

Heritage Forum report – options for the future
location of the TVNZ Archive

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Prepared by
Heritage Forum Sub-Committee
Ronald Milne, Chair

For the Minister for Arts, Culture and Heritage
Minister of Broadcasting
Minister of Internal Affairs

28 February 2013

1. Executive summary

- 1.1. This report has been prepared in response to a letter dated 20 December 2012 from the Ministers for Arts, Culture and Heritage; Broadcasting; and Internal Affairs to the chair of the Heritage Forum seeking advice relating to the future of the TVNZ Archive (“the Archive”) located at Avalon in Lower Hutt. The advice focuses on the technical and infrastructure requirements of a potential host entity for the Archive.
- 1.2. TVNZ is proposing to divest the Archive to the Crown or another entity, including ownership of land, buildings, plant, equipment and part of its television collection. This is only an initial proposal, and no formal offer has been made by TVNZ.
- 1.3. The transfer of the Archive has the potential to open access to over 375,000 hours of audiovisual heritage for New Zealanders. This goal needs to be balanced against significant additional investment required to digitise the collection, particularly in the context of fiscal restraint across the public sector.
- 1.4. The Ministry for Culture and Heritage and the Treasury are currently undertaking initial due diligence of the operating costs and holdings of the Archive. A number of issues still need to be clarified, including the extent of TVNZ’s ownership of the collection, the amount of “non-commercial” programming it wishes to divest, and current operating costs.
- 1.5. The overall objective of the transfer is to ensure the long term preservation of the collection, while maximising accessibility to New Zealanders. A range of criteria were established to measure the relative merits of each option, including audiovisual capability and infrastructure, accessibility, government control and ease of implementation.
- 1.6. The report considers three potential options for the location of the TVNZ Archive: retain within TVNZ; transfer to Archives NZ/National Library; or transfer to the New Zealand Film Archive. Other options considered included relocating the Archive to another broadcaster or heritage organisation, or establishing a new entity.
- 1.7. The following table summarises the key findings:

Proposed options for the transfer of the TVNZ Archive	Pros/cons	Implementation
Option 1: Status quo (keep within TVNZ)	<p><u>Pros:</u> Current level of services maintained in the short term; no costs involved with transfer.</p> <p><u>Cons:</u> Current issues (e.g. lack of accessibility) remain unresolved.</p>	No changes required.

Proposed options for the transfer of the TVNZ Archive	Pros/cons	Implementation
Option 2: Transfer to Archives NZ/National Library	<p><u>Pros:</u> Broad archiving expertise across a range of material; high level of government control and low implementation costs; size and scale benefits in terms of leveraging resources; collaboration opportunities between Archives NZ and National Library; pre-existing statutory responsibility for public records.</p> <p><u>Cons:</u> Expertise in collection and preservation of audiovisual material not as extensive as other options; limited opportunities to leverage third party resources.</p>	<p>Ownership of TVNZ Archive assets transferred to Archives NZ/National Library. Management of collection undertaken by Archives NZ/National Library, or delegated to another entity.</p> <p>Disposal of the public record portion of the collection to be considered by the Chief Archivist.</p>
Option 3: Transfer to the NZ Film Archive	<p><u>Pros:</u> Extensive specialist audiovisual archiving expertise; long-standing commercial relationship with TVNZ; manages the National Television Collection (a Crown-funded collection of public and private broadcasting material); recently acquired responsibility for the Radio NZ Sound Archive; already a recognised archive under relevant legislation; experience leveraging third-party commercial and non-commercial support.</p> <p><u>Cons:</u> As an independent trust, less government control and a more complex implementation path.</p>	<p>Ownership of TVNZ Archive assets transferred to the Film Archive or another part of the Crown. Management of collection delegated to the Film Archive.</p> <p>Disposal of the public record portion of the collection to be considered by the Chief Archivist.</p> <p>MoU re-negotiated with responsible Minister.</p>
<p>Other options</p> <ul style="list-style-type: none"> - Broadcasters (e.g. MediaWorks) - A new entity - Existing heritage organisation 	<p>TVNZ unlikely to agree to transfer of the Archive to a rival commercial broadcaster; Maori Television already contracts its archiving out to the Film Archive</p> <p>A Crown entity (most likely a reconstituted Film Archive) offers maximum government control; high implementation costs involved with legislative change</p> <p>No other heritage organisation with scale and audiovisual expertise identified.</p>	Not considered

- 1.8. The key conclusion drawn from the analysis of the options was that the New Zealand Film Archive, with its deep expertise in audiovisual archiving and long experience managing public and commercial broadcasting material, is the best location for the Archive in terms of broadcasting archive capability.
- 1.9. Transferring the Archive to Archives NZ/National Library would offer easier implementation and more government control, but offers less specialist expertise managing audiovisual material.
- 1.10. Irrespective of either option, there are significant opportunities for collaboration between the New Zealand Film Archive and Archives NZ/National Library, particularly in the areas of public access and sharing

of technical expertise. A stronger relationship between the agencies would help address challenges identified with the Film Archive option in terms of government control and ease of implementation.

- 1.11. The report's findings and conclusions will feed into a policy process to consider due diligence and policy implications of the proposed transfer. This will involve the Ministry for Culture and Heritage, the Department of Internal Affairs, the Treasury, the State Services Commission, and other relevant agencies, including the New Zealand Film Archive, the National Library, and Archives NZ.

2. Terms of Reference

Background

- 2.1. This report has been prepared in response to a letter dated 20 December 2012 from the Ministers for Arts, Culture and Heritage; Broadcasting; and Internal Affairs to the chair of the Heritage Forum¹ seeking advice on the future of the TVNZ Archive located at Avalon in Lower Hutt. The letter is attached in Appendix 1 of this report.
- 2.2. The Heritage Forum established a sub-committee ("the Committee") to consider future options for the location of the TVNZ Archive and prepare the report. The Committee comprised three members of the Heritage Forum – the National Library of New Zealand (Chris Szekely, Chief Librarian, Alexander Turnbull Library), Archives NZ (John Roberts, Director, Client Capability), and the Historic Places Trust (Bruce Chapman, Chief Executive). An invitation was also extended to the New Zealand Film Archive (Frank Stark, Chief Executive) to join the Committee. Ronald Milne (Chair, Heritage Forum) acted as chair. The membership reflects a range of archiving and audiovisual archiving sector expertise, as well as experience working in the broader heritage sector.
- 2.3. The Ministry for Culture and Heritage (MCH) provided secretariat support for the Committee.

Purpose of the report

- 2.4. The objective of this report is to provide Ministers with a range of options for the future location of the TVNZ Archive, with a focus on technical and professional audiovisual archiving issues.

¹ The purpose of the Heritage Forum is to encourage stronger links and more coherence across the government heritage sector and to be a visible presence promoting government heritage interests at a national level. Membership of the group is currently composed of central government departments and agencies. These are: Te Papa Tongarewa, Archives NZ, the National Library, the Department of Conservation, the New Zealand Historic Places Trust, Te Puni Kōkiri and the Ministry for Culture and Heritage.

- 2.5. This report will be an input into further policy advice on the future location of the TVNZ Archive, led by the MCH and the Crown Ownership Monitoring Unit (COMU), and involving the Department of Internal Affairs (DIA) and the State Services Commission (SSC).

Scope

- 2.6. The Committee was asked to consider how TVNZ's Archive would be maintained and made accessible to New Zealanders taking into account a range of issues, including – but not limited to – the care, preservation, and accessibility of the collection. A number of location options were to be considered, including Archives NZ and the New Zealand Film Archive (the Film Archive).
- 2.7. The report does not consider potential wider institutional changes to audiovisual archiving arrangements. It also does not address financial implications of the transfer or possible changes to departmental or Vote baselines. Both of these issues will be considered separately in policy advice to be provided by departments.

3. The TVNZ Archive

Overview

- 3.1. The Archive is a business unit within TVNZ with responsibility for managing the company's television programme output alongside legacy material from the New Zealand Broadcasting Corporation, the Broadcasting Corporation of New Zealand and other earlier public television broadcasters. This includes programming produced and owned by third parties (such as independent production companies) and licensed for broadcast by TVNZ.
- 3.2. The TVNZ Archive is an "archive" for the purposes of sections 50 to 57 of the Copyright Act 1994. This extends a limited range of statutory rights to TVNZ to re-use of copyright material, including copying and some public screening of programming. There are no specific requirements in relation to archiving in TVNZ's legislation (TVNZ Act 2003). However, TVNZ – as a Crown company – should have ongoing obligations to maintain "public records" under the Public Records Act 2005, and is subject to the public archives provisions of that Act.²
- 3.3. The Archive primarily operates as a production library for TVNZ. TVNZ also manages sales and licensing of footage in the collection. There are

² "Public records" are broadly defined as all recorded information created or received in the conduct of a public office's affairs.

charges for research and other access. Selected archival material is publicly available on the internet.

3.4. The main clients for the TVNZ Archive include:

- TVNZ, including news and current affairs, TVNZ-commissioned programming, and TVNZ Ondemand
- *Other New Zealand broadcasters (MediaWorks/TV3, SKY, Maori Television)*, purchasing commercial footage
- *Other local and international commercial television production houses*, including independent producers and those making television commercials
- *Non-commercial users*, including members of the public, NZ On Screen,³ education and cultural institutions

Current assets and holdings

3.5. The TVNZ Archive comprises two distinct areas: the physical assets including the building, land, plant and equipment located at Avalon; and the television programming holdings (“the collection”).

Physical assets

3.6. The physical assets at Avalon include a purpose-built archive facility with specialist vault storage, viewing facilities, and a theatrette. Plant and equipment related to the operation of the facility are also located on site.

3.7. TVNZ estimates the market value of the buildings and land is approximately \$7.2 million.

Television collection

3.8. TVNZ holds around one million items in its collection representing 540,000 hours of footage, chiefly on video tapes and cassettes. No material is held in digital form at Avalon i.e. on a server.

3.9. TVNZ has provided the following preliminary break-down of its collection:

- *40,000 hours* is considered a priority for its news gathering and is held in TVNZ news video libraries around the country
- *125,000 hours* of “commercial” programming, although TVNZ advises that the commercial versus non-commercial split of the collection has been difficult to obtain
- *375,000 hours* is considered “non-commercial” programming. The intrinsic heritage value of this non-commercial material is unclear at this stage

³ NZ On Screen is an independent charitable trust funded by NZ On Air to deliver television, film, and sound archival material through its web portal.

- Some material from the National Film Unit collection (controlled by Archives NZ) is also stored at Avalon.

3.10. The basis for distinguishing between “commercial” and “non-commercial” content, and the implications of this distinction for the TVNZ proposal, is unclear at this stage. Further clarification from TVNZ is required.

Current operating costs

- 3.11. TVNZ estimates the ongoing operating costs of Avalon are approximately \$2.0 million per annum. Total revenue (generated from footage sales) is unknown at this stage, but is unlikely to cover the full annual operating costs of the Archive. These costs **exclude** depreciation and centralised back office support costs (finance, legal, HR).
- 3.12. Further due diligence is required to establish the full operating costs of running the Archive.

4. TVNZ’s current proposal to divest the Archive

TVNZ offer

4.1. In September 2012 TVNZ approached MCH indicating its wish to divest the TVNZ Archive. It is currently proposing:

- ownership of the land and building be transferred to the Crown or another entity;
- ownership of plant and equipment be transferred to the Crown or another entity;
- TVNZ’s interests in the “non-commercial” part of the television collection at Avalon be transferred. TVNZ would retain ownership of news material, and all third party rights would remain undisturbed; and
- on-going operational costs and maintenance would be the responsibility of the new host entity.

4.2. TVNZ has framed the above proposal as an initial set of “negotiating principles” for entering into discussions with the Crown, and it does not reflect a formal offer. Officials have not yet responded to TVNZ.

Unresolved issues with the TVNZ proposal

- 4.3. There are significant gaps in the information TVNZ has provided about the operating costs and holdings of the Archive. The Committee notes that a full due diligence was not available at the time this report was prepared. The findings and conclusions of the report need to be viewed in this light.
- 4.4. The following issues require further clarification by TVNZ:
- the Archive's annual operating costs, including any revenue from footage sales, and the level of cross-subsidisation from other parts of TVNZ's business
 - the extent of TVNZ's ownership of programming in the collection, including the amount of material with third party interests
 - the split between the "commercial" programming TVNZ wishes to retain for its business activities, and "heritage" holdings it wishes to divest
- 4.5. In order to clarify these issues, a full and robust due diligence should be undertaken on the TVNZ Archive before the Crown enters into formal negotiations with TVNZ.

Financial implications

- 4.6. Ongoing operational funding (around \$2.0 million per annum) will be required to fund current activities. The source of this funding is yet to be determined.
- 4.7. In addition to baseline funding for existing activities, further investment will be required to digitise the significant "digital mountain" of analogue material currently in the collection.
- 4.8. The Committee notes that there is a significant difference in terms of funding required between finding a new location for the TVNZ Archive, as compared to taking full advantage of new opportunities for enhanced services and access beyond levels currently provided by TVNZ. These expectations for an enhanced TVNZ Archive need to be balanced against limited availability of new funding from within government.

Legal implications (Copyright Act and Public Records Act)

- 4.9. Any transfer of the TVNZ Archive would need to take account of complex legal issues related to the ownership and accessibility of content held in the Archive, including:

- establishing copyright ownership for material in the TVNZ collection, and clearing rights for re-use
- the status of the collection under the Public Records Act 2005

Copyright issues

- 4.10. The issue of copyright is particularly challenging. While TVNZ owns the copyright in many of the programmes held in the collection, there are also a large number of programmes that were commissioned by TVNZ, the copyright in which is held by third parties (e.g. an independent television production company). Re-use of material falling into the latter category can involve a lengthy and expensive process of clearing rights with the copyright owners, potentially creating a barrier to wider access to the collection. Record-keeping for older material held in the TVNZ collection is also incomplete, which may slow the process of identifying original copyright owners.
- 4.11. There are limited exemptions under the Copyright Act for archives to re-use copyright material, including for public screenings or making digital copies. Further information is required from TVNZ about the ownership of the collection (including any third party rights) before a full assessment of copyright implications of the transfer can be made.

Public Records Act

- 4.12. Any arrangement also needs to take into account the provisions of the Public Records Act. As a Crown company, TVNZ is a public office as defined in the Act. It is the Committee's view that much of the material in the TVNZ collection are public records and subject to the provisions of the Act. TVNZ is required to maintain all public records under its control in an accessible form.
- 4.13. TVNZ and MCH are currently seeking legal clarification about the collection's status as public records under the Act. This could have significant implications for the transfer of the collection, including the scope of TVNZ's ongoing archiving obligations.
- 4.14. In the event that TVNZ agrees to transfer ownership of its television collection to another entity, approval of the Chief Archivist would be required. Disposal of public records is a matter for the Chief Archivist to consider independently of government and Ministers. The TVNZ proposal is more complex than a routine disposal, as it also involves the potential transfer of assets and the disposal of any non-public record material in the collection.
- 4.15. Any final decision on the ownership and management of the public records portion of the TVNZ collection will be subject to further discussions between TVNZ, the Chief Archivist, and officials.

5. Options for the transfer of the TVNZ Archive

Overall objectives and outcomes of the TVNZ Archive transfer

- 5.1. The Committee understands that the Government's overall goal for the transfer of the TVNZ Archive is ensure New Zealanders have maximum accessibility to our audiovisual heritage. This is also consistent with the Better Public Services priority of improving the interaction between government and New Zealanders.
- 5.2. In assuming responsibility for the Archive, the responsible organisation will need to provide the following minimum level of services:
- ensure the Archive is at least preserved and maintained in its current condition in the long term
 - operate the Archive without significant new Crown funding in light of ongoing fiscal restraint across the public sector
 - meet TVNZ's ongoing expectations in terms of access to footage for its broadcasting activities
- 5.3. In addition to the above, it would be desirable if the entity could deliver an enhanced level of services and outcomes, including:
- adding value to both cultural and economic activities in New Zealand, and supporting Government priorities
 - making the Archive more accessible – both physically and online – to a greater number of New Zealanders
 - operating the Archive in a cost-effective manner, including seeking greater levels of non-government resource to accelerate preservation and digitisation activities.

Assessment criteria for potential transfer options

- 5.4. This section describes three approaches to transferring the Archive to another entity, and summarises the respective advantages and disadvantages. The principal options considered by the Committee were: retain the Archive within TVNZ (status quo); transfer to Archives NZ/National Library; or transfer to the Film Archive.
- 5.5. The three options are listed below according to their respective merits against seven key decision criteria. A more detailed analysis of the respective advantages and disadvantages of each option is attached in Appendix 2. The criteria were agreed by the Committee ranked in order of priority based on the key objectives and outcomes discussed above.

5.6. The criteria are:

- *Effective audiovisual collection and preservation infrastructure and capability* – including appropriate audiovisual collection and cataloguing systems, physical storage space, technical staff, and experience managing and implementing a digitisation programme
- *Wide accessibility to audiovisual material* – the new host entity’s ability to make material widely available to users, including through public access/education programmes, physical access, and online access (e.g. website)
- *Strong and effective government control* – the Government’s ability to shape the strategic direction of the organisation and ability to appoint board members, and accountability of the entity for use of Crown funding
- *Responsiveness to Treaty of Waitangi obligations* – awareness and responsiveness to iwi and Maori interests
- *Effectiveness leveraging additional resources* – ability to deliver value for money (e.g. through shared back-office services) and leverage third-party resources and revenue
- *Experience managing copyright for audiovisual material* – experience managing public and private broadcasting materials
- *Ease of implementation* – including any necessary legislative processes or Cabinet approval; likely disruption costs; transfer of current staff and acceptability to the archiving and screen production sector.

5.7. A summary of the relative strengths and weaknesses of each option is provided in Table 1 below.

Table 1: Assessment criteria for transfer of the TVNZ Archive (ranked in order of priority)	1) TVNZ (status quo)	2) Archives NZ/National Library	3) NZ Film Archive
1. Effective audiovisual collection and preservation capability and infrastructure	LOW	MEDIUM	HIGH
2. Ability to provide wide accessibility to audiovisual material	LOW	MEDIUM	MEDIUM / HIGH
3. Strong and effective government control	LOW	HIGH	MEDIUM
4. Responsiveness to Treaty of Waitangi obligations	MEDIUM	HIGH	HIGH

Table 1: Assessment criteria for transfer of the TVNZ Archive (ranked in order of priority)	1) TVNZ (status quo)	2) Archives NZ/National Library	3) NZ Film Archive
5. Effectiveness leveraging additional resources	LOW	MEDIUM	HIGH
6. Effectiveness managing copyright for audiovisual material	MEDIUM	MEDIUM / HIGH	HIGH
7. Ease of implementation	HIGH	HIGH	MEDIUM

Option 1: Status quo (keep within TVNZ)

5.8. This option would essentially retain the status quo arrangements, and see TVNZ maintain ownership of land and assets connected to the Archive as well as day-to-day responsibility for managing the collection. TVNZ would continue to fund the Archive's operation through its commercial revenue, and provide current levels of accessibility to users.

Strengths

5.9. In the short term, the current level of activities and accessibility would continue. Subject to legal clarification about how much of TVNZ's collection is public records, TVNZ should continue to discharge its statutory obligations to maintain the collection under the Public Records Act.

Weaknesses

5.10. Maintaining the status quo would not solve the ongoing issues around accessibility to TVNZ's collection beyond its current clients (i.e. TVNZ commissioned producers, broadcasters, and some public users).

Implementation

5.11. No operational or legislative changes would be required to current arrangements.

Option 2: Archives NZ/National Library

5.12. Archives NZ is a business unit within the Department of Internal Affairs. It has statutory oversight (under the Public Records Act 2005) of public records across government departments and entities. It is funded through Vote Internal Affairs (\$23.20 million in 2012/13). Archives NZ holds a wide range of archival material (paper-based documents, art, illustrations), including around 22,000 reels of film and video titles, most of which derive from the output of the former National Film Unit. The Minister of Internal Affairs is the responsible Minister.

- 5.13. In 2011 Archives NZ and the National Library of New Zealand were amalgamated with the Department of Internal Affairs. The two agencies are now located within the Information and Knowledge Services branch of the Department, along with Government Information Services.
- 5.14. Archives NZ and the National Library recently entered into a strategic partnership arrangement aimed at leveraging the combined resources of the two business units to deliver greater value services. This includes a shared approach to expertise, equipment, technological infrastructure, public programmes and facilities. The Archives NZ option needs to be considered in alignment with the resources of the National Library.

Strengths

- 5.15. Archives NZ/National Library has strong experience, technical and staff capability across collection and preservation areas generally, with some specialist facilities available for audiovisual preservation and conservation. There are also potential benefits in terms of the scale and size of the agency's operations, particularly in relation to leveraging additional capability and resourcing.
- 5.16. This option provides a high level of effective Crown governance and ease of implementation, given Archives NZ/National Library's status as part of a government department and with statutory responsibility for government public records.
- 5.17. Archives NZ and the National Library also provide online access for audiovisual material, working with NZ On Screen and other online channels to provide access to material. The recently refurbished National Library building on Molesworth Street also provides onsite access to audiovisual material. Both institutions in recent years have implemented digital preservation programmes following substantial investment.

Weakness

- 5.18. While Archives NZ/National Library has a high standard of archiving infrastructure and capability across a broad range of materials, it has less specialist audiovisual expertise than the Film Archive.

Implementation

- 5.19. Under this option, ownership of the TVNZ Avalon building, land, and assets would be transferred to Archives NZ/National Library. The day-to-day management of the collection could also be transferred to Archives NZ/National Library or another entity, subject to approval by the Chief Archivist.

Option 3: New Zealand Film Archive

- 5.20. The New Zealand Film Archive is an independent charitable trust established in 1981. It is an approved repository under the Public

Records Act. It receives Crown funding from the Lottery Grants Board and MCH (\$4.50 million in 2012/13). Within its collection of over 200,000 titles it holds around 45,000 television titles (30,000 in the Crown-owned National Television Collection and 10,000 Maori Television items) and 50,000 items deposited by Radio NZ. The collections hold a cross-section of programme material from all public and commercial broadcasters.

Strengths

- 5.21. The Film Archive has significant expertise and experience managing audiovisual material, both in terms of infrastructure and capability. It maintains specialist equipment and staff for film and video conservation, and close working relationships with specialist third-party providers in the sector.
- 5.22. The organisation also has experience in managing both public and private broadcasting material, including negotiating TVNZ deposits. The Film Archive has managed the Crown-owned National Television Collection since the early 1990s, which includes programming from TVNZ, TV3, Maori Television and other broadcasters.
- 5.23. This option would offer wide accessibility to the TVNZ collection through the Film Archive's public programmes (including cinema, screen exhibitions, education sessions) and its national network of access and interloan sites (medianet). The Film Archive also supplies material through its own website.
- 5.24. The Film Archive has recent experience managing the transfer of a Crown-owned archive collection, with the transfer of Sound Archives / Ngā Taonga Kōrero from Radio NZ to the Film Archive in October 2012. This resulted in an increase in preservation and public access outputs within existing budgets.
- 5.25. The transfer included the Film Archive taking responsibility for day-to-day management of the Sound Archive, the ongoing deposit of Radio NZ sound recordings, and transfer of staff. There is also provision for ownership of Radio NZ assets to be transferred to the Film Archive at a future date.
- 5.26. In terms of experience raising third-party investment, the Film Archive has worked with commercial and non-commercial partners to supplement its core Crown funding, including fund-raising for capital works (e.g. the construction of a storage facility to house nitrate film material at Titahi Bay).

Weakness

- 5.27. Implementation of this option is more complex than under options 1 and 2. As an independent trust, the Film Archive provides the government with less control over its operation and strategic direction than a Crown

entity. This risk could be mitigated by negotiation with the Film Archive over issues of ownership and governance.

Implementation

- 5.28. Any final decision on the ownership and management of the public records portion of the TVNZ collection will be subject to further discussions between TVNZ, the Chief Archivist, the Film Archive, and officials.
- 5.29. The Film Archive already has the status of an archive under relevant legislation (the Copyright Act and Public Records Act), so no further legislative changes would be required under this option.
- 5.30. Under this option, ownership of the building, land, and equipment could be transferred directly to the Film Archive, or another part of the Crown. The day-to-day management of the collection could be transferred to the Film Archive, subject to approval by the Chief Archivist.
- 5.31. The Film Archive's current Memorandum of Understanding with the Minister for Arts, Culture and Heritage would be amended to reflect outputs and relevant accountability and reporting arrangements related to the Archive.

Other options considered

5.32. The Committee considered a range of other options in addition to those discussed above. These included:

- Other broadcasters (e.g. MediaWorks/TV3)
- A new entity (e.g. as a Crown entity)
- An existing national heritage organisation (e.g. Te Papa)

5.33. While other commercial broadcasters (e.g. MediaWorks/TV3, SKY) do maintain production libraries, these are primarily for use in their own programming and are not proper archive facilities. TVNZ would also be highly reluctant to agree to transfer the Archive to a commercial competitor. Maori Television currently contracts archiving of its broadcast programming to the Film Archive, so is out of scope.

5.34. Establishment of a new Crown entity would offer potential advantages in terms of accountability and the ability of the government to set the entity's strategic direction (as set out in the Crown Entities Act). The most practical option would be to reconstitute the Film Archive as a Crown entity, given its existing specialist audiovisual infrastructure and capability, and its existing relationship with the Crown.

5.35. The Crown entity option would need to be balanced against high establishment costs in terms of legislative and structural changes. There

would be a stronger case for this option in terms of strategic co-ordination and efficiency gains if the entity had greater scale and wider functions; however, consideration of this option is outside the scope of this report.

- 5.36. Other national heritage organisations with some experience in audiovisual material – including Te Papa – were also considered. Te Papa has significant expertise in terms of conservation and preservation of a wide range of media, but limited expertise and infrastructure in audiovisual archiving.

6. Conclusions and next steps

Conclusions

- 6.1. The Committee recommends that in view of the key criteria considered for the future location of the TVNZ Archive – audiovisual preservation and conservation capability and infrastructure, wide accessibility, strong and effective governance, and ease of implementation – the Film Archive offers the best option. The organisation possesses the deepest level of audiovisual archiving expertise in New Zealand, and has a long history managing both commercial and public broadcasting material, including TVNZ deposits.
- 6.2. While this option provides less government control than other options considered (including Archives NZ/National Library), stronger accountability and governance arrangements could be negotiated. The Committee notes that through levers of funding and Ministerial letters of expectation the Film Archive option still offers more government influence than the status quo under TVNZ.
- 6.3. Transferring the TVNZ Archive to Archives NZ/National Library would offer easier implementation and more government control than the Film Archive option, but offers less specialist expertise in managing audiovisual material.
- 6.4. Irrespective of either option, there are opportunities for collaboration between the Film Archive and Archives NZ/National Library, particularly in the areas of public access and sharing of technical expertise. A stronger relationship between the agencies would help address challenges identified with the Film Archive option in terms of government control and ease of implementation.
- 6.5. The Committee notes that whatever option is chosen, the new host entity will require at least current levels of operational funding allocated by TVNZ (around \$2.0 million per annum) to maintain existing levels of access to the Archive. Significant additional investment and resourcing would be needed to realise the full potential of the Archive, including enhanced accessibility and an accelerated digitisation programme.

Next steps

- 6.6. The report's findings and conclusions will feed into a policy process to consider due diligence and policy implications of the proposed transfer. This will involve MCH, the Department of Internal Affairs, the Treasury, the State Services Commission, and other relevant agencies, including the Film Archive, the National Library, and Archives NZ.

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Appendix 1: Letter to Heritage Forum



Office of Hon Christopher Finlayson

Attorney-General
Minister for Treaty of Waitangi Negotiations
Minister for Arts, Culture and Heritage
Associate Minister of Māori Affairs

20 DEC 2012

Ronald Milne
Chair, Heritage Forum
Ministry for Culture and Heritage
WELLINGTON

Dear Ronald

TELEVISION NEW ZEALAND ARCHIVE

We are writing to ask the Heritage Forum for advice relating to the future of the Television New Zealand Archive.

Television New Zealand has indicated it wishes to explore the possibility of divesting its archive to concentrate on its core business as a national media company. TVNZ is proposing that while some other organisation would assume responsibility for the archive's assets and its day-to-day operation, it would have ongoing rights of access to the archive for the production of news and retain two staff dedicated to provide this service.

We would like the Heritage Forum to consider options regarding the range of agencies that could reasonably assume responsibility for this important archive. Options would include Archives New Zealand and the New Zealand Film Archive. Particular regard should be paid to how this valuable heritage material is maintained and made accessible to New Zealanders.

We would appreciate receiving the Forum's advice through you no later than mid-February 2013.

Yours sincerely

Hon Chris Finlayson
Minister for Arts, Culture
and Heritage

Hon Craig Foss
Minister of Broadcasting

Hon Chris Tremain
Minister of Internal
Affairs

Appendix 2: Detailed stocktake of options

	Option 1: TVNZ (status quo)	Option 2: Archives NZ / National Library	Option 3: NZ Film Archive (NZFA)
Legal status	TVNZ Archive is a business unit within TVNZ (a Crown entity company)	Business units in the Department of Internal Affairs.	Independent charitable trust
Location	Avalon, Lower Hutt	Archives NZ has offices in Auckland, Wellington, Christchurch and Dunedin. National Library (NLNZ) has offices in Auckland and Wellington.	Offices in Auckland, Wellington and Christchurch
Current accountability arrangements with the Crown	Relevant accountability and reporting responsibilities under the Companies Act and Crown Entities Act The Minister of Broadcasting and Minister of Finance are shareholding Ministers	Relevant accountability and reporting responsibilities under the Public Finance Act The Minister of Internal Affairs is the responsible Minister	Annual Memorandum of Understanding with the Minister for Arts, Culture and Heritage for delivery of Crown-funded outputs
Annual revenue (2012/13)	\$2.50m (estimated); funded from revenue from footages sales and other TVNZ revenue)	Vote Internal Affairs - \$23.20m (Archives NZ); \$75.02m (National Library)	\$4.91 m (comprising \$4.50m of Crown funding through MCH, Lottery Grants Board, Te Mangai Paho)
Television collection	545,000 hours of TVNZ broadcast programming	No television holdings. 22,000 film and video titles, mostly from the National Film Unit	Over 45,000 television titles comprising <ul style="list-style-type: none"> - 30,000 titles in the National Television Collection - a Crown-funded collection of public (TVNZ) and commercial (TV3, Prime) television - 10,000 titles in the Maori Television collection (on behalf of Te Mangai Paho)

Assessment criteria	Option 1: TVNZ (status quo)	Option 2: Archives NZ / National Library	Option 3: NZ Film Archive (NZFA)
<p>1. Effective audiovisual collection and preservation infrastructure and capability</p>	<p><u>Cataloguing and deposits:</u></p> <p>TVNZ staff manage cataloguing and deposit of TVNZ programming, primarily for in-house use</p> <p><u>Digitisation</u></p> <p>No digitisation currently undertaken</p> <p><u>Analogue preservation</u></p> <p>No preservation activities currently undertaken</p> <p><u>Conservation services and facilities</u></p> <p>Collection and cataloguing services provided onsite at Avalon.</p>	<p><u>Cataloguing and deposits:</u></p> <p>NLNZ has had extensive technical expertise relating to online content management systems. NLNZ has considerable expertise in cataloguing information in both analogue and digital formats</p> <p>- Archives NZ has extensive repository facilities. NLNZ has experience and expertise in managing multi-format collection repositories.</p> <p><u>Digitisation</u></p> <p>- Archives NZ and NLNZ undertake a range of digitisation programmes for material in many formats, using in-house, partnership and commercial outsourcing models.</p> <p>- Archives NZ is implementing a major digital preservation programme in collaboration with the NLNZ. This is based on a \$40 million government investment in digital preservation of the nation's documentary heritage.</p> <p><u>Preservation and conservation</u></p> <p>- Archives NZ and NLNZ have extensive experience managing a wide range of analogue material.</p> <p>- NLNZ has specialist facilities and expertise to conserve sound and video.</p>	<p><u>Cataloguing and deposits:</u></p> <p>- The NZFA catalogue was initially developed on TVNZ's catalogue platform and retains its underlying structure. NZFA's entire catalogue has been online since 2004. There is a high degree of compatibility between the catalogues</p> <p>- NZFA staff and managers have extensive experience of television cataloguing and collection management</p> <p><u>Digitisation</u></p> <p>- NZFA currently digitises more than 7,000 film and video titles a year. It is about to launch an MCH-funded project to digitise up to 10,000 audio items.</p> <p>- NZFA has undertaken a number of larger digitisation projects in recent years, including the Chapman Archive and the Kohanga Reo Trust collection</p> <p>NZFA currently manages a born-digital and digitally transferred collection of over 40,000 items on a variety of platforms and in a range of file formats.</p> <p><u>Preservation and conservation</u></p> <p>- NZFA has specialised equipment for film and video conservation and close working relationships with the leading providers of film and video laboratory services</p>

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2. Wide accessibility to audiovisual material	<p><u>Public access programmes</u></p> <p>None</p> <p><u>Onsite access</u></p> <ul style="list-style-type: none"> - Public access terminals available onsite at Avalon. <p><u>Online access</u></p> <ul style="list-style-type: none"> - Online access to some content is provided on TVNZ's website and NZ On Screen website. 	<p><u>Public access programmes</u></p> <p>NLNZ has a Public Programmes Team with responsibility for developing exhibitions, public talks and activities, and school-oriented activities</p> <ul style="list-style-type: none"> - The refurbished National Library building in Molesworth St in Wellington has the ability to present audiovisual material <p><u>Onsite access</u></p> <ul style="list-style-type: none"> - The refurbished National Library building in Molesworth drawing on the combined collections of Archives NZ, NLNZ and ATL. <p><u>Online access</u></p> <ul style="list-style-type: none"> - Archives NZ works with NZ On Screen and other online channels to provide access to material. - Archives NZ operates a range of online channels, and has a specialist team working with multiple parties to extend the effectiveness of its offering. NLNZ has expertise with online delivery channels, particularly through Digital New Zealand. 	<p><u>Public access programmes</u></p> <ul style="list-style-type: none"> - NZFA has a range of public programmes including community, education and cinema screenings, exhibitions and installations and on-line and on-site reference services. <p><u>Onsite access</u></p> <ul style="list-style-type: none"> - NZFA has a national network of "medianet" access and interloan sites (currently 14) in partnership with public libraries, museums, galleries and tertiary education providers. <p><u>Online access</u></p> <ul style="list-style-type: none"> - NZFA currently supplies a large portion of NZ On Screen's on-line content. It also provides content to a range of other online sources including culture and heritage sites - NZFA has a website featuring over 500 video clips and receiving 600,000 visits a year.
3. Strong and effective government control	<p><u>Accountability mechanisms</u></p> <ul style="list-style-type: none"> - TVNZ does not provide detailed financial or service performance reporting for the Archive in its Annual Report. 	<p><u>Understanding of government policy priorities for the sector</u></p> <ul style="list-style-type: none"> - Archives NZ has a statutory role in advising government. It has strong relationships with all government agencies, and policy experience. - Archives NZ and NLNZ are part of the 	<p><u>Understanding of government policy priorities for the sector</u></p> <ul style="list-style-type: none"> - Experience working with MCH and screen sector agencies such as NZ On Air and Te Māngai Pāho to assist with the formulation and delivery of government policy in the archiving and broadcasting area.

	Option 1: TVNZ (status quo)	Option 2: Archives NZ / National Library	Option 3: NZ Film Archive (NZFA)
<p>4. Responsiveness to Treaty of Waitangi obligations</p>	<ul style="list-style-type: none"> - TVNZ has an existing agreement with Maori Television to provide footage with Maori content on a cost-recovery basis 	<p>Department of Internal Affairs which has responsibility for the Better Public Services Priority 10: "New Zealanders can complete their transactions with government easily in a digital environment"</p> <p><u>Legislative compliance</u></p> <ul style="list-style-type: none"> - Archives NZ is the regulatory authority that oversees the public records regime. It has experience operating with a wide range of legislative requirements. - The National Library is mandated by the National Library Act <p><u>Accountability mechanisms</u></p> <ul style="list-style-type: none"> - Archives NZ and NLNZ operate within the Department of Internal Affairs and meet all Crown requirements for financial and performance reporting 	<p><u>Legislative compliance</u></p> <ul style="list-style-type: none"> - NZFA manages the National Television Collection (established under the Broadcasting Act), and is fully compliant with the Public Records Act and the Copyright Act. - Manages the copyright of over 3000 companies, families and individuals. <p><u>Accountability mechanisms</u></p> <ul style="list-style-type: none"> - Accountability and reporting requirements to MCH and the Minister for Arts, Culture and Heritage through the Minister's Letter of Expectations and annual MoU.
		<p><u>Legislative compliance</u></p> <ul style="list-style-type: none"> - Both Archives NZ and NLNZ have Maori Advisory Groups, as well as statutory monitoring groups with Maori representation. - Archives NZ is explicitly required by law to uphold the spirit of partnership envisaged by the Treaty of Waitangi - NLNZ has large Maori-related holdings, many of which have been deposited by Maori donors. It has specialist expertise in the collection preservation, description, curatorial and research service areas - Both Archives NZ and National Library are 	<ul style="list-style-type: none"> - NZFA is the archive for the Maori Television Service. - NZFA has a national network of kaitiaki agreements with iwi to manage Maori audiovisual archive material.

	Option 1: TVNZ (status quo)	Option 2: Archives NZ / National Library	Option 3: NZ Film Archive (NZFA)
5. Effectiveness leveraging additional resources	None	<p>involved with iwi in the context of Treaty claim settlements and the development of Letters of Commitment relating to collaborative approaches to the care and management of taonga.</p> <p><u>Value for money delivery of services</u></p> <ul style="list-style-type: none"> - Archives NZ and NLNZ were recently amalgamated with the Departmental Internal Affairs with the expectation of leveraging greater value through a shared-services approach to back-office functions - As agencies of the Crown both Archives NZ and NLNZ have experience delivering services with static and reducing budgets. 	<p><u>Value for money delivery of services</u></p> <ul style="list-style-type: none"> - NZFA is currently engaged in the merger of sound archiving services from Radio NZ, requiring an increase in preservation and public access outputs within existing budgets. <p><u>Opportunities for commercial and non-commercial partnerships</u></p> <ul style="list-style-type: none"> - NZFA works with commercial sponsors, charitable funders, depositors, industry suppliers, local and international partner organisations to enhance the value of its core Crown funding. - Experience brokering commercial and philanthropic relationships in areas such as acquisition (Last Film Search) preservation (Saving Frames), public programmes (Travelling Film Show) and capital works (mediaplex and Northpoint)
6. Experience managing copyright for audiovisual material	None	<p><u>Management of public and private broadcasting materials</u></p> <ul style="list-style-type: none"> - Archives and NLNZ manage Intellectual Property in existing holdings. 	<p><u>Management of public and private broadcasting materials</u></p> <ul style="list-style-type: none"> - NZFA manages the copyright for thousands of its depositors, many of whom are key stakeholders in the TVNZ collection.

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