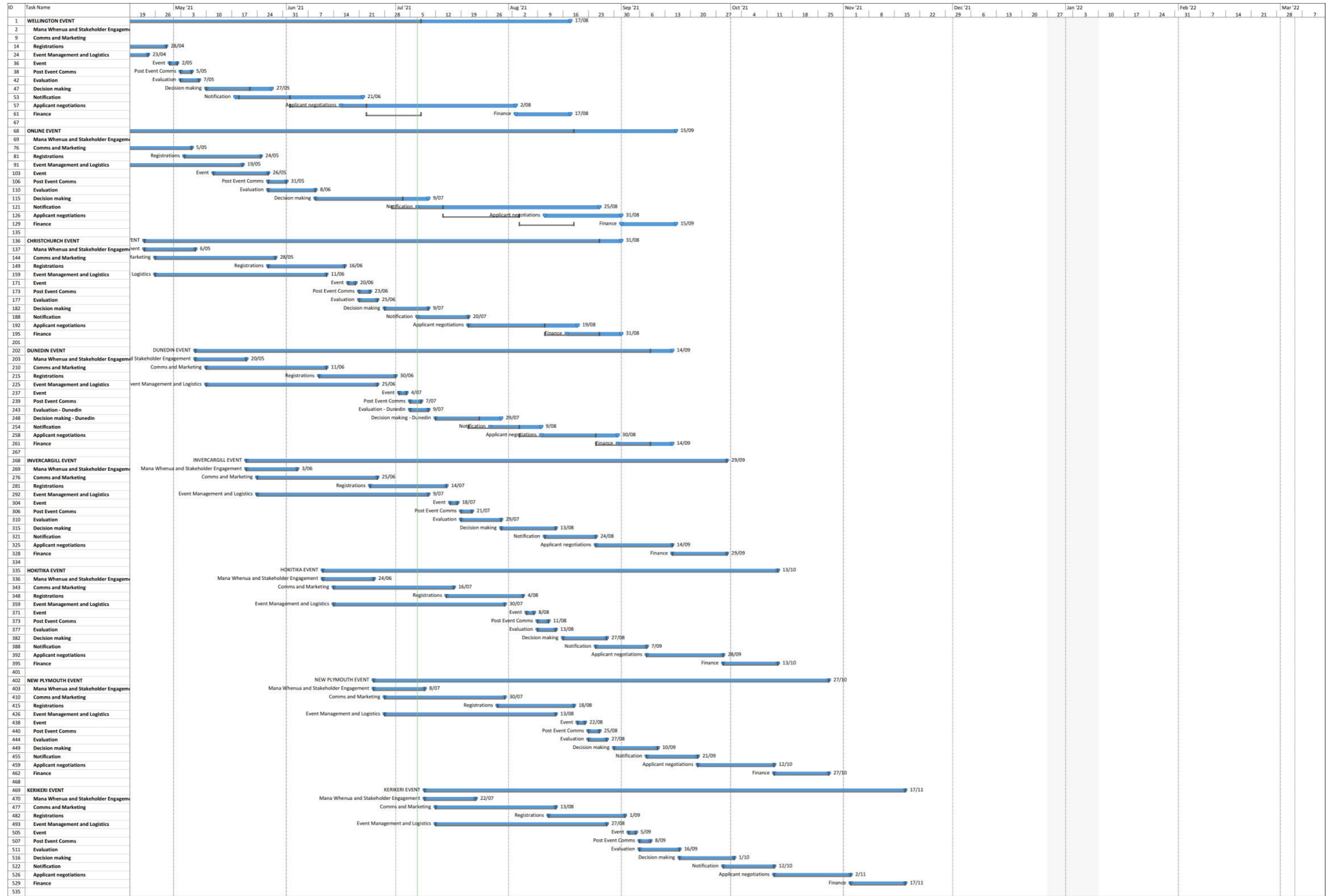
Evaluation

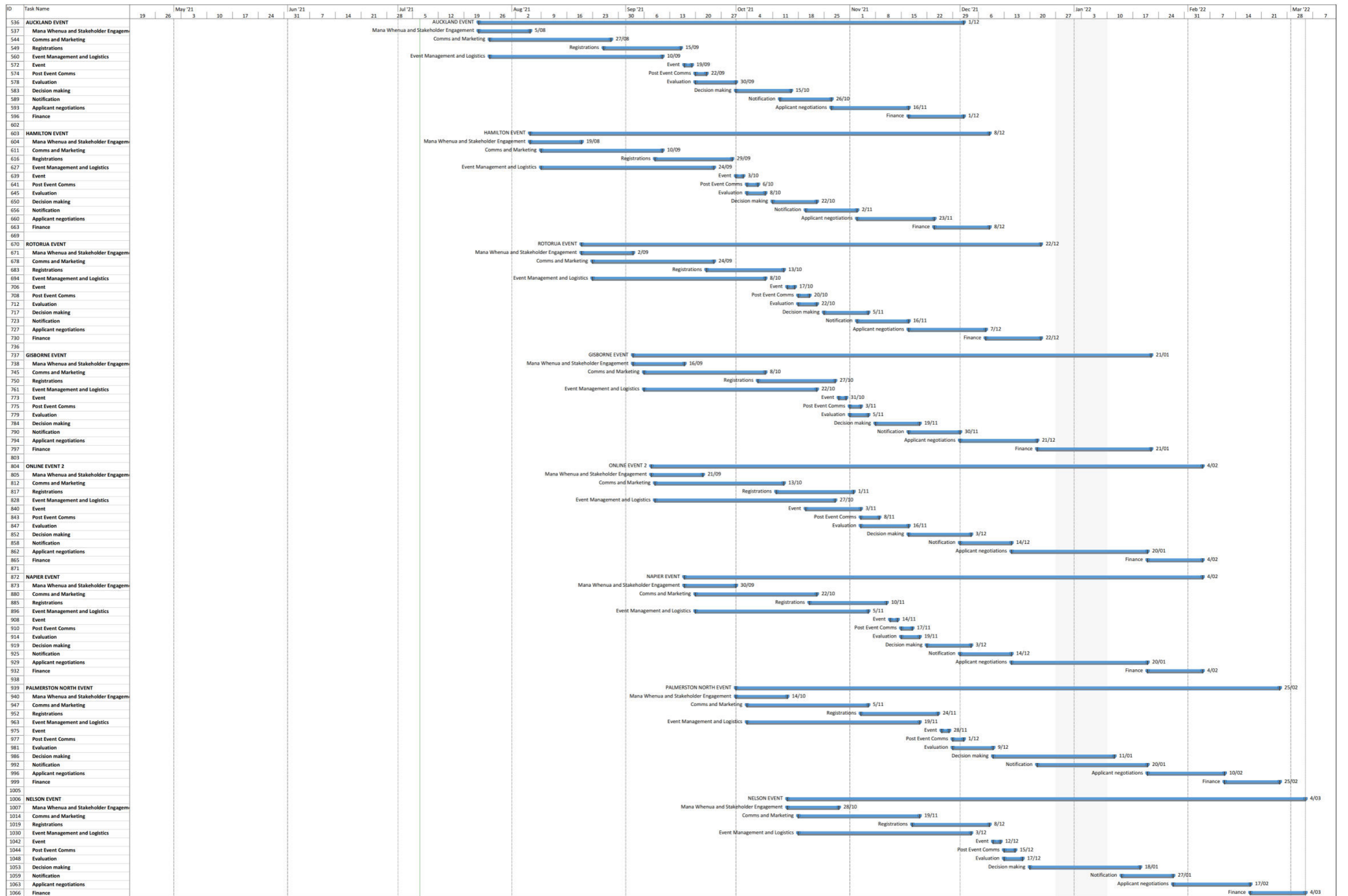
The Evaluation Panel will be available throughout the day to meet with teams. These meetings will be recorded for evaluation.

Funding decisions

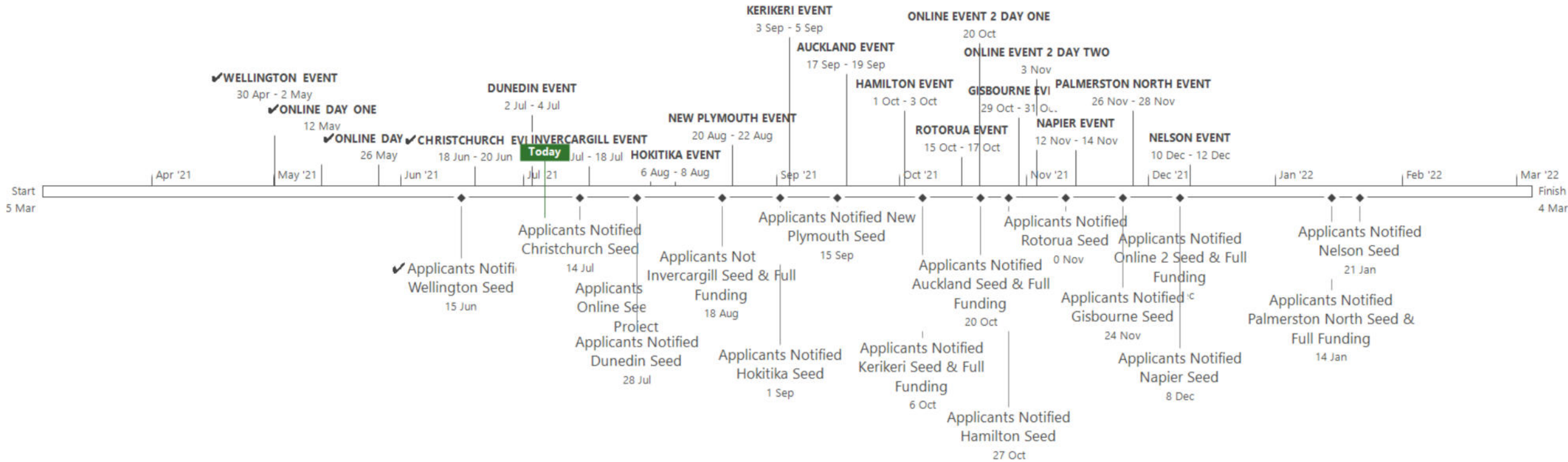


Document 13: Innovation Fund High Level Gantt Chart, as at June 2021





Document 14: Innovation Fund Event and Notification Milestone Diagram, as at July 2021



Manatū Taonga Procurement Plan

Innovation Fund – Te Urungi Event Management Disbursements and Facilitators Procurement Approach

Background

In a paper to the Minister “Culture Sector Innovation Fund – fund outcomes and approach to delivery”, dated 10 December 2020 [BR2020/409 refers], it was agreed that Manatū Taonga would run a series of innovation events as a key engagement tool with the cultural sector to identify innovative and creative ideas that will improve the sustainability and resilience of the cultural sector. The event series is named Te Urungi: Innovating Aotearoa.

At the SSGC meeting on 19 January 2021, a paper was presented to SSGC outlining the proposed approach to the design and delivery for the initial 8 of the 16 events. SSGC endorsed the proposed approach ([meeting minutes refer](#)). The agreed approach was to direct source CreativeHQ (CHQ) (an All of Government (AoG) panel provider that has extensive experience in designing and delivering similar innovation events) for the initial 8 events.

At the Sector Support Governance Committee (SSGC) meeting on 15 June 2021, a paper was presented to SSGC outlining the options available to Manatū Taonga for the delivery of the remaining Te Urungi: Innovating Aotearoa events. SSGC endorsed the preferred option of reducing the number of events managed by CHQ to 6 and bringing the event management function in-house.

A further paper was presented to SSGC on 6 July which proposed taking over the management of the event delivery in time for Hokitika effectively reducing CHQ’s management to 5 events. This was agreed.

To support the management of the events, the approach needs to be agreed for the engagement of:

1. event services (previously delivered as “disbursements” via the CHQ contract),
2. mana whenua support services including tikanga, and
3. additional facilitators¹ (previously supplied by CHQ).

Disbursements encompass services such as venue, catering, videographer, AV equipment and services, any theming required for the venues, mentors and experts required at the events, performing artists, printing for workbooks etc.

What Manatū Taonga is buying and why

This Plan relates to the procurement approach for the purchase of event disbursement services ,mana whenua support and engagement of facilitators for each event.

¹ Manatū Taonga were always providing up to 6 facilitators per event as part of the original delivery model, however with the in housing of the delivery, it now requires a greater pool of facilitators to support the events.

Specification of Requirements

Event Disbursements

Manatū Taonga requires the following event disbursement services for each event delivery.

Area	Detail	Est Cost
Venue & Security	Location where event will be run (2 ½ days)	\$8,000
Food & Beverage	Catering for event participants (nibbles on Friday night, morning tea, lunch and afternoon tea on Saturday, brunch on Sunday) up to 100 pax	\$10,000
AV/Projection	Required for event (note the \$15k estimate is a maximum – this was the rate for Porirua which was a gold standard event, we expect this to be much lower for smaller events)	\$15,000
Coaches, Mentors, speakers, MC, experts etc	Experts required to support participants at event – 2-4 at each event	\$1,000 per person \$4,000 max per event
Performers and artists	Contributes to the environment to support the creative vibe – up to 2 per event	\$1,000 per person \$2,000 max per event
Theming & Décor	If required – depends on venue available	\$4,000
Furniture hire	If required – depends on venue available	\$3,000
Videographer / Photographer	Videos and photos are taken of select events for marketing purposes	Up to \$4,000
Printing	For workbooks and signage	\$1,000
Total max event disbursements		\$51,000

Mana Whenua Support Services

Manatū Taonga requires the support of local mana whenua at the event to provide services that align with their tikanga. Depending on the services provided this is estimated to be up to \$1,500 per event plus a \$500 koha.

Facilitators

Up to ten facilitators are required from Manatū Taonga at any one event. To allow for availability constraints the total number of trained Manatū Taonga facilitators in the “pool” will need to be higher than this.

To date Manatū Taonga’s facilitators have been provided by training existing Manatū Taonga staff (permanent and contract staff) to facilitate at the events. The project is working with the business to identify more staff that could be trained to provide these services however additional external facilitators will also need to be engaged to make up the required numbers.

To replace CHQ’s facilitator roles Manatū Taonga requires up to 6 additional facilitators for each event delivery. It is estimated that each facilitator would cost \$2,500 - \$5,000 per event (depending on where they are sourced from, the lower end of cost is likely to be individual providers and the higher end from specialist companies). The actual numbers of facilitators required for each event is dependent on participant numbers eg for Porirua there were a total of 12 facilitators, at Invercargill there was 7 plus a MC. If all 11 events had the maximum 80 participants, then the total cost for the 6 additional facilitators would be \$165,000 to \$330,000.

Travel, accommodation and other travel related costs for the facilitators will be managed as per the Travel Policy and are estimated at \$10,000 per event (\$110,000 max).

It is proposed that up to 15 external facilitators will need to be identified, trained (if required) and engaged to provide the additional facilitators for the 11 events allowing for availability etc.

Skills and experience required:

- be able to provide an understanding of the Kaupapa of Te Urungi, answering questions and providing direction regarding the programme for the weekend
- detailed understanding of Manatū Taonga policy intent and evaluation criteria
- the ability to assist the formation of teams and supporting the team to work well together
- be able to manage cohort activities to assist with ideation and decision making
- be able to help teams understand what advice they need and directing them to the resources available
- strong understanding of start up tools and experience and be able to help the teams use the innovation tools to refine their projects
- enhance the environment to encourage and supportive participants
- have facilitation experience
- cultural competency added value

Description of Market

Event Disbursements

While in large locations there will be several providers available in each location that could provide event disbursement services, in the smaller locations (eg Hokitika) there may only be one suitable provider.

Mana Whenua Support

There is usually only one mana whenua for each event location.

Facilitators

There are several organisations and individuals that could provide the facilitation expertise. Preference is to use people already trained in Te Urungi facilitation who have detailed knowledge of the fund and then train others as identified. The training will require additional support and effort from Manatū Taonga). Options available to Manatū Taonga are:

1. Already have knowledge of Te Urungi and the fund
 - a. Creative HQ: worked with Manatū Taonga for the first five events
 - b. Individuals who were previously working for Manatū Taonga and are trained on the fund, eg Edwin Rakanui, Jason Van Hattum
2. Individuals or organisations that have facilitation expertise but no knowledge of Te Urungi or the fund
 - a. ThinkPlace – undertook some stakeholder engagement with us in the start of the programme – but haven't been trained in Te Urungi
 - b. Other Business Change AoG Consultancy Services providers
 - c. AoG External Services providers to source individual facilitators

Procurement Method

Event Disbursements

It is proposed that engagement of disbursement services follows a principle-based approach. Specific details for each area is outlined in Appendix 1.

Principles:

- Providers identified from recommendations from local councils, known local contacts, Google search etc.
 - If more than three – then providers shortlisted by recommendations
 - Person providing recommendations to declare relationship with provider (if any)
- Multiple quotes obtained (up to three if available)
- Senior Project Manager decides on preferred provider
- Delegated authority endorse / approve decision
- Documentation to include:
 - Declaration of relationship for any recommendations
 - Quotes
 - Approval of preferred provider from delegated authority
- Contracts are preferred however simple disbursements like venues, catering etc can be engaged via a quote
 - Payment on invoice with evidence of preapproval and relevant financial documents from supplier

Mana Whenua Support

The procurement approach for mana whenua supports services will be a direct engagement of the relevant mana whenua. Depending on the services provided this is estimated to be up to \$1,500 per event for tikanga services plus a \$500 koha.

Facilitators

Organisations such as CHQ charge \$1,900 per day for a lead facilitator and \$1,450 per day for a standard facilitator.

Individuals (not via a consultancy type company) rates range from \$1,000 to \$1,200 per day.

It is proposed that engagement of the facilitators follows a tiered approach (additional to internal staff that are trained):

1. Individuals that are already known to Manatū Taonga and already have knowledge of Te Urungi and the fund can be direct sourced via a general contract for services. Currently there are 5 people that have the right experience.
 - a. Max contract value would be \$27,500 - \$33,000 if the person facilitates at every event – however more likely to be 8 events so expected contract value to be \$20,000 - \$24,000
2. Additional facilitators (up to 12) to be recruited via direct engagement or via External Recruitment provider depending on knowledge of individual and their experience.
 - a. Recommendations from existing Manatū Taonga staff for the direct source of individuals with facilitation experience
 - i. Conflict of interest declarations documented for any individuals that haven't previously worked for Manatū Taonga. Delegated authority to review and approve the conflict of interest before engagement
 - b. Standard recruitment via an external recruitment provider for others

3. If still more required – then direct source CHQ for support given their knowledge of the fund and Te Urungi at \$1,450 to \$1,900 per facilitator per day
4. If CHQ not available – then approach ThinkPlace for support.

Services	Recommended procurement approach	Rationale (justification)
Disbursements	Multiple quotes DA approve preferred provider Relevant documentation recorded And detailed in Appendix 1	Low risk, low value services.
Mana whenua support services	Direct source of relevant iwi.	
Facilitators	Recruitment of facilitators either by engaging a AoG external services provider, or direct source where known.	Direct source of known providers is lower cost from a daily rate and training requirements. We will require additional facilitators as not enough currently in pool – so external provider as per normal contractor recruitment process

Budget

The operational budget for this project is held within the Innovation Project (cost centre 292) and is managed by the Innovation Fund Senior Project Manager. When the project is handed over to BAU, the budget will move to being owned and managed by the new DCE, Investment and Outcomes.

Forecast budget for the event delivery disbursements and facilitators is:

		Maximum cost for 11 events	Expected costs (average) for 11 events
Disbursements	max \$51,000 per event average \$36,000 per event	\$561,000	\$396,000
Mana whenua support services	Max \$1,500 per event Koha of \$500	\$22,000	\$22,000
Facilitators	Max \$23,000 per event	\$253,000 ²	\$198,000

² The maximum facilitator cost is based on what we were paying for 6 CHQ facilitators

	Average expected to be \$18,000 per event		
Travel etc	\$10,000 per event Average expected to be \$8,000 per event (allowing for smaller event participants)	\$110,000	\$88,000
Total for 11 events (per event)		\$946,000 (\$86,000)	\$704,000 (\$64,000)

Key decisions

The Chief Executive has the delegated financial authority to approve this procurement plan.

The business owner is the Deputy Chief Executive, Investment and Outcomes.

The Senior Project Manager, Sam Kemp-Milham, will assume authority for the delivery of the services.

Contract

Event Disbursements

- The suppliers will be engaged by accepting the quote.
- The key performance indicators for measuring the provider's performance will be delivery on time to Manatū Taonga's satisfaction.
- The timeframes for delivery are July - December 2021.
- Payment will be based on the supplier's successful completion of milestones as detailed in their quote.

Facilitators

- will be offered a contract for services based on the agency's standard terms and conditions (either general contract for services or RSO or CSO as relevant).
- The proposed contract term will be 6 months fixed term as needed across the events.
- The key performance indicators for measuring the provider's performance will be delivery on time to Manatū Taonga's satisfaction.
- The timeframes for delivery are July - December 2021.
- Payment will be based on the supplier's successful completion of milestones as detailed in the contract.
- New intellectual property arising as a result of the contract will be the property of Manatū Taonga.

Risk

Overall this procurement is deemed low-value, low-risk.

Key risks to be managed

Risk	Mitigation action	Responsible
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<p>1. IF the procurement method is successfully challenged THEN Manatū Taonga may be bought into disrepute</p>	<p>The proposed process does not strictly comply with Government and Manatū Taonga procurement guidelines, but departure is defensible based on the specificity and lower cost to engage individuals rather than companies</p>	<p>Sam Kemp-Milham</p>
<p>2. IF the provider does not provide a good result THEN Manatū Taonga may be bought into disrepute</p>	<p>Recommendations are being sourced for event suppliers – for suppliers that have just been identified without any recommendation – then due diligence will be undertaken first. This may include contacting referees.</p> <p>Due diligence will be undertaken for individuals not known to Manatū Taonga for the facilitation roles, and if they are not up to standard – then they will not be offered any further events.</p>	<p>Sam Kemp-Milham</p>

Probity

Probity in this procurement will be managed by:

- acting fairly, impartially and with integrity, acting lawfully, and being accountable and transparent
- ensuring compliance with the agency’s code of conduct
- ensuring that financial authority for the procurement is approved before proceeding to tender
- identifying and effectively managing all conflicts of interest
- protecting the supplier’s commercially sensitive and confidential information

Approval

I confirm that the following have approved this Procurement Plan:

Manatū Taonga Finance Team	Y/N
Manatū Taonga Legal Team	Y/N

Name:

Date:

This document should be emailed to OP-Legal@mch.govt.nz (and approved by the Legal Team) before initiating your tender process

Appendix 1

Area	Expected	Max
Venue & Security	\$8,000	\$8,000
Food & Beverage	\$10,000	\$10,000
AV/Projection	\$8,000	\$15,000
Coaches, Mentors, speakers, MC, experts	\$2,000	\$4,000
Performers and artists	\$2,000	\$2,000
Theming & Décor	\$1,000	\$4,000
Furniture hire	\$0	\$3,000

Procurement approach	Col checks	Evaluation	Preferred provider Decision maker	Approval	Documentation required	Contract
Up to three locations (some places will only have one location suitable)		venues evaluated (evaluation outcome not required to be documented)	PM decision	Delegated Authority to approve preferred provider	quotes from venues filed COI recorded	Quote required for delegated authority approval email (no contract) - need to go to finance
Catering provided by venue preferred or engage up to three quotes and choose		if not direct source - then options evaluated (evaluation outcome not required to be documented)	PM decision	Delegated Authority to approve preferred provider	quotes from providers filed COI recorded	
Recommendations by local contacts (checking Col) and/or google search.	Col declaration from person providing the recommendations	if not direct source - then options evaluated (evaluation outcome not required to be documented)	PM decision	Delegated Authority to approve preferred provider	quotes from providers filed (if multiple quotes) COI recorded	local govt good for recommendations
Recommendations by contacts (checking Col) and/or google search.	Col declaration from person providing the recommendations		PM decision	Delegated Authority to approve preferred provider	quotes from providers filed (if multiple quotes) COI recorded	
Recommendations by contacts - relevant to location	Col declaration from person providing the recommendations		PM decision	Delegated Authority to approve preferred provider	quotes from providers filed (if multiple quotes) COI recorded	As above
If required for venue		if not direct source - then options evaluated (evaluation outcome not required to be documented)	PM decision	Delegated Authority to approve preferred provider	quotes from providers filed (if multiple quotes) COI recorded	
If required for venue		if not direct source - then options evaluated (evaluation outcome not required to be documented)	PM decision	Delegated Authority to approve preferred provider	quotes from providers filed (if multiple quotes) COI recorded	

Area	Expected	Max	Procurement approach	Col checks	Evaluation	Preferred provider Decision maker	Approval	Documentation required	Contract
Videographer	\$4,000	\$4,000	Recommendations by contacts (checking Col) and/or google search.	Col declaration from person providing the recommendations	if not direct source - then options evaluated (evaluation outcome not required to be documented)	PM decision	Delegated Authority to approve preferred provider	quotes from providers filed (if multiple quotes) COI recorded	
Printing	\$1,000	\$1,000	recommended printing company (as we are not part of any AoG)				Delegated Authority to approve preferred provider		

per event	\$36,000	\$51,000
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Mana whenua support services		Est \$2,000 per event	Direct source			PM decision	Delegated Authority to approve engagement	Contract if relevant, quote form provider filed	As above
Facilitators	Av \$3,000 per facilitator per event	max at CHQ rates \$3,833 per facilitator per event	separate evaluation per facilitator	as per normal contractor requirements					As above

Travel / accommodation / meals /taxis for event staff per event		\$10,000	as per MCH travel policy						
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Total est per event	\$64,000	\$86,000
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