

**Minister for Arts, Culture and Heritage
Minister of Broadcasting**

SOUND ARCHIVES

Date	4 July 2012	MCH File Ref	D-0428662	Briefing No	2012/258
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Action sought

Timeframe / Deadline

Sign the attached letter to the chairs of Radio New Zealand and the New Zealand Film Archive.

As soon as possible

Contacts for telephone discussion

Name	Position	Telephone	
		(work)	(after hours)
Roger Perkins	Acting Manager, Media Policy	04 496 6172	

Minister's Office to complete

- Noted Approved Overtaken by events
 Referred to: _____
 Seen Withdrawn Not seen by Minister

Minister's Office Comments

Date received from MCH	Date returned to MCH

SOUND ARCHIVES

Purpose

- 1 This memo updates you on the proposed transfer of responsibility of Radio New Zealand's Sound Archive Ngā Taonga Kōrero (SANTK) from Radio New Zealand (RNZ) to the New Zealand Film Archive (NZFA) and recommends that you jointly sign the attached letter to the chairs of the NZFA and RNZ.

Background

- 2 The Ministry for Culture and Heritage (MCH) has been exploring the scope for greater consolidation in the audiovisual sector. The sector is characterised by a relatively large number of organisations, each managing with very slender resources and struggling to make progress in collecting, preserving and making available their own corner of New Zealand's audiovisual heritage. A particular challenge is overcoming the "digital mountain" (converting material in analogue to digital format to facilitate online access), although the archiving of "born digital" material is also a significant issue.
- 3 The main organisations concerned are:
 - the NZFA, an NGO which is nearly fully funded from public funds;
 - SANTK, a wholly owned subsidiary of RNZ;
 - the TVNZ television archive at Avalon, which is run by TVNZ on commercial lines primarily as a production library for its own news and current affairs programmes;
 - Archives New Zealand, a part of the Department of Internal Affairs which manages the former collection of the National Film Unit, housed at Avalon.
- 4 Total Crown revenue for the first two organisations in 2011/12 totalled \$2.9m, supplemented by funding paid to the NZFA via the Lotteries Grants Board of \$0.994m (this varies from year to year depending on one-off payments from Lotteries Commission profits).
- 5 The conclusions we have reached in this work thus far are that:
 - there is a prima facie case for SANTK to be moved under the wing of the NZFA since this would enhance the medium to long-term prospects for SANTK by providing it with a home whose sole purpose is archiving;
 - there is scope for the agencies to be better aligned strategically to make their individual resources go further. For this to happen there needs to be a mechanism by which common strategic issues in relation to collection, preservation and access policies can be discussed and advanced.

Comment

Business interests

- 6 MCH has been facilitating a discussion with the NZFA and RNZ for some months to clarify the basis on which SANTK could be moved, and how the associated costs and risks will be managed. The move under discussion envisages that the NZFA will manage SANTK in all respects, including responsibility for employing its staff, but that current ownership arrangements will remain undisturbed (SANTK's archives will be "deposited" with the NZFA).
- 7 Both RNZ and the NZFA are interested in the move taking place, but not at any price. For RNZ, it is an opportunity to concentrate resources on its core business; for the NZFA, the addition of sound to its current film activities provides an opportunity to grow and consolidate the business as a fully-rounded archive (along similar lines to Australia's National Film and Sound Archive).
- 8 At the same time, both organisations are conscious of the financial risks involved. RNZ has made it clear from the outset that the move would be conditional on neither RNZ nor SANTK being financially disadvantaged. The NZFA has made it clear that it would expect all costs and associated risks to be quantified and for it to be satisfied that these are reasonable.

Funding support

- 9 In order to facilitate the move, MCH has negotiated with NZ On Air for it to:
- increase its current baseline provision for SANTK (from \$0.692m in 2011/12 to \$1m p.a. in 2012/13 and out-years);
 - fund an additional one-off sound archiving project of \$1m over the next two financial years;
 - transfer its funding to MCH's baseline for disbursement to the NZFA.
- 10 This arrangement suits NZ On Air which wants to get out of the business of funding archiving. Both NZ On Air and the New Zealand Film Commission have previously transferred their budgets for archiving to MCH for allocation.

Negotiations

- 11 Despite both organisations having similar *interests*, discussions on the detail of the transfer have proved surprisingly vexed, with both parties taking entrenched *positions*. RNZ's stance has tended to be parsimonious and bureaucratic. By way of response, the NZFA has been somewhat reticent.
- 12 A particular issue which seems to be driving RNZ's position is the future of its accommodation in Christchurch. RNZ House in Christchurch, which previously housed SANTK, was irreparably damaged in the recent earthquakes. RNZ wants to replace this with a new building, and make use of insurance monies which will only be available if the former building is "reinstated". To establish the business case for a new building, RNZ claims it needs to sign up SANTK to a long-term lease (10 years). The NZFA is understandably reluctant to commit beyond three years as it wishes to have the flexibility to consider more efficient medium to long-term storage and management options.

- 13 To assist the parties in their negotiations on these and other issues, MCH has been acting as an intermediary to help get information on the table and discussed. MCH has also been working with the NZFA to help get the transfer over the line, e.g. by agreeing to fund due diligence costs from its own budget and to underwrite possible future employment-related costs from the one-off grant that NZ On Air has offered to provide.
- 14 It would assist us greatly in these efforts if Ministers were willing to re-state their expectations of RNZ and the NZFA in relation to archiving matters (these were conveyed earlier in the year by way of letters of expectations). To this end, a draft letter is attached for your signatures if you agree. Care has been taken in the letter not to direct the parties.

Strategic coherence

- 15 At the same time as facilitating discussions on the transfer of SANTK from RNZ to the NZFA, we have been discussing with agencies with an interest in audiovisual archiving the establishment of a cluster through which common strategic issues can be identified and advanced.
- 16 While agencies have been supportive of the concept, they have been less willing to support it financially, even though only very modest contributions would be required. We are hopeful that something useful can be put in place, however, and will keep you informed of developments.

Recommendation

- 17 We recommend you **sign** the attached letter to the chairs of Radio New Zealand and the New Zealand Film Archive.

Agree / Disagree

Roger Perkins
For Chief Executive

Hon Craig Foss
Minister of Broadcasting
_____/_____/2012

Hon Chris Finlayson
Minister for Arts, Culture and Heritage
_____/_____/2012

Richard Griffin
Chair
Radio New Zealand
P O Box 123
WELLINGTON 6140

Jane Kominik
Chair
New Zealand Film Archive
P O Box 11449
Manners Street
WELLINGTON

Dear Richard and Jane

PROPOSED TRANSFER OF RESPONSIBILITY FOR SOUND ARCHIVES

Radio New Zealand's letter of expectations from shareholding Ministers earlier in the year noted that the Government expected Radio New Zealand to work co-operatively with other organisations to ensure that sound archives are both well-maintained and widely accessible. The New Zealand Film Archive's letter noted the Government's wish that the Film Archive continue to work constructively on improved management arrangements for audiovisual archives in New Zealand.

Our officials have been keeping us apprised of discussions concerning the proposed transfer of responsibility for sound archives from Radio New Zealand to the New Zealand Film Archive.

We believe that this move is in the long-term interests of the sound archive. It will also strengthen the New Zealand Film Archive which we are keen to support as one of New Zealand's leading heritage organisations. We are delighted that NZ On Air has offered to make additional funding available to help support the work of the sound archive.

We appreciate that whether or not the proposed transfer is to proceed is a matter for Radio New Zealand and the New Zealand Film Archive to determine. Radio New Zealand needs to satisfy itself that the long-term position of the sound archives will indeed be improved as a result of this transfer, and both organisations need to be satisfied that the basis of the transfer is fair and reasonable.

With respect to the latter point, we understand that discussions have been ongoing for some time and that while some progress has been made, you are still some way off from agreeing how ongoing costs and other arrangements concerning the transfer will be handled. While clearly this is a matter to be negotiated between the parties, we hope that it will be possible for agreement to be reached about future arrangements in the very near future. A speedy resolution of the matter would seem to be in everyone's interests, especially the sound archive which must currently be constrained in its ability to plan ahead.

To this end, we have asked Lewis Holden to facilitate a discussion between Peter Cavanagh and Frank Stark, with a view to resolving remaining issues as soon as possible, and we would ask that you actively support this process.

Yours sincerely

Hon Craig Foss
Minister of Broadcasting

Hon Chris Finlayson
Minister for Arts, Culture and Heritage

RELEASED UNDER THE
OFFICIAL INFORMATION ACT

Aide Memoire

PROPOSED TRANSFER OF SANTK FROM RNZ TO NZFA

Purpose

This memorandum comments on the benefits of the proposed transfer of the Sound Archive Nga Taonga Korero (SANTK) from Radio New Zealand (RNZ) to the New Zealand Film Archive (NZFA).

Context

Government priorities

The Government has signalled that it wishes to see the delivery of better public services within tight financial constraints. Key underlying themes are fitness of purpose of policy and institutional arrangements, and value for money for the Government's spend.

The Government has established as one of its result areas for New Zealanders the goal of improving interaction with government, especially through the use of digital technology.

Ministerial priorities

RNZ's letter of expectations from shareholding Ministers earlier in the year noted that the Government expected Radio New Zealand to work co-operatively with other organisations to ensure that sound archives are both well-maintained and widely accessible.

The NZFA's letter of expectations noted the Government's wish that the Film Archive continue to work constructively on improved management arrangements for audiovisual archives in New Zealand.

The Minister of Broadcasting has expressed a particular interest in New Zealanders being able to access audiovisual content easily from a wide range of sources, especially content that has been fully or partly publicly-funded.

Audiovisual archives

Consistent with these priorities, the Ministry for Culture and Heritage (MCH) has been exploring the scope for greater collaboration in the audiovisual sector.

The main organisations concerned are:

- the NZFA, an NGO which is nearly fully funded from public funds;
- SANTK, a wholly owned subsidiary of RNZ;

- the TVNZ television archive at Avalon, which is run by TVNZ on commercial lines primarily as a production library for its own news and current affairs programmes;
- Archives New Zealand, a part of the Department of Internal Affairs which manages the former collection of the National Film Unit, housed at Avalon.

Total Crown revenue for the first two organisations in 2011/12 totalled \$2.9m, supplemented by funding paid to the NZFA via the Lotteries Grants Board of \$0.994m (this varies from year to year depending on one-off payments from Lotteries Commission profits).

Another important organisation is NZ On Air which currently funds SANTK and also funds an online showcase of New Zealand television, film and music video (NZ On Screen).

Despite the fact that all of these activities are carried out by institutions owned by the Crown and/or by organisations that are funded by the Crown, there is little collaboration, even on issues where there are potentially common interests (across approaches to collection, preservation and access).

The sector is characterised by a relatively large number of organisations, each managing with very slender resources and struggling to make progress in collecting, preserving and making available their own corner of New Zealand's audiovisual heritage. A particular challenge is overcoming the "digital mountain" (converting material in analogue to digital format to facilitate online access), although the archiving of "born digital" material is also a significant issue. Resources provided by the Crown and other sources are heavily constrained and are likely to remain so for the foreseeable future.

Comment

While aligning all archiving activities more closely remains a long-term objective, MCH considers that a necessary first step is aligning audiovisual archiving activities more closely.

A particular focus has therefore been on how the activities of the NZFA, NZ On Air (through NZ On Screen), RNZ (through SANTK), Television New Zealand (through its television archive) and Archives New Zealand (especially through its holdings of the former National Film Unit) might be leveraged to better effect in terms of the Government's priorities, rather than considering the wider question of how these activities might relate to archiving activities more generally.

Although consolidation of audiovisual activities is not a pre-requisite for securing greater leverage, MCH considers that in the case of SANTK and the NZFA consolidation makes sense. Sound archiving is not core business for RNZ, whereas archiving is the NZFA's sole activity. Both sound and film archiving are handled by the same organisation in Australia (National Sound and Film Archive), and this is achieved without sound being a "poor relation",

a reason often cited for not merging these two activities. There is no reason why the same cannot be achieved in New Zealand.

From the NZFA's perspective, taking on responsibilities in relation to sound would create opportunities to improve economies of scale and grow its business as a national sound and film archive. The NZFA has provided a vision for how it will protect and enhance SANTK's work, and this is provided in the attached. This statement also outlines the benefits and opportunities that the NZFA sees from the proposed transfer.

As part of helping to make a merger work for both parties, but especially sound archiving, NZ On Air has agreed to increase its baseline funding for SANTK on transfer to the NZFA to \$1m p.a. (an increase from \$0.692m) and provide an additional \$1m for a sound archiving digitisation project over the next two financial years. This is a significant opportunity for SANTK to make more rapid progress with activities already in train than would otherwise be the case.

While RNZ requires ongoing access to the material held by SANTK and needs to be assured that it is being managed to the highest professional standards, it does not depend on SANTK as a production library in the same way that Television New Zealand depends on Avalon for its news and current affairs programmes.

It remains MCH's objective that Avalon will in due course be much more closely aligned with the activities of the NZFA. We understand that while initially resistant to this idea TVNZ is now willing to consider how Avalon might in due course be managed differently and opened up to much greater public access.

As well as continuing to work with TVNZ, MCH intends to work with NZ On Air on the role that can be played by NZ On Screen in facilitating such access, including possible measures to speed up the process of clearing associated rights which, in the case of film and television at least, are as much a constraint in opening up access as converting older material into digital format.

Conclusion

MCH and its Ministers consider that there is a prima facie case for consolidating the activities of SANTK and the NZFA. While justified on its merits, this move also needs to be seen as part of a longer-term plan to align all audiovisual archiving activities more closely.

A NATIONAL AUDIOVISUAL ARCHIVE

1. INTRODUCTION

1.1 *Background*

In 2010, the Ministry for Culture and Heritage initiated a series of roundtable discussions involving the key players in the New Zealand audiovisual archiving sector. Following those meetings, the Ministry issued a report to relevant Ministers which observed:

While better coordination would go some way to improving value for money in the sector, some form of consolidation will be needed to unlock the much greater potential of which the sector is capable.

The report also made these suggestions:

It is proposed that the Government pursue the establishment of a centre of excellence for audiovisual archiving within the Arts, Culture and Heritage (ACH) and broadcasting portfolios. Given its relative size, the logical core of a consolidated entity would be the NZFA. In other words, the Government would ask the NZFA to "step up" by managing more of the Crown's audiovisual responsibilities.

and:

It is proposed that SANTK be included, provided an appropriate priority is given to sound as opposed to film in the new organisation. This will not be "business as usual" for the NZFA but a significant shift...

The outline for an expanded audiovisual archive which follows is based upon these initial proposals.

2. VISION

- 2.1** The combination of the New Zealand Film Archive and the Sound Archives Nga Taonga Korero will create a world-class audiovisual archive which builds on the successful foundations established by 30 years of the Film Archive and 87 years of public radio broadcasting. The national audiovisual archive will consolidate existing national collections of film, television and radio and provide the basis for an enlarged mission, incorporating recorded music, oral history, computer gaming and a variety of new audiovisual media.
- 2.2** It will emphasise preservation and public accessibility to the national heritage - particularly through the application of digital technology. Users will be able to access key sounds and images from the last 100 years and combine them in new television and radio programmes, exhibitions, websites, teaching materials and community projects.
- 2.3** Over the first two years of the new relationship the separate entities will co-exist and explore the potential for harmonisation and synergy. Their funding lines, staff structures and brands will remain unchanged. The immediate priorities for the new organisation will be to facilitate the recovery of the Sound Archives from the effects of the Canterbury earthquakes and to implement a mass digitisation process for the audio collections for which Radio New Zealand will continue to be the primary client. As the consolidation proceeds there will be dividends of scale, scope and skill development which will bring benefits to the partner archives and to the people of New Zealand whose treasures they safeguard.

3. SCALE

3.1 Staff

The proposed Archive will have a staff of over 60 specialists across the range of disciplines required for a 21st Century audiovisual archive. They will equip the organisation for the technological and financial challenges which face the sector and provide the critical mass essential for human resource development and succession planning.

3.2 Budget

The proposed Archive will have an annual operating budget of \$5,600,000 in its first two years, with \$1,500,000 of that dedicated to audio archiving. This represents a very substantial Government investment in the country's audiovisual heritage and provides a platform for commercial and philanthropic activities which can further increase the value of the operation.

3.3 Facilities

The proposed Archive will be housed in a variety of specialised facilities for technical services, storage and public access. The priority for the next two to five years is to bring the audio facilities up to the quality established over the last decade for the film and video operation. Since 2002, the Film Archive has raised and invested over \$5,000,000 from non-government sources in the development of facilities.

4. SCOPE

4.1 Synergies

The drawing together of the collections of the Film Archive and the Sound Archives Nga Taonga Korero will produce substantial medium-term efficiencies in the ways they are managed and made accessible. In the short term, the audio collections will be much more readily available to researchers and members of the public via established Film Archive programmes. As digitisation proceeds, the storage and preservation of sound and video material will converge into a common regime of file management.

4.2 Gaps

The new organisation will be able to address many of the gaps in the audiovisual collecting spectrum identified by the working party process. In the immediate future it will be able to lay the groundwork for national collections of computer games and recorded music. The overarching role of a national audiovisual archive will serve to prevent the re-occurrence of gaps in the collecting spectrum.

4.3 *Relationships*

The combined Archive will provide enhanced advocacy and expertise for audiovisual heritage archiving at a national level in contexts such as the National Digital Forum and in dealings with the Ministry for Culture and Heritage, National Library and Archives New Zealand. It will also connect New Zealand's needs and experiences with international colleagues and membership organisations. The immediate priority will be to expand the Memorandum of Understanding between the Film Archive and the National Film and Sound Archive in Canberra to incorporate audio archiving.

5. SKILLS

5.1 *Governance and Management*

The inclusion of audio archiving in the remit of the combined Archive will be reinforced by the support provided by the Film Archive's Board of Trustees, Executive and Senior Management Group. These people have guided the Film Archive to a prominent role in the national heritage sector while maintaining a strong commitment to the values and interests of their depositors. They include people at all levels with experience and expertise highly relevant to the future development of audio archiving in New Zealand and committed to working constructively with the expertise and leadership of the Sound Archives.

5.2 *Technology*

The Film Archive's existing staff include a number of people with extensive experience in planning and project management in areas of great importance to the next phase of audio archiving. In particular, the Film Archive has been involved in digitising its collections since 2005 and has developed a range of strategies and practical tools to gain the highest value from the limited resources available for this urgent work. The Film Archive has also attracted international interest in its innovative approach to low-cost, high-quality collection storage using technology adapted from the horticulture sector.

5.3 **Access**

It has been acknowledged that the Sound Archives have not been able to develop very extensive public access programmes. Digitisation will help to bring about valuable improvements in this area, but the architecture for delivery has already been established by the Film Archive and the combined Archive will concentrate on adding the audio dimension to such successful foundations as the website; the medianet community access partnerships (currently in 13 regional centres); the mediaplex research libraries in Wellington and Auckland; and the wide variety of community and educational initiatives which altogether brought the Film Archive an audience of over 750,000 in 2011-2012.

6. **OPPORTUNITIES**

6.1 ***Taha Maori and WAI 262***

The Film Archive has worked closely with iwi over the last 15 years to develop a nation-wide kaitiaki network which provides a mandate for its continued holding and use of its collection of Taonga Maori. There will be an opportunity to expand this connection to incorporate audio material during the next two years as the Film Archive conducts a major outreach programme to renew and update those relationships. Such an overarching agreement would greatly benefit the Nga Taonga Korero holdings and establish a firm foundation for their continued management in the light of recent recommendations from the Waitangi Tribunal.

6.2 ***New media***

The juxtaposition and intermingling of formerly separate elements of radio, television and film culture will provide a richer context for those interested in developing new media products which are not limited to those 20th Century media definitions. The audiovisual archive can be at the vanguard of change in this area, working with those who are synthesising new media for the new century.

Information note

AUDIOVISUAL ARCHIVES

Purpose

This note comments on steps to rationalise and consolidate arrangements for the management of audiovisual archives. It notes, in particular, a recent decision of the TVNZ Board to explore options for divesting its television archive housed at Avalon. The paper has been prepared by the Ministry for Culture and Heritage (MCH) with input from Treasury's Crown Ownership Monitoring Unit (COMU).

Key points

There is a prima facie need for greater consolidation of arrangements for managing audiovisual archives. This will help leverage resources to better effect, especially with a view to making New Zealand's audiovisual heritage more accessible.

A proposal is currently well-advanced for responsibility for the Sound Archive Nga Taonga Korero (SANTK) to be transferred from RNZ to the New Zealand Film Archive (NZFA) and for funding to be made available directly by MCH (rather than by NZ On Air), effective from 1 October 2012.

TVNZ has re-thought its previous position concerning its television archive and now wishes to pursue a divestment strategy while retaining rights to content of commercial value (being approximately 60,000 hours of news and 125,000 hours of other material).¹ This raises issues relating to who would manage the archive in the future and how it would be funded.

Context

Present arrangements

The main organisations concerned are:

- NZFA, an NGO which is nearly fully funded from public funds;
- SANTK, a wholly owned subsidiary of RNZ;
- the TVNZ television archive at Avalon, which is run by TVNZ on commercial lines primarily as a production library for its own news and current affairs programmes;

¹ A further 375,000 hours is regarded as "heritage material", giving an overall resource of approximately 560,000 hours.

- Archives New Zealand, a part of the Department of Internal Affairs which manages the former collection of the National Film Unit, also housed at Avalon.

NZ On Air also maintains an online showcase of New Zealand television, film and music video (NZ On Screen) at an annual cost of approximately \$1m p.a.

Total Crown revenue for the NZFA and SANTK in 2011/12 totalled \$2.9m, supplemented by funding paid to the NZFA via the Lotteries Grants Board of \$0.994m (this varies from year to year depending on one-off payments from Lotteries Commission profits).

TVNZ's archive is mainly funded by TVNZ as an internal business unit, although some revenue is obtained from parties other than TVNZ who access material in the archive, e.g. MTS and/or who store material there, e.g. Archives New Zealand.

Not all of the content of archives managed by these organisations has been publicly-funded and/or is publicly-owned. The NZFA, for example, manages substantial collections on behalf of private donors. SANTK is an industry archive which houses substantial private holdings as well as material produced by RNZ over the years.

In addition, many organisations and individuals hold rights in relation to archived material held by these institutions which can mean that material may not be shown publicly.

Need for consolidation

Despite the fact that all of these activities are carried out by institutions owned by the Crown and/or by organisations that are funded by the Crown, there is little collaboration, even on issues where there are potentially common interests (across approaches to collection, preservation and access).

The sector is characterised by a relatively large number of organisations, each managing with very slender resources and struggling to make progress in collecting, preserving and making available their own corner of New Zealand's audiovisual heritage.

A particular challenge is overcoming the "digital mountain" (converting material in analogue to digital format to facilitate online access), although the archiving of "born digital" material is also a significant issue.

Resources provided by the Crown and other sources are heavily constrained and are likely to remain so for the foreseeable future. Greater consolidation should improve prospects for leveraging resources, especially with a view to making New Zealand's audiovisual heritage more accessible.

Efforts to consolidate

There has been a long history of efforts to consolidate present arrangements for audiovisual archives.

In the Government's previous term, consideration was given to the NZFA assuming management responsibility for the TVNZ and RNZ archives, while maintaining access for these organisations for production purposes.

This was seen as a first step to consolidate audiovisual arrangements which would not preclude a possible further step in the future of consolidating arrangements for audiovisual archives with archives more generally (under Archives New Zealand). It should be noted, however, that the raison d'être of Archives New Zealand is the maintenance of the public record. Audiovisual content is arguably of a different character from the largely paper-based public record, requiring different business approaches in order to open up access. Moreover, the archives under discussion contain significant private as well as public deposits.

TVNZ subsequently decided to retain full control of its archive, in part to ensure that it could continue to access material for production purposes (this is often required at very short notice for daily news programming) and in part for strategic, commercial reasons.

Discussions concerning responsibility for the management of SANTK continued, however.

Current issues under development

Sound Archive Nga Taonga Korero

A proposal is currently well-advanced for responsibility for SANTK to be transferred from RNZ to the NZFA and for funding to be made available directly by the Ministry (rather than by NZ On Air), effective from 1 October 2012.

As part of helping to make a merger work for both parties, but especially sound archiving, NZ On Air has agreed to increase its baseline funding for SANTK on transfer to the NZFA to \$1m p.a. (an increase from \$0.692m) and provide an additional \$1m for a sound archiving digitisation project over the next two financial years. This is a significant opportunity for SANTK to make more rapid progress with digitisation activities already in train than would otherwise be the case.

While RNZ requires ongoing access to the material held by SANTK and needs to be assured that it is being managed to the highest professional standards, it does not depend on SANTK as a production library in the same way that TVNZ depends on Avalon for its news and current affairs programmes.

Television New Zealand Archive

With a new Chair and Chief Executive, TVNZ has re-thought the position it took last year. One of the drivers may be the desire to reduce costs (the cost of running Avalon is unclear at this point as Avalon is not treated as a cost centre within TVNZ's published accounts). A further driver is likely to be the new focus by management on the core business of TVNZ.

TVNZ is also no doubt motivated by the desire to avoid the possible future financial liability of having to digitise material currently in analogue format. The cost of digitising the entire collection of 560,000 hours is estimated to be \$30 - \$40m, although in reality not all of the resource would merit digitisation for either commercial or heritage reasons. It would be first be necessary to determine whether all of the archive was suitable for digitisation, however, particularly in light of the unresolved rights issues.

TVNZ is proposing that the archive and the building at Avalon be gifted to another part of the Crown. Two TVNZ staff would remain "embedded" in any new structure to ensure TVNZ's ongoing production needs were met promptly. TVNZ would also retain rights to content of commercial value.

Comment

As a first step, officials have requested further financial information from TVNZ.

With respect to the building, a key concern will be that the "gift" is fiscally neutral to the Crown. The long-term cost of the building will also need to be investigated in terms of best procurement practice. The building has a fair value of \$7.2 million and a written down value of \$3.5 million. The accounting and taxation issues arising from any transfer within the Crown's balance sheet will need to be identified and considered.

As noted, no information is available at present on the cost of running Avalon to TVNZ. It is believed, however, that the net cost to TVNZ (and hence the potential direct saving available) is somewhere in the range \$0.5-\$1m p.a, allowing for relatively small amounts of revenue from footage sales etc.

The content of the archive has not been valued in TVNZ's accounts, although undoubtedly it has some commercial value (as well as having some unique heritage value).

A second step is to consider who would manage the archive if it were to be gifted to another part of the Crown.

The options (other than the status quo) are broadly:

1. the NZFA, as a further step in the consolidation of audiovisual activities – this could be achieved on a similar basis to the transfer of SANTK from RNZ to the NZFA; in addition, consideration could be given to bringing the NZFA under Schedule 4 of the Public Finance Act to strengthen its accountability to the Crown;

2. Archives New Zealand, given that much of the material in question would be more than 25 years' old and thus falling within relevant provisions of the Public Records Act;
3. an existing Crown entity – the logical option would be NZ On Air although such a move would be seen by that entity as being inconsistent with its role and direction;
4. a new Crown entity could be established, built on the existing operation of the NZFA/SANTK, and also including NZ On Screen.

MCH officials are attracted to either option 1 or 4, with a preference for option 4.

The focus of Archives New Zealand is on the public record, much of which is paper-based. To open up audiovisual archives to greater public access requires a business-oriented strategy, closely associated with similar screen sector initiatives, e.g. Sir Peter Jackson's planned Film Museum. Moreover, any new set of arrangements should factor in the future of NZ On Screen.

As well as finding more private resources to accelerate the digitisation of significant heritage material, a key challenge in any new arrangement is finding ways to speed up the process of clearing associated rights. In this regard, it may be possible to create a scheme along similar lines to that established for TVNZ last year under the Television New Zealand Amendment Act. The Act creates a mandatory compensation scheme for right holders where TVNZ wishes to broadcast the programmes, thus allowing TVNZ to avoid the high transaction costs of tracking down right holders and negotiating clearances with each right holder.

Minister for Arts, Culture and Heritage

**NEW ZEALAND FILM ARCHIVE STATEMENT OF INTENT AND
MEMORANDUM OF UNDERSTANDING FOR 2012/13**

Date	26 September 2012	Trim Ref	D-0443874	Briefing No	2012/
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Action sought

Timeframe / Deadline

Note that MCH has no significant concerns about the NZ Film Archive's Statement of Intent for 2012/15 and

Sign both copies of the attached Memorandum of Understanding.

Contacts for telephone discussion

Name	Position	Telephone	
		(work)	(after hours)
Roger Perkins	Acting Manager, Media Policy	04 496-6172	
Mary Sinclair	Adviser, Heritage	04 496 6341	

Minister's Office to complete

- | | | |
|---|------------------------------------|---|
| <input type="checkbox"/> Noted | <input type="checkbox"/> Approved | <input type="checkbox"/> Overtaken by events |
| <input type="checkbox"/> Referred to: _____ | | |
| <input checked="" type="checkbox"/> Seen | <input type="checkbox"/> Withdrawn | <input type="checkbox"/> Not seen by Minister |

Minister's Office Comments

Date received from MCH	Date returned to MCH

NEW ZEALAND FILM ARCHIVE STATEMENT OF INTENT 2012-15 AND MEMORANDUM OF UNDERSTANDING FOR 2012-13

Purpose

- 1 This briefing provides you with the Ministry's comments on the New Zealand Film Archive's draft Statement of Intent (SOI) for 2012/15. A copy of the SOI is attached.
- 2 The Ministry has also drafted a Memorandum of Understanding between you and the New Zealand Film Archive (NZFA) for 2012/13 for your consideration. Two copies are attached.

Key priorities for the Film Archive 2012-15

- 3 NZFA intends to focus on the following priorities in the 2012/15 financial years:
 - *Audio archiving:* With the transfer of the Sound Archive Ngā Taonga Kōrero (SANTK) from Radio NZ to the Film Archive in 2012, initial work will focus on resourcing and prioritising the policies and programmes of both archives. Recovery from the effects of the Canterbury earthquakes and the needs of the Ngā Taonga Kōrero collection will form the basis of activity in the first two years.
 - *Digitisation of collections:* NZFA is continuing to prioritise the most significant elements of the film and television collections for digitisation with the aim of increasing the breadth, security and accessibility of the collection. It will begin a similar project to digitise the audio heritage in SANTK using the \$1 million project grant allocated by New Zealand On Air for this purpose.
 - *Developing Māori audiovisual heritage:* NZFA is beginning a two-year initiative to improve its responsiveness to the needs of its Māori collections and audiences by renewing relationships with iwi.
 - *Rehousing nitrate film storage:* NZFA will complete fundraising and build a custom-made vault for nitrate film held by itself and Archives NZ.
 - *Web-based classroom programmes for New Zealand schools:* NZFA is intending to work with TVNZ and the NZ Film Commission to re-establish a classroom service for school users.

Ministry comments on NZFA's Statement of Intent

NZFA's operating environment

- 4 NZFA's SOI outlines the impact on its operating environment of some major factors and trends (pages 4 and 5). These include:
- the continuing fiscal restraint
 - new managerial responsibility for sound archiving
 - growing collection and audience demands
 - the need to rehouse at-risk film material
 - emphasis on cost-efficiency in the public sector.
- 5 As a major agency in the archiving sector, NZFA interacts with a number of agencies with an interest in audiovisual material. Its SOI notes the importance of its multi-lateral and bi-lateral engagements with the agencies and their funding agencies. MCH is encouraging the NZFA to work more collaboratively with the agencies (NZ Film Commission, Te Mangai Paho, iwi radio stations, TVNZ, Radio NZ, Archives NZ, NZ On Air and NZ On Screen) who provide funding and materials for archiving and use the services of the NZFA.
- 6 The NZFA SOI notes the potential impact on its operations of the transfer of responsibility for managing SANTK from Radio NZ to the NZFA and the need to build collegial relationships with RNZ and SANTK staff. MCH will also be monitoring the resources provided for and required by the NZFA's ongoing management of sound archiving.

Performance measures

- 7 The NZFA has developed a set of qualitative and quantitative key performance indicators for each of its six work areas and has outlined its goals and objectives for strategy to 2020 and for initiatives for 2012 to 2015. The Ministry believes this structure can form the basis for robust reporting and analysis of the NZFA's work and will work with the NZFA in 2012/13 to refine its performance measures.

Finances

- 8 The NZFA's Crown baseline funding has been increased in 2012/13 to \$3,020,000 (2011/12: \$2,020,000) with the input of \$1.0 million from NZ On Air for sound archiving. The NZFA's income will also include a further \$1.040 million Lottery Grants Board grant over the next financial year, \$200,000 from Te Māngai Pāho for the Māori Television Service archiving, and \$450,000 for a Sound Archive digitisation project.
- 9 The NZFA ended the 2011/12 financial year with an operating surplus of \$5,000 and a deficit of \$510,000 after depreciation. The Film Archive had total accumulated funds of \$5.913 million and working capital of \$874,487. By 30 June 2013 the NZFA expects to hold accumulated funds of \$5.275 million and a reduced working capital of \$210,654.

Capability and management

- 10 The NZFA is constructing new staff spaces in its Taranaki Street building in the space vacated by the rehousing of film and video material in the new facility in Plimmerton. This will lead to greater efficiencies of work with one entire division already able to be accommodated together on one floor.
- 11 Recruitment and management of new Te Reo-capable staff to work with iwi and historic tape materials to develop a more comprehensive Māori audiovisual collection is an important part of the Archive's bicultural organisation and its commitment to WAI 262 outcomes.

Developments and risks

- 12 The management of an additional 8.5 SANTK staff as well as the existing Film Archive staff of 45 and the requirement to manage staff in three major New Zealand cities will put pressure on the NZFA's senior staff. MCH will monitor the Archive's analysis of its new needs in staff training and recruitment and its use of its new baseline to meet the needs of the Sound Archive.
- 13 The growing move to digitise audiovisual collections will require careful use of the Archive's new and existing baseline funding. MCH will monitor the Archive's use of the funding offered by NZ On Air for its SANTK digitisation project, ensuring its separate treatment in the NZFA financial statements. MCH will also monitor the Archive's continuing work on the *Saving Frames* project to salvage and digitise at-risk nitrate film.
- 14 The NZFA's fundraising for its nitrate film storage building has reached approximately half the \$310,000 required. The Archive has stated its need for an atmospherically controlled environment for its (and Archives New Zealand's) nitrate film is urgent as it does not want to subject the footage to another winter of greatly fluctuating temperatures and consequent deterioration of the collection. MCH is exploring funding sources to meet the funding shortfall without success to date.

Next steps

- 15 The Ministry is of the view that the NZFA is focused on meeting the challenges of assuming new responsibilities for sound archiving and the demands involved with archiving and digitising a growing audiovisual collection in a period of strong financial restraint. We acknowledge the next few months will involve the Archive in major scoping exercises with SANTK and this will require consultation and oversight from the Ministry.
- 16 As stated in paragraph 2 above, the Ministry has a draft Memorandum of Understanding agreed with the New Zealand Film Archive and copies are attached for your signature.

Recommendations

17 We recommend you

- a) **note** the Ministry has no significant concerns about the New Zealand Film Archive's financial and project management
- b) **sign** two copies of the attached Memorandum of Understanding and the attached letter to the Chair.

Agree / Disagree

Roger Perkins
Acting Manager Media
Policy

Hon Chris Finlayson
Minister for Arts, Culture and Heritage
_____/_____/2012

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MEMORANDUM OF UNDERSTANDING

between

THE MINISTER FOR ARTS, CULTURE AND HERITAGE

and

THE NEW ZEALAND FILM ARCHIVE

for the period

1 OCTOBER 2012 – 30 JUNE 2013

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MEMORANDUM OF UNDERSTANDING

PURPOSE AND SCOPE

- 1.1 This Agreement sets out the responsibilities and accountabilities of the Minister for Arts, Culture and Heritage (the Minister) and the New Zealand Film Archive (the NZFA) for the period 1 October 2012 to 30 June 2013 inclusive.
- 1.2 The Schedules 1 to 5 form part of this document.

INTRODUCTION

The NZFA:

- 2.1 is an independent charitable trust registered under the Charitable Trust Act 1957;
- 2.2 is subject to any obligation imposed by law.

The Crown:

- 3.1 is a major source of funding for the NZFA;
- 3.2 expects the Minister to be accountable to Parliament for the use of public funds appropriated to the NZFA through Vote Arts, Culture and Heritage;
- 3.3 recognises that the NZFA must consider not only the Crown's interests in its outputs as stated in its Statement of Intent, but also the requirements and expectations of its other stakeholders, including audiences;
- 3.4 through the Minister, has appointed the Ministry for Culture and Heritage (the Ministry) to advise the Minister on the NZFA's service and financial performance relating to the collection, preservation and archiving of New Zealand audiovisual material.

Outcomes and Outputs

- 4.1 The NZFA will work to achieve the outcomes and deliver the outputs for archiving services as set out in Schedules 4 and 5.

RESPONSIBILITIES

The Board of the NZFA will:

- 5.1 be accountable to the Minister for the NZFA's performance;
- 5.2 ensure the NZFA complies with the terms of this Agreement, the provisions of the Charitable Trust Act 1957 and other relevant legislation, and endeavours to meet the Minister's expectations as stated in the Letter of Expectations for 2012/13 (Schedule 1);
- 5.3 consult with the Minister on necessary variations to the Agreement where the

NZFA plans or anticipates significant changes in agreed outputs and related performance measures;

- 5.4 initiate a review of the NZFA's structure, governance and capability following the transfer of the Sound Archives Ngā Taonga Kōrero by 31 December 2012 and consult with the Ministry on proposed changes;
- 5.5 evaluate its performance as a Board and advise the Minister of its conclusions and plans for future development by 30 June 2013.

The NZFA will:

- 6.1 follow the 'no surprises' policy, namely briefing the Minister (or Ministry) if any matters may have implications for the Government or may be controversial, or may attract wide positive or negative public interest, including prior to the public release of information by the NZFA;
- 6.2 collaborate with the Ministry and other public entities where practicable on government-wide interests, such as those arising from the Better Public Services programme. In meeting the Minister's expectation that the NZFA deliver enhanced services to the public through greater collaboration and increased sharing of services and information with other cultural agencies, the NZFA will work towards establishing a closer relationship with other agencies involved with archiving;
- 6.3 cooperate with the Ministry on work to improve arrangements for managing New Zealand's audiovisual archives, especially with respect to their accessibility;
- 6.4 agree to apply funding allocated to the former Radio New Zealand Sound Archive Ngā Taonga Kōrero to deliver the interim outputs and outcomes for sound archiving as set out in Schedule 5. The parties acknowledge that the management of the content and outputs of Sound Archive Ngā Taonga Kōrero will require the NZFA to scope new outputs and performance measures. The NZFA will provide a confirmed business plan for 2012/13 for the use of the baseline funding for sound archiving to the Ministry by 31 October 2012;
- 6.5 provide a plan for the use of funding provided for the Sound Archive Digitisation Project to the Ministry by 15 December 2012 and report separately on the agreed plan within its regular reports to the Ministry.

The Minister will:

- 7.1 subject to the above provisions, recognise the independence of the NZFA in managing its operations;
- 7.2 follow the 'no surprises' policy, namely briefing the Ministry, and the NZFA, if any matters relating to the remit of this Agreement may have implications for the NZFA or may be controversial, or may attract wide positive or negative public interest, including prior to the public release of information by the Minister or Ministry;
- 7.3 acknowledge that it may not be possible for the NZFA to achieve some performance measures for its outputs covered in this Agreement due to circumstances beyond its control. However, if there is significant or sustained

failure to produce the outputs specified in Schedules 3, 4 and 5 or significant non-compliance with the terms of the Agreement, the Minister will consider the most appropriate action, if any, that needs to be taken. These actions may include:

- amending the Agreement to reflect the new situation; or
 - withholding payment of a proportion of the NZFA's appropriation until the terms of the Agreement have been met.
- 7.4 not undertake such actions referred to in paragraph 7.3 without prior consultation with the Board of the NZFA. Any changes will be recorded in writing and attached to the Agreement;
- 7.5 consult the NZFA before making a decision to provide funding to the NZFA for a specific purpose or in a specific way ("tagged funds");
- 7.6 provide, in accordance with the Estimates of Appropriations for 2012/13 (on behalf of the Crown), operating funding of **\$2,810,368** (GST exclusive) toward the outputs to be provided by the NZFA, **\$790,368** of which is being allocated for archiving of Sound Archive Ngā Taonga Kōrero material;
- 7.7 provide funding of **\$200,000** received from Te Māngai Pāho for archiving of Māori Television productions to the NZFA in equal quarterly statements (*Schedule 2*);
- 7.8 provide funding of **\$450,000** for a digitising project for sound archives in equal payments over the last three quarters of the financial year.

The Ministry will:

- 8.1 pay the agreed funding to the NZFA in four instalments (see *Schedule 2*);
- 8.2 provide the NZFA with timely feedback on the reports provided under *Schedule 3*;
- 8.3 consult with the NZFA, where appropriate, on the content of briefings to the Minister. The NZFA's comments will be taken into account and, where agreement cannot be reached, these comments can be included (if the NZFA wishes) along with the Ministry's advice to the Minister;
- 8.4 draft replies to Parliamentary Questions and Ministerial correspondence. The NZFA and the Minister and/or Ministry will supply each other with any information required to carry out their work in a professional and timely manner, and to meet externally imposed deadlines. The Ministry (and/or the Minister) can withhold information from the NZFA where it is appropriate to do so (for example, in accordance with the provisions of the Privacy Act 1993), or where they may be separately liable for any legal proceedings;
- 8.5 refer correspondence to the NZFA for direct reply if this is considered appropriate (for example, where it concerns the operational responsibilities of the NZFA);
- 8.6 use its best endeavours to inform the NZFA of significant issues that could concern the NZFA's operations, and maintain regular dialogue and co-operate on matters of mutual interest including reviews of the work and/or funding of the NZFA. If any issue or dispute arises between the Ministry and the NZFA both parties will work to resolve the dispute promptly;
- 8.7 use its best endeavours to advise the NZFA of press statements that comment on

the NZFA prior to the release of any statement;

8.8 renegotiate this agreement if during its term the work or environment of the NZFA is so altered that the Agreement's contents are no longer appropriate.

FORCE MAJEURE

10.1 In this Agreement "force majeure" means an event which is beyond the reasonable control of any of the parties and which makes a party's performance of its obligations under this Agreement impossible or so impracticable as reasonably to be considered impossible. It does not include industrial action where that action is within the power of the party invoking force majeure to prevent.

10.2 No party should be liable to the other party for any breach of its obligations under this Agreement, or for losses or damages sustained by the other party, where such breach or non-performance is caused by force majeure.

10.3 If either party is unable to perform, or is delayed in the performance of this Agreement due to force majeure, that party shall notify the other party as soon as practicable of the event of force majeure. This Agreement may thereupon be suspended or terminated by agreement between the parties.

SIGNATURES

Hon Christopher Finlayson
Minister for Arts, Culture and Heritage

Jane Kominik
Chair, New Zealand Film Archive

Date

Date

Schedule 1 – Letter of Expectations for 2012/13

28 February 2012

Jane Kominik
Chair
New Zealand Film Archive
PO Box 11449
Manners Street
WELLINGTON 6142

Dear Jane

Annual Letter of Expectations

This letter sets out my expectations for the New Zealand Film Archive in 2012. It is intended to aid you in the development of your 2012-2015 Annual Plan and to provide a basis for further discussion of your strategic priorities. I would welcome your comments on the letter.

Government goals in relation to the sector

In a speech on 26 January 2012, Prime Minister John Key confirmed the government's priorities for the next three years:

- responsibly managing the Government's finances
- building a more competitive and productive economy
- delivering better public services
- rebuilding Christchurch.

Responsible fiscal management

As you will know, the government is committed to returning to surplus in 2014/15. To do this, we must remain on a tight fiscal track. This means it is unlikely there will be new funding for the Arts, Culture and Heritage Vote in the 2012/13 year or in the immediate future. I am aware of the real challenges the New Zealand Film Archive (NZFA) is facing now and in coming years in preserving and maintaining New Zealand's film heritage. I will want to discuss how your Board plans to address your future needs.

In addition to managing within your current budgets and developing your future plans, I will also expect you to continue to review NZFA's services with a view to finding more innovative and cost-effective ways of delivering them within existing funding.

Contributing to a more productive economy

Manatū Taonga/Ministry for Culture and Heritage (MCH) has been working with your agency to demonstrate the value provided for New Zealanders from the government's cultural investment. This investment contributes both to our cultural objectives and to our broader social and economic goals, such as those in key sectors such as tourism and education. Preserving and displaying New Zealand's rich film heritage and making it accessible to all New Zealanders is a vital part of NZFA's work and I appreciate your efforts to achieve these goals.

I am particularly interested in being updated on how NZFA, as an organisation with a New Zealand-wide mandate, plans to support recovery and preservation of the audio-visual heritage of Christchurch.

Delivering better public services

The Prime Minister has clearly set out the government's focus on greater efficiency across public services. Further elaboration of our intentions here will be released in due course. I appreciate the work many heritage agencies, including the NZFA, are already doing on sharing services and information and I am also aware that the longer term goal of co-location of agencies is key to progress in this work. I encourage you to continue to engage with other agencies on these issues to ensure opportunities are taken as they arise. I look forward to learning of further steps being taken on all these issues when we meet during the year.

Specific priorities for your Crown entity

I expect that the Board and the NZFA will:

- identify and progress an effective long-term solution for safe and climate-controlled storage for the vulnerable nitrate collection
- advise me on the actions you are taking to increase your revenue from sources other than Vote or Lottery Grants Board
- continue to work constructively with the Ministry on its review of the management of audiovisual archives in New Zealand
- advise me on your proposals for educational outputs and engagement with classroom users through the development of internet-based programmes with reportable performance measures
- continue to report separately on the Saving Frames project, setting out what has been achieved, funds remaining and planned future actions
- report regularly to me on the archiving work done with Te Māngai Pāho.

Relationship management

I expect you to inform and, as appropriate, consult with my monitoring department, MCH, when providing me with advice, and to maintain a "no surprises" approach to working together. I would also like the NZFA to continue its good practice in providing me with regular reports, as agreed in our Agreement of Understanding.

I look forward to regular discussions with you after 1 July and I would like to hear details of the Board's plans for property and operations. In the meantime, I am happy to discuss with your Board any implications arising from these expectations. I look forward to engaging further with the NZFA throughout the year and wish you well with your planning processes.

Yours sincerely

Hon Christopher Finlayson
Minister for Arts, Culture and Heritage

cc Frank Stark, Chief Executive, New Zealand Film Archive

Schedule 2 - 2012/13 Crown Payments to the NZFA

	Appropriation (\$ GST Exclusive)	GST (\$)	Disbursement (\$ GST Inclusive)
2 July 2012	505,000	75,750	580,750
1 October 2012	795,368*	119,305	914,673
3 January 2013	755,000	113,250	868,250
1 April 2013	755,000	113,250	868,250
\$ Total	2,810,368	421,555	3,231,923

* This figure includes \$40,368, being paid to NZFA as the balance between the pre-transfer 1st quarter payment for sound archiving from NZ On Air and the new quarterly amount of \$250,000 from the \$1.0 million allocated for the 2012/13 year.

Māori Television Project Funding

	Appropriation (\$ GST Exclusive)	GST (\$)	Disbursement (\$ GST Inclusive)
2 July 2012	50,000	7,500	57,500
1 October 2012	50,000	7,500	57,500
3 January 2013	50,000	7,500	57,500
1 April 2013	50,000	7,500	57,500
\$ Total	200,000	30,000	230,000

Sound Archive Digitisation Project Funding

	Appropriation (\$ GST Exclusive)	GST (\$)	Disbursement (\$ GST Inclusive)
1 October 2012	150,000	22,500	172,500
3 January 2013	150,000	22,500	172,500
1 April 2013	150,000	22,500	172,500
\$ Total	450,000	67,500	517,500

Schedule 3 – Key Reporting Dates 2012/13

Date	Reporting Activity
Monthly	The NZFA provides MCH with monthly reports for the Minister on current key achievements, issues, and/or risks for the period.
Mid-monthly	For each fortnight between the Monthly reports to the Minister, the NZFA will provide MCH with updates on crucial issues and communications with the Minister (if any).
31 August 2012	The NZFA provides the Minister (via MCH) with a six-monthly report on its financial and operational activities, including Sound Archiving, to 30 June 2012.
By 31 October 2012	The NZFA provides MCH with a copy of the most recent report provided to its Board (covering operational activities, financial position and performance, and year-end projections).
24 February 2013	The NZFA provides MCH with a six-monthly report on its financial and operational activities, including Sound Archiving, to 31 December 2012.
By 30 April 2013	The NZFA provides MCH with a copy of the most recent report provided to its Board (covering operational activities, financial position and performance, and year-end projections).
Annual Report 2011/12	
31 August 2012	The NZFA provides MCH with its unaudited accounts and KPI results.
14 Sept 2012	MCH provides the NZFA with feedback on its draft accounts and results.
Within 5 working days of receiving the Audit Report	The NZFA provides MCH with the Audit Report and the final draft Annual Report.
Within 1 week of receiving final auditors' letter	The NZFA provides the Minister (via the Ministry) with any further significant information arising from the work of its auditors.
Statement of Intent 2013-16	
By 24 February 2013	The NZFA meets with MCH to discuss expectations and business planning.
23 March 2013	The NZFA provides MCH with its first draft SOI.
5 April 2013	MCH provides comments to the NZFA on the draft SOI.
20 April 2013	The NZFA provides the draft SOI to Minister (via MCH).
4 May 2013	The Minister provides any comment to the NZFA on the draft SOI (via MCH).
May 2013	The NZFA provides its final SOI to the Minister.
May/June 2013	The NZFA publishes the SOI after it has been presented to the Minister.
Memorandum of Understanding 2013/14	
By 11 May 2013	MCH provides the NZFA with a draft Memorandum of Understanding.
By 27 June 2013	The NZFA and the Minister sign the MOU.
Report on Governance	
By 30 June 2013	The NZFA Board reports to the Minister (via MCH) on assessment of its own governance performance.

Schedule 4 – Statement of Intent 2012- 2015

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Schedule 5– Application of Sound Archive Funding

The NZFA will accession a minimum of 1100 hours of broadcast audio programmes which are likely to be of historical interest in New Zealand during the contract period.

These will comprise:

200 Minimum hours of Māori broadcast audio programmes

850 Minimum hours of other broadcast audio programmes

50 Hours of historical audio programmes

The NZFA will preserve a minimum of 400 hours of acquired broadcast audio programmes during the contract period.

The parties acknowledge that the management of the content and services of the former Radio New Zealand Sound Archives Ngā Taonga Kōrero will require the NZFA to scope new outputs and performance measures for inclusion in its Statement of Intent.

The NZFA will consult MCH about policies and processes for the ongoing selection of material for deposit and archiving.

The NZFA will handle, preserve and store the deposited material in accordance with international best archiving practice for sound archiving and any standards agreed between the NZFA and MCH.

The NZFA will report on its sound archiving activities, including the above outputs, as a separate section in its regular reporting as outlined in Schedule 3. This will include its use of funding provided for the Sound Archive Digitisation Project.

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