

Auckland Tourism, Events and Economic Development Ltd Board meeting

OPEN AGENDA

Will be held as follows:

DATE: 24 June 2016
TIME: 12.30 pm start
VENUE: Precinct Properties, Level 12, 188 Quay St, Auckland

Board members:

<i>Chair</i>	David McConnell
<i>Deputy Chair</i>	Norm Thompson
<i>Director</i>	Franceska Banga
<i>Director</i>	Richard Jeffery
<i>Director</i>	Danny Chan
<i>Director</i>	Helen Robinson
<i>Director</i>	Stuart McCutcheon

OPEN AGENDA

1. **APOLOGIES**
An apology has been received from Francesca Banga.

2. **MINUTES OF 29 APRIL 2016 AND OPEN ACTION TRACKER**
Brett O'Riley, Chief Executive

3. **REGISTER OF DIRECTORS' INTERESTS & DECLARATION OF CONFLICT OF INTEREST**
Brett O'Riley, Chief Executive

4. **ATEED'S STATEMENT OF INTENT**
Brett O'Riley, Chief Executive

5. **CHIEF EXECUTIVE'S ACTIVITY REPORT**
Brett O'Riley, Chief Executive

6. **FINANCE REPORT**
Barbara Imlach, Chief Financial Officer

Friday, 24 June 2016



OPEN AGENDA

1. APOLOGIES

No apologies have been received.

2. MINUTES OF 29 APRIL 2016 AND OPEN ACTION TRACKER

BOARD MINUTES

- What:** Minutes of a Meeting of Board of Directors of Auckland Tourism Events and Economic Development Limited
- Where:** Tamaki Makaurau Boardroom, Level 8, 139 Quay St, Auckland
- When:** Friday, 29 April 2016 at 12.45 pm
- Directors:** David McConnell
Norm Thompson
Franceska Banga
Richard Jeffery
Helen Robinson
Danny Chan
Stuart McCutcheon
- Board Advisor:** Sir Pita Sharples
- Board Intern:** Daniel Mussett
- In Attendance:** Brett O'Riley, Chief Executive
Martin Fairweather, Chief Operating Officer
Barbara Imlach, Chief Financial Officer
Libby Nuth, Company Secretary
- Public & Media Attendance:** N/A
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Background

- A. David McConnell was appointed as Chairperson for the meeting.
- B. It was noted that the quorum (12.9 of the Constitution) is a majority of the directors and there currently being 7 directors, a quorum of directors was present. It was noted that each director had been given proper notice of the meeting.

Meeting Business

1. Apologies

No apologies were received.

2. Minutes of Previous Meetings and Open Action Tracker

The draft minutes of the meeting held on 1 April 2016 and the Open Action Tracker were discussed.

Following the conclusion of discussions, the Board resolved that the minutes of the ATEED meeting held on 1 April 2016 be confirmed as a true and correct record.

3. Register of Directors' Interests and Conflicts of Interests Declaration

The Chief Executive noted that he was not aware of any ATEED Management or Officers having any undeclared Conflicts of Interests in relation to any ATEED activities and/or events.

4. Chief Executive Review – April 2016

Brett O'Riley spoke to the paper. The key points were as follows:

- Health and Safety: the Board noted the Health and Safety scorecard. An update was provided on health and safety activity for the iSites and Famils.
- Visitor Economy: there were a record number of visitors to Auckland over the summer and the Board were updated on the accommodation initiative "Project Palace" which would be looking at attracting hotel investment.

Following the conclusion of discussions, the Board resolved to receive the paper.

5. Finance Report – March 2016

Barbara Imlach spoke to the Report which was taken as read.

Following the conclusion of discussions, the Board resolved to note the Finance Report for the period ended March 2016.

6. Closing the Meeting to the Public

It was resolved to exclude the public from the remainder of the meeting in accordance with paragraph 12.3 of the Company's constitution.

Resolutions in relation to the discussions around confidential items are recorded in the confidential section of these minutes and are not publicly available.

The Chairperson noted the open part of the meeting concluded at 1.00pm.

SIGNED by the Chairperson as an accurate record of the open part of the meeting:

Chair

Date

Open Board Action Tracker

Action	Result of Action	Status of Action	Target Date	Responsibility
31 July 2015 Meeting				
Health and Safety: the Board requested that a schedule of Directors event site visits be maintained, and a schedule of upcoming events be provided to the Board.	A schedule of site visits for the 2016/17 Major Events season has been prepared and calendar invites have been sent to Directors.	Complete	Complete	Barbara Imlach

Friday, 24 June 2016



OPEN AGENDA

3. **REGISTER OF DIRECTORS' INTERESTS & DECLARATION OF CONFLICT OF INTEREST**

ATEED Board Interests and Conflicts Register

Director	Interests and Conflicts
David McConnell	Managing Director, McConnell Group Deputy Chair, Committee for Auckland Board Member, University of Auckland’s Business School Advisory Board Director, 429 Limited Director, Addison Developments Limited Director, Addison Group Limited Director, Addison Retirement Village Limited Director, Anselmi Ridge Limited Director, Arnot Investments Limited Director, Ascot Parade Limited Director, Beaumont Park Limited Director, BPB Plasterboard Limited Director, British Plasterboard Limited Director, C 60 Display Limited Director, Citygate Limited Director, Ecoclean Technology SDS BHD Ltd Director, Element NZ limited Director, Galleon Limited Director, Harker Underground Construction Limited Director, Hawkins Construction Group Limited Director, Hawkins Construction Guam Inc. Director, Hawkins Construction Hobsonville Limited Director, Hawkins Construction Limited Director, Hawkins Construction NI Limited Director, Hawkins Construction North Island Group Limited Director, Hawkins Construction North Island Limited

	<p> Director, Hawkins Construction South Island Limited Director, Hawkins (Fiji) Ltd Director, Hawkins Group Limited Director, Hawkins Infrastructure Guam Inc. Director, Hawkins Infrastructure Limited Director, Hawkins Management Limited Director, Hawkins Plant Limited Director, Hawkins PNG Ltd Director, Learning Infrastructure Partners GP Limited Director, Learnings Infrastructure Investment Limited Director, McConnell Development Holdings Limited Director, McConnell Developments Limited Director, McConnell Funds Management Limited Director, McConnell GP No.1 Limited Director, McConnell Group Limited Director, McConnell International Pty Ltd Director, McConnell Limited Director, McConnell Property Limited Director, McConnell Property Services Limited Director, MTC Land Investments Limited Director, Pancho Hawkins Phillipines Inc. Director, Pomander Holdings Limited Director, Projects (M.I.L.) Limited Director, Shelf Company 2012A Limited Director, Spiral Welded Pipes Limited Director, Steelpipe Limited Director, The Shooting Box Limited Director, Titanium Park Development Limited Director, Wilkins & Davies Limited </p>
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	<p>Director, Hawkins Singapore Pte Limited Director, MC (Jervois) General Partner Limited Director, Hawkins Construction Schools 2 PPP Limited Director, Future Schools Partners GP 1 Limited Director, Future Schools Partners GP 2 Limited</p> <p>Party to a Deed of Indemnity and Undertaking between the Director and the Company and an insured party under a Directors and Officers Liability Insurance Policy and a Defence Costs Insurance Policy arranged and funded by the Company</p>
Director	Roles & Responsibilities outside of ATEED
Norman Thompson	<ul style="list-style-type: none"> · Director, Dot.Kiwi Limited · Director, Preno Limited · Director, Queenstown Airport Corporation Limited · Director, Tourism New Zealand Board · Chartered Fellow of Institute of Directors · Trustee, Young Enterprise Scheme (YES) · Member, New Zealand Golf Open 2016 Committee <p>Party to a Deed of Indemnity and Undertaking between the Director and the Company and an insured party under a Directors and Officers Liability Insurance Policy and a Defence Costs Insurance Policy arranged and funded by the Company</p>
Director	Roles & Responsibilities outside of ATEED
Franceska Banga	<ul style="list-style-type: none"> · Director, Constellation Capital · Director, Continuity Capital Limited (NZ) · Director, Frogparking Limited · Trustee, Fred Hollows Foundation · Trustee, Peka Peka Trust (Family Trust) Investments in: <ul style="list-style-type: none"> - Pohutukawa Fund, Maui Capital Indigo Fund

	<ul style="list-style-type: none"> - 82 Limited Partnership and Advisory Board member · Shareholder (1%) – Business Growth Limited · Shareholder – the Breakthrough Co. Limited (Family business) · Shareholder – National Business Coaching Limited · Member, Institute of Directors NZ Inc. <p>Party to a Deed of Indemnity and Undertaking between the Director and the Company and an insured party under a Directors and Officers Liability Insurance Policy and a Defence Costs Insurance Policy arranged and funded by the Company</p>
Director	Roles & Responsibilities outside of ATEED
Richard Jeffery	<ul style="list-style-type: none"> · Chief Executive, Vodafone Events Centre · Trustee of the Rising Foundation · Owner – I Like Gallery Limited, Art Gallery & Project Consulting · Director and Shareholder, Knight Star Covenants Limited · Director, The Original Art Sale Limited · Director, Museum of Transport and Technology (MOTAT) <p>Party to a Deed of Indemnity and Undertaking between the Director and the Company and an insured party under a Directors and Officers Liability Insurance Policy and a Defence Costs Insurance Policy arranged and funded by the Company</p>
Director	Roles & Responsibilities outside of ATEED
Danny Chan	<ul style="list-style-type: none"> · Director and Shareholder, A1 Flower Wholesalers Limited · Director and Shareholder, Academic Colleges Group Limited and subsidiaries as follows: <ul style="list-style-type: none"> Australian International Schools Limited (BVI) New Zealand International College Limited ACG New Zealand International College Jakarta Limited ACG Australian International Education Services Company Limited New Zealand Management Academies Limited ACG Yoobee School of Design Limited Yoobee Pty Limited (Australia)

	<p> New Zealand Career College Limited NZ Nannies Plus Limited ACG Norton College Limited ACG NZIC Limited ACG English School Limited ACG Parnell College Limited ACG Senior College Limited ACG Strathallan Limited ACG Tauranga Limited ACG Sunderland Limited ACG Property Holdings (NZ) Limited ACG Property 345 Queen Street Limited ACG Parnell College Property Limited ACG Senior College Property Limited ACG Strathallan College Property Ltd ACG Education Services Limited ACG Tauranga Property Limited Education Investments Group Limited Sunderland School Property Limited ACG Early Childhood Education Group limited </p> <ul style="list-style-type: none"> · Director and Shareholder, Alpha Asset Management Limited · Director and Shareholder, ARN Investments Limited · Director and Shareholder, Danting Investments Limited · Director and Shareholder, Education Investment Limited · Director and Shareholder, Flowerzone International Limited and subsidiaries · Director and Shareholder, Green Cut Limited · Director and Shareholder, Griff Trading Limited · Director and Shareholder, Lady White Snake Film Limited · Director and Shareholder, Orient Group Limited and subsidiaries · Director and Shareholder, Orpac International Limited · Director and Shareholder, Planit Products NZ Limited · Director and Shareholder, Rhino Security Limited and subsidiaries · Director and Shareholder, Sharp Multi-Media Limited · Director and Shareholder, Sharp Multi-Media Productions Limited
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	<ul style="list-style-type: none"> • Director and Shareholder, Simtics Limited • Director and Shareholder, SimTutor Limited • Director and Shareholder, Tahere Callas Limited and subsidiary • Director and Shareholder, Talaforde Investments Limited and subsidiary • Director and Shareholder, The Academic Coaching School Limited • Director and Shareholder, Turners Flower Exports NZ Limited • Director, Abano Healthcare Limited • Director, Simtics Limited • Shareholder, Aire Cut Company Limited • Shareholder, CLOUD M Limited • Member, NZ China Advisory Council (appointed 20 November 2012) • Member, NZ Markets Disciplinary Tribunal • Director, Farmers Mutual Group (Mutual Society) <p>Party to a Deed of Indemnity and Undertaking between the Director and the Company and an insured party under a Directors and Officers Liability Insurance Policy and a Defence Costs Insurance Policy arranged and funded by the Company</p>
Director	Roles & Responsibilities outside of ATEED
Helen Robinson	<ul style="list-style-type: none"> • Chair, CLOUD M Ltd • Chair, Organic Initiative Ltd • Chair, The Network for Learning Ltd (N4L) • Chair, Valens Group • Director, KND Investments Ltd • Director, KND Trustees Ltd • Managing Director, Penguin Consulting Ltd • Member, NZ Rugby, Board Strategic Relations & Planning Committee • Council Member, Open Polytechnic NZ • Trustee, Aktive Auckland Sport & Recreation • Trustee, Robinson Family Trust

	<p>Party to a Deed of Indemnity and Undertaking between the Director and the Company and an insured party under a Directors and Officers Liability Insurance Policy and a Defence Costs Insurance Policy arranged and funded by the Company</p>
Director	Roles & Responsibilities outside of ATEED
Stuart McCutcheon	<ul style="list-style-type: none"> · Chairman of Directors, Auckland UniServices Ltd · Director, Universitas 21 international university network · Council Member, University of Auckland · Member, Partnership Board, the Worldwide Universities Network · Member, Steering Committee, the Association of Pacific Rim Universities · Trustee, UK Friends of the University of Auckland <p>Party to a Deed of Indemnity and Undertaking between the Director and the Company and an insured party under a Directors and Officers Liability Insurance Policy and a Defence Costs Insurance Policy arranged and funded by the Company</p>
Board Advisor	Roles & Responsibilities outside of ATEED
Sir Pita Sharples	<ul style="list-style-type: none"> · Director, Tu Maori Mai Limited · Hoani Waititi Marae - Taumata · Te Ropu Manatangi – Kai ako · Te Whare Tu Taua – Tumu Whakaarei · Ngā ti Kahungungu iwi – Taumata · Te Toa Takitini – Kaumatua advisor · Aorangi maori trust board – Kaumatua · Rakau Tatathi Marae – Paepae · Mahi Tahī trust Board – Member · Maori and Pacific Trade Training – Manawhaka haere · Maori Heritage Council – Member · NZ Heritage Trust Board – member · Emerge Aotearoa – Board Kaumatua

	<ul style="list-style-type: none"> · NPM – Patron · Te Arapai – Member · Auckland Museum Trust Board - Member · Auckland Museum Maori Council – Member · Special Expert Group on Organ Donation – Member · Pacific Leaders Programme – Consultant · Matatini – Life Member · Zin and Tane Chinese Maori Dance Production – Producer · White Ribbon Campaign – Ambassador · West Auckland Task Force against Domestic Violence – Member · Pillars – Patron · Tamaki Makaurau Haka Society – Life Member · Unitech Maori Advisor · Maori Chinese youth forum – Kaumatua · Heritage NZ Pouhere Taonga Trust
Board Intern Programme Participant	Roles & Responsibilities outside of ATEED
Daniel Mussett	<ul style="list-style-type: none"> · Trustee and Board Chairman, Dilworth Old Boys Centennial Foundation Trust, a registered charity <p>An insured party under a Directors and Officers Liability Insurance Policy and a Defence Costs Insurance Policy arranged and funded by the Company</p>

Friday, 24 June 2016



OPEN AGENDA

4. **ATEED'S STATEMENT OF INTENT**

Brett O'Riley, Chief Executive

OPEN

JUNE 2016

ATEED 2016-19 Statement of Intent

Report to Auckland Tourism, Events and Economic Development Chairman and Board

Proposal

This report presents the Board with the proposed final ATEED 2016-19 Statement of Intent – incorporating shareholder comments – for final adoption and submission to Auckland Council.

Strategic Alignment

The Local Government Act requires all CCOs to prepare a Statement of Intent (SOI) each year. As part of the development process, a Board approved draft ATEED SOI was delivered to shareholders for comment in late February.

Shareholder comments were received on 29 April (Attachment A) and the draft SOI has been amended to reflect these comments.

ATEED is required to finalise and submit a final SOI to Council by June 30. As part of this process ATEED is required to hold a meeting open to members of the public for the purpose of considering comments from shareholders on the organisations draft SOI.

Comment

On 29 April, the ATEED Chair received official shareholder comments on the draft ATEED SOI 2016-19 (Attachment A). In addition to this feedback, on-going internal management review, including ongoing refinement of KPIs and Monitoring Measures, have resulted in further changes to the draft SOI (Attachment B).

Changes made as a result of shareholder feedback are:

- Additional detail regarding ATEED's initiatives to grow external revenue and deliver value for money (page7).

- An additional section outlining how ATEED will contribute to building Aucklanders' understanding of Council assets and services particularly with regards signage, communications and branding (page 24).
- Changes to terminology regarding achieving better outcomes for Maori (pages 15-16) and a number of minor editorial changes to reflect the contribution of ATEED activities to achieving Maori outcomes (various).

Proposed changes to KPIs are as follow:

Proposed Change	Rationale
Change "Spend by visitors in Auckland" targets to align with officially produced MBIE estimates.	<ul style="list-style-type: none"> • Current targets are based on old data and have been exceeded. Targets have been updated to reflect new official estimates and the original Visitor Plan growth trajectory.
Addition of one new measure related to the number of international business event bids supported	<ul style="list-style-type: none"> • To reflect significant work that may be undertaken on bids that may not proceed. • To be confirmed with Major and Business Events Sub-committee
Removal of "Estimated number of attendees at major events invested in"	<ul style="list-style-type: none"> • Reduces number of event focussed measures providing a better balance of measures across the Visitor Economy. • Remaining measures continue to cover key outputs sought in Major Events Strategy. • Attendee numbers will continue to be collected and reported, but no longer via the SOI.
Removal of "Total value of Callaghan Innovation R&D grants through RBP programme."	<ul style="list-style-type: none"> • Value of grants no longer reflects an outcome sought through the re-negotiated RBP programme contract and is not a KPI with Callaghan Innovation. • Remaining RBP related KPIs measure quantity and quality of activity undertaken.
Addition of new KPI measuring "number of entrepreneurs supported through an ATEED delivered or funded entrepreneurship programme."	<ul style="list-style-type: none"> • ATEED undertakes significant activity to foster entrepreneurship which is not currently reflected through current measures.

In addition, further thought has been given to the ongoing refinement of our measurement framework to reflect the developing maturity of a number of ATEED interventions and also to coincide with the Council Long Term Plan process which will begin in early 2017. These proposed future refinements include:

Visitor Economy

- Potential changes to Major Event related measures and targets to reflect the refreshed Major Events Strategy (due for release in early 2016/17).
- Introduction of new measures related to knowledge/perceptions of Auckland as a leisure destination in key Australian and domestic markets. Benchmarking research to be undertaken over the next 12 months.

Innovation and Entrepreneurship

- A new measure to quantify start-up activity as a result of ATEED interventions.
- A new measure capturing the number of attendees at ATEED delivered or funded business events.
- A new measure focussed on the impact of GridAKL (GDP, investment raised, additional employment).

Skills and Talent

- Expansion of the current Youth Employers Pledge measure to cover the number of businesses engaged by ATEED in supporting youth employment pathways.

Brand and Identity

- A new measure to track the impact of the Global Auckland work.

It is anticipated that these new measures may be implemented for the 2017/18 financial year.

Finally, a number of additional monitoring measures have been included to reflect a fuller suite of outcomes ATEED in monitoring across our Strategic Pillars. In particular, additional monitoring metrics have been identified in the areas of innovation and entrepreneurship, business and investment attraction, skills and talent and brand/identity (page 21).

Options

Options open to the Board are to:

1. approve the proposed SOI as attached for submission to Council on or before June 30.
2. provide further feedback on changes/edits required before submission to Council on or before June 30.

Financial Implications

None

Recommendations

1. That the Board note public feedback on shareholder comments on ATEED's draft 2016-19 SOI.
2. That the Board approve the attached SOI as ATEED's final 2016-19 SOI for submission to Council.

Attachments

- A. Shareholder comments on draft Statement of Intent 2016-19
 - B. Proposed final ATEED Statement of Intent 2016-19 – tracked changes
 - C. Proposed final ATEED Statement of Intent 2016-19 – clean
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Signatories

Unit Manager: James Robinson, Head of Strategy and Planning

General Manager: Martin Fairweather, Chief Operating Officer

29 April 2016

Mr David McConnell
Chair
Auckland Tourism, Events and Economic Development (ATEED)

BY EMAIL: david.mcconnell@mcconnellgroup.co.nz

Tēnā koe David

RE: Shareholder comments on the draft Statement of Intent (SOI) 2016-2019

The Council Controlled Organisations Governance and Monitoring Committee considered ATEED's draft SOI 2016-2019 at its 29 March 2016 meeting.

At the meeting, the committee resolved to convey a number of general shareholder comments that relate to all CCOs and some specific comments that are specific to ATEED. Our CCO Governance team is available to assist to ensure that the intention of these comments is reflected in your final SOI.

General shareholder comments

Aligning the final 2016-2019 SOI with the final 2016/2017 AP

The final SOI must align to the decisions made as part of the council's 2016/2017 AP and meet legislative requirements. All financial and non-financial information must be aligned between these documents as they are finalised.

Value for Money

The council group must have a strong focus on delivering value for money for the rate payers of Auckland. That includes a pro-active search for savings through greater use of shared services, and actively participating in council's Alternative Financing project. The final SOI should detail the actions the CCO is taking to increase value for money for ratepayers.

Signage and communications - building Aucklanders' understanding of assets and services

Public understanding of the breadth of assets and services provided to them by the council group must be improved in order to increase overall democratic accountability and participation. Signage and other forms of communications should give recognition to the council (as the shareholder) by incorporating the ATEED council group logo whenever ratepayer funds or council group assets are being used to support activity. Co-branding principles and examples are clearly outlined in the Auckland Council Identity Guidelines (October 2013), the CCO logo guidelines (May 2013) and the Auckland Council Signage Manual v3.2 (September 2014). Council is also developing a Te Reo framework which will guide future council and CCO bilingual communication with the public.

A commitment to proactive and meaningful engagement with the work of the Brand Navigation Group (BNG) is required in the final SOI so that these communication issues can be worked through and public understanding of the use of ratepayer funds is improved.

Achieving better outcomes for and with Māori

Council is seeking to use consistent terminology when communicating its activities for Māori. We ask that you amend your final SOI to use the term “achieving better outcomes for and with Māori” wherever appropriate (e.g. heading on page 14).

Because the council and its CCOs need to be responsive to both mataawaka and mana whenua, CCOs should make appropriate reference to each group in their final SOIs.

Local government changes

Changes to local government legislation have meant that other local authorities are required to consider the use of inter-regional CCOs as an option for service delivery. We ask that if ATEED is approached by another local authority to provide services, that you discuss any such approaches with us at the earliest opportunity.

Specific shareholder comments

The 9 December 2015 Letter of Expectation outlined a number of matters for inclusion in the draft SOI, all of which have been taken up. However, two matters need to be outlined in more detail are:

- commitments to a growth in external revenue and providing value for money. Whilst mention is made of these, there should be more detail in the three-year work programme on how ATEED will achieve these two things.
- the Tamaki Herenga Waka Festival description should describe a joined-up approach to delivery of the festival by working with the council and its CCOs and mana whenua, acknowledging the role that Panuku played in this year’s festival and including how Regional Facilities Auckland (RFA) could be included.

Council commends ATEED for its leadership role in the Whai Rawa (Māori economic development) programme of Te Toa Takitini and for making Māori social and economic wellbeing one of its primary contributions to the Auckland Plan. The draft SOI is strong in this regard, helping the reader and ratepayer to understand ATEED’s leadership role. A number of commitments to Māori outcomes are made in the draft that could be strengthened further, namely:

- leveraging major events to promote our Māori identity. A statement such as “ATEED is committed to continuing to develop programmes to support Māori visibility at regional events” should be added
- World Masters Games is a wholly owned subsidiary. Description should be added of how this event can showcase Auckland’s Māori identity and whether there are economic opportunities (including tourism opportunities) or focused outputs or activities
- the discussion on ‘Global Auckland’ should include reference to “Māori identity as Auckland’s point of difference in the world”
- section entitled ‘Growth and Diversification of the Māori Economy’ (page 12) - change “working in partnership with iwi and manu whenua” to “working in partnership with Māori and champions of Māori business” in order to target engagement more appropriately.

The addition of financial information on the contribution ATEED makes to Māori outcomes must be included in the final SOI.

Council also notes that two key programmes of “Enabling education and talent” and “Grow a skilled workforce” are now “Grow and attract skilled talent”. It is difficult to tell if there is a loss of activity in this area. The final SOI should outline any change to previous year’s activity. Also, it would be useful to highlight or include any work to lift Māori outcomes in this key programme area.

I look forward to receiving the final SOI by 30 June 2016.

Nāku noa, nā

A handwritten signature in blue ink, appearing to read 'Penny Hulse', with a large circular flourish at the beginning.

**DEPUTY MAYOR PENNY HULSE
CHAIR CCO GOVERNANCE AND MONITORING COMMITTEE
AUCKLAND COUNCIL**

cc Mayor Len Brown

cc Stephen Town, Chief Executive, Auckland Council

cc Brett O’Riley, Chief Executive, Auckland Tourism, Events and Economic Development



He Mihi

E tu noa ana ngā maunga whakahii i te riu o Tāmaki Makaurau.

E whakaruruhau ana i ngā ahikaa mai tawhiti.

E maumahara ana i te nguha a Mataoho

Rātou kua poto ki tua ō te ārai, e moe e okioki

Tātou te hunga ora e kawea ana i te aronganui mō te pai me te whai rawa ō Tāmaki, tēnā rā tātou katoa.

The volcanic cones of Tāmaki Makaurau stand as sheltering monoliths to the people from an ancient heritage who have kept the home fires burning as a symbol of remembrance of Mataoho whose rage created this beautiful landscape.

To those who have passed into the night, may you find eternal rest.

For those of us who have been left behind to build the most liveable city in the world, greetings to us all.

Foreword

This Statement of Intent (SOI) sets out ATEED's strategic framework, activities and performance measures for the next three years in order to deliver on our role within the Auckland Council group, and contribute to Council's targets and priorities.

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The content of this SOI for 2016-19 reflects the continuing evolution of ATEED's role and focus. From our inception, we have placed a strong focus on growing the visitor economy as a means of underwriting the amenity of the city. More recently, our focus has increased on developing Auckland's culture of innovation and entrepreneurship in recognition of the fact that innovation is a crucial driver of sustained income and business growth, and an area where we can make a significant contribution to delivering Auckland Council's economic priorities. This allows us to showcase Auckland's advantages and advanced industries. We will continue to raise our international profile, develop a stronger focus on improved international connectivity through trade, and drive the attraction of new business and talent into Auckland to fulfil our potential. In combination, these areas of focus will amplify Auckland's brand and identity, in turn generating customers for Auckland in the form of more visitors, entrepreneurs, businesses, talent and investment partners.

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As a member of the Council family, we will continue to partner in Council's spatial initiatives, including Manukau, Onehunga, the Central City and The Southern Initiative - and in delivering against the transformational shifts in the Auckland Plan with a particular focus on:

- dramatically accelerate the prospects of Auckland's children and young people – through our work to encourage youth entrepreneurship and create pathways for youth employment
- substantially raise living standards for all Aucklanders and focus on those most in need – through facilitating new smart money and high value jobs for Auckland
- significantly lift Māori social and economic well-being – through delivery of transformational projects to enhance Māori business, tourism and major events

ATEED's specific activities against these shifts are articulated through this SOI.

Through the Annual Plan process and through his Letter of Expectation, the Mayor has clearly articulated an expectation that ATEED will also put increasing focus on growing alternate revenue streams to assist in reducing rates funding while continuing to deliver strong value for money. This will be a strong area of focus for ATEED over the coming year.

During 2016/17, we will undertake a range of diverse and dynamic projects in the collaborative spirit of kotahitanga with our broad range of partners including Auckland Council's governing body and local boards, other Council Controlled Organisations (CCOs), central government, iwi, industry organisations, education and training providers, private businesses and not for profit groups. Our focus will continue to be on fully leveraging our relationships with these partners to ensure maximum value for money from our activities for all Aucklanders.

We are committed to a single minded focus on significant interventions that will leave a lasting legacy for Auckland, delivering world class or world leading outcomes. We have a highly motivated team at ATEED who have a passion for making Auckland great, fulfilling the potential that has always existed in Tamaki Makaurau. We are pleased to present this document as our statement of this commitment.

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Chair

David McConnell

Chief Executive

Brett O'Riley

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Table of Contents

He Mihi	2
Foreword	3
1. Purpose of Statement of Intent	5
2. About ATEED	6
3. ATEED's Contribution to the World's Most Liveable City	9
4. ATEED's Strategic Objectives.....	11
5. Three Year Workplan to Deliver on Strategic Direction	12
6. Performance Outlook	17
7. Monitoring Indicators.....	21
8. Summary of Financials.....	22
9. Approach to Governance	24

1. Purpose of Statement of Intent

In accordance with the Local Government Act 2002, this annual Statement of Intent (SOI) publicly states the activities and intentions of Auckland Tourism, Events and Economic Development Limited (ATEED) for the next three years, and the objectives to which those activities will contribute. It also serves as the SOI of World Masters Games 2017 Limited (WGM2017 Ltd), a wholly owned subsidiary of ATEED. This SOI takes shareholder comments into consideration and includes performance measures and targets as the basis of organisational accountability.

2. About ATEED

ATEED's role is to support the council's vision of creating the world's most liveable city and deliver great value for money by supporting the growth of a vibrant and competitive economy and generating customers for Auckland, with a particular focus on **facilitating new smart money¹ and high value jobs for Auckland**. The extent to which new opportunities deliver new smart money into Auckland and also increase the level of high value jobs within Auckland are two key pre-requisites upon which we prioritise and allocate our resources. This is our intervention logic for the investment of ratepayer funds.

ATEED Priorities

In delivering on our role, ATEED will contribute to the priorities and growth goals contained in the Auckland Plan and the Auckland Council Economic Development Strategy to:

- Grow a business friendly and well-functioning city
- Develop an innovation hub of the Asia-Pacific rim
- Become internationally connected and export driven
- Enhance investment in people to grow skills and a local workforce
- Develop a vibrant, creative, international city

In particular there is a need to focus our efforts on those areas that offer the greatest opportunity for economic growth. This includes a stronger focus on supporting the growth of Auckland's 'advanced industries' - those sectors that invest in research and development and have a workforce with higher levels of Science, Technology, Engineering and Maths (STEM) skills. International evidence has shown that these advanced industries will typically grow faster, export more and pay better at all levels of employment.

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In addition, Auckland is increasingly recognised globally as a 'new world city'², characterised by an attractive quality of life, fewer environmental or economic externalities, and a smaller number of economic specialisms related to our comparative advantages. These locations play a role as knowledge, cultural or entertainment hubs, but many also possess hi-tech, innovation or research capabilities that make them important cities in the convention and higher education economies. New world cities such as Auckland are increasingly internationalised and their global connectivity provides a platform for increased levels of trade and collaboration and compete openly in contested global markets, including tourism, higher education, events, R&D, and summits.

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In this context, ATEED believes there are a number of priorities that can significantly impact Auckland's economic growth. These priorities will drive growth and help differentiate Auckland internationally as a leading city. Over the period of this SOI, these will include:

- Continuing to grow Auckland's visitor economy through a refreshed strategic approach to major events that will see ATEED focus on achieving broader objectives across the events portfolio and growing homegrown unique events that reflect Auckland's identity.
- The delivery of World Masters Games 2017 and associated legacy activity as part of the continued expansion of Auckland as a world leading sports and events city.
- Ongoing focus on Auckland as an Innovation Hub of the Asia-Pacific rim offering a world leading eco-system for the establishment of innovation based entrepreneurs, including:
 - the ongoing development and expansion of GridAKL
 - facilitation of a significant Screen Innovation and Production Precinct
 - ongoing showcasing of Auckland's expanding innovation ecosystem
 - the creation of new opportunities for Māori and Pacific Island business start-ups

¹ ATEED defines 'smart money' as productive foreign direct investment.

² In February 2016, Auckland was recognised globally as a city on the move, being named for the first time in JLL's Top 20 City Momentum Index (CMI).

- Understanding and supporting the growth of Auckland's advanced industries and supporting the development of productive two way trading relationships.
- An increased focus on attracting new businesses, investment and talent into our key sectors of comparative advantage to improve Auckland's growth and competitiveness internationally.
- Developing the regional brand to position Auckland as a unique destination for the attraction of investors, entrepreneurs, innovators, tourists, events, students and skilled migrants.

ATEED Operating Principles

ATEED has identified the following operating principles which we will adhere to in fulfilling our role:

Being Customer-centric

ATEED acknowledges that the experience for the customer should be seamlessly integrated between the CCOs and the Council ensuring a consistent approach to service delivery. Responsive and seamless customer service is a priority for ATEED. ATEED's organisational structure ensures delivery is designed from the "outside-in", deploying customer-centric design techniques to ensure ATEED is accessible and transparent about its activities.

Partnering for Growth – Kotahitanga

Partnering is a core principle through which ATEED designs and delivers its work and is essential to our future success. ATEED adopted the Māori principle of kotahitanga ("unity in purpose") in 2012 to define its approach to partnering. Incumbent in that approach is the notion of shared goals and objectives, joint funding and ATEED being willing to let partners lead where appropriate.

For example, ATEED will provide business training and R&D funding through its role as the Auckland delivery agent for the government's Regional Business Partner Network programme, and it will leverage funding for major events through the national Major Events Development Fund. ATEED collaborates with a range of agencies and organisations including the Ministry of Business Innovation and Employment, Callaghan Innovation, Tourism New Zealand, New Zealand Trade and Enterprise, Sport New Zealand, Immigration New Zealand, Te Puni Kokiri, Ministry of Pacific Island Affairs, Treasury, NZ Film Commission, Ministry of Culture and Heritage, Ministry of Social Development and Education New Zealand. In addition ATEED partners with a range of private sector organisations across all elements of our portfolio, where there are common goals.

Delivering Value for Money

ATEED recognises the ongoing pressures on public funding and the need to deliver ever improving value for money to ratepayers. ATEED will continue to focus on delivering enhanced levels of service without increasing rate funding requirements through:

- An ongoing focus on opportunities to partner with third parties to deliver additional and/or improved services within our current funding envelope.
- Continued pursuit of commercial partnerships to reduce reliance on ratepayer funding and allow Council funding to be channelled into enhanced service offerings.
- Specific investigation of a Visitor Levy for Auckland to generate an additional revenue stream for projects and activities designed to grow and support the visitor economy.
- Ongoing focus on reducing overhead costs including greater use of shared services.

Many Minds – One Team

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ATEED's goal is ~~for Auckland to be number one, or world leading in its activities – as a Jiveable city, sports events, city, innovation hub of Asia Pacific, diverse city, visitor destination, Māori city, Pacific Island city, and number one economic growth agency.~~ We will get there by living our values, which permeate all the work we do. Our values are:

- It's all about people: great company
- Let's be clear: great communication
- Connect and collaborate: great relationships
- Bold actions, smart choices: great thinking
- Get it done and make it yours: great results

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3. ATEED’s Contribution to the World’s Most Liveable City

The Auckland Plan is the roadmap to deliver on Auckland’s vision to be the world’s most liveable city. This is a thirty year plan that is under pinned by a set of outcomes and transformational shifts to achieve this vision which help ensure we focus on the right things.

AUCKLAND’S VISION						
THE WORLDS MOST LIVEABLE CITY						
OUTCOMES: WHAT THE VISION MEANS IN 2040						
A fair, safe and healthy Auckland	A green Auckland	An Auckland of prosperity and opportunity	A well connected and accessible Auckland	A beautiful Auckland that is loved by its people	A culturally rich and creative Auckland	A Māori identity that is Auckland’s difference to the rest of the world
TRANSFORMATIONAL SHIFTS TO ACHIEVE THE OUTCOME						
Dramatically accelerate the prospects of Auckland’s children and young people	Strongly commit to environmental action and green growth	Move to outstanding public transport within one network	Radically improve the quality of urban living	Substantially raise living standards for all Aucklanders and focus on those most in need	Significantly lift Māori social and economic well-being	

The transformational shifts in the Auckland Plan work together to achieve the transformations that are required to get there. ATEED plays a critical part in delivering on these shifts through both primary and secondary contributions. This is outlined in the table below:

Auckland Plan	Degree of contribution	How ATEED contributes
Children & young people	Secondary	Through our work in enhancing the visitor economy growing our target sectors and enabling skill development, education and talent, ATEED contributes directly to the following goals of I Am Auckland (council’s strategic action plan on children and young people): <ul style="list-style-type: none"> Given opportunities to succeed and being given a fair go Auckland is my playground Rangatahi tu rangatira (transforming from a young person into a leader)
Environmental action & green growth	Secondary	Development of a sustainable visitor economy. Growth of service based low carbon emitting industries.
Outstanding public transport	Secondary	Facilitating the development of digital industries and solutions and clean technology industries including electric vehicles. Attraction of investment for significant infrastructure projects.

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Auckland Plan	Degree of contribution	How ATEED contributes
Quality urban living	Secondary	Business attraction and investment activity including assisting high quality investors with a commitment to ethical and sustainable development. The visitor economy underpins the amenity of urban and rural living in Auckland.
Raised living standards	Primary	ATEED's focus on facilitating new smart money and high value jobs for Auckland through delivering on its five strategic priorities (innovation, investment, skills and talent, visitors, brand) will lead to a transformational uplift in income for all Aucklanders and help to improve socio-economic inequalities.
Māori social and economic wellbeing	Primary	Through our lead role in the Whai Rawa workstream of the Te Toa Takitini programme and through projects and programmes like, the Māori Economic Growth programme, the Major Events Strategy, the Tāmaki Heienga Waka Festival, Māori tourism development and iwi investment facilitation, ATEED will take every opportunity to incorporate Māori responsiveness – contributing to Māori wellbeing, and <u>achieving better outcomes for and with Māori</u> into its activity.

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4. ATEED’s Strategic Objectives

ATEED has identified five key strategic objectives that collectively articulate ATEED’s role in creating the world’s most liveable city, delivering on a number of key strategies to bring new smart money and high value jobs into Auckland. The five strategic objectives are:

- Grow the visitor economy
- Build a culture of innovation and entrepreneurship
- Attract business and investment
- Grow and attract skilled talent
- Build Auckland’s global brand and identity

Through these objectives we can connect Auckland wide strategies (Auckland Plan, Economic Development Strategy) and ATEED’s ongoing strategic interventions, growth programmes and projects. The framework below provides the organisation with focus on those areas of our role that will make a difference to Auckland. The key strategic objectives are supported by more detailed action plans, investment proposals and delivery partnerships.

Figure 3: ATEED’s Strategic Objectives



5. Three Year Workplan to Deliver on Strategic Direction

The following are the key initiatives/projects to deliver on ATEED strategic objectives. Many of these initiatives/projects are delivered across the region including into council's key spatial priority areas, the Central City and the Southern Initiative.

Key projects and programmes	Description
Grow the Visitor Economy	
<i>The benefits of an enhanced visitor economy extend beyond the direct economic impacts that increased visitor numbers bring. A city that is attractive to visitors also attracts residents, students, migrants and investment, in turn providing jobs and an improved standard of living. In this way, the visitor economy underwrites much of the amenity of Auckland that benefits visitors and residents alike. ATEED's role is to partner, to market and promote Auckland as a unique destination to domestic and international tourists, the travel trade, business/institutions and students. We also partner with the visitor sector to identify and fill gaps in Auckland's visitor attraction offering – including major events.</i>	
International and Domestic Destination Marketing	Undertake international trade and consumer marketing and media activity in Australia, China, and the USA in partnership with Tourism NZ (TNZ), Auckland International Airport Limited (AIAL), Flight Centre, and other partners. Continue marketing Auckland domestically including through new and existing events and through specific campaigns.
Trade Marketing	Focus on increasing yield from markets through the high value "AKL GEMS" programme (Golf, Equine, Marine including super yachts, Screen) and trade partnerships with TNZ, AIAL, Virtuoso, AMEX, Air NZ, China Southern and others.
Destination Development	Work with partners to identify and address product gaps and ensure the region's strong Māori identity, and contemporary culture are woven into the visitor offering. Projects include lighting the tupuna maunga and other Auckland landmarks, new developments like Skypath, Vector Wero Water Park, new attractions, cycling and walking trails, and Māori cultural attractions that align with the Auckland offering. Continue to partner with local tourism operators and regional cluster groups to facilitate connectivity and position and promote local areas as distinctive destinations within Auckland. Partner with the Cruise sector to ensure Auckland continues to rate highly as a cruise destination and that cruise infrastructure responds to the growth in the size of ships and the number of visits.
Business Event Attraction and Leverage	Grow the value and volume of business events in Auckland and focus on using business events to address seasonality in the visitor economy and support growth and investment into key Auckland sectors (through the Auckland Convention Bureau) in line with the Auckland Business Events Plan. Partner with TNZ and the New Zealand International Convention Centre to attract major business events to Auckland.
International Student Attraction and Retention	Partner with Education New Zealand and the education sector to tell the Auckland education story to attract international students to Auckland. Deliver interventions to enhance the international student experience, including workforce integration and create lifelong connections between the city and students, their friends and family.
Major Event Attraction and Development	Work in partnership to attract, develop and manage a portfolio of economic, social and brand anchor events which align with Auckland's Major Events Strategy and the priorities of ATEED and Auckland Council. Currently contracted events include the ITM 500 Auckland (V8 Supercars) and the NRL Auckland Nines.
Major Event Sponsorship and Leverage	Leverage the annual major events portfolio taking an integrated view across ATEED and focusing particularly on events having significant impact such as the ISAF World Junior Sailing Championships 2016, Lions Tour 2017, World Masters Games 2017, Rugby League World Cup 2017 and Volvo Ocean Race Auckland Stopover 2018.

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Key projects and programmes	Description
Major Event Delivery and Operational Support	Ensure the successful delivery <u>in combination with partners</u> of the Tāmaki Herenga Waka Festival, Auckland Lantern Festival, Auckland Pasifika Festival and the Auckland Diwali Festival of Lights. Offer city operations expertise and support of major events.
World Masters Games 2017	Through WMG2017 Ltd, deliver an operationally successful event that meets or exceeds KPIs while maintaining at least a balanced budget and in accordance with contractual obligations to the International Masters Games Association (IMGA) and the Ministry of Business Innovation and Employment (MBIE). <u>ATEED will leverage WMG 2017 to maximise economic opportunities for Auckland and showcase Auckland's Māori identity.</u>
Visitor Information Provision	Continue to improve the provision of visitor information services particularly through digital channels and i-SITEs
<p>Build a Culture of Innovation and Entrepreneurship</p> <p><i>An entrepreneurial economy fuelled by innovative businesses <u>in advanced industries</u> will grow at an accelerated rate, and as such innovation and entrepreneurship are crucial for sustained and long-term economic growth. In building a culture of innovation and entrepreneurship, ATEED's primary role is to enable, facilitate and connect. In partnership with corporates, industry clusters, government, universities and businesses we will help build an environment which supports innovation and entrepreneurship to flourish. ATEED has a dedicated Innovation Programme, shaped by the Auckland Innovation Plan, which will support the growth of a culture of Innovation and Entrepreneurship in Auckland and build Auckland's position as an Innovation Hub of the Asia-Pacific rim.</i></p>	
Stimulating and Promoting Innovation & Entrepreneurship	<p>The ongoing development of GridAKL as the innovation hub <u>at Wynyard Quarter</u> for Auckland and a showcase of innovation <u>in digital technology</u>, including the nurturing of high-growth start-ups and a programme of events and activation. We will also partner with other existing and proposed <u>precincts and</u> co-working spaces to enhance linkages between these spaces and GridAKL, increasing collaboration and shared knowledge. <u>These include Growth North, Grid Uptown, Grid Devonport and the proposed Screen Innovation Production Precinct.</u></p> <p>Delivery of our youth entrepreneurial programmes including Young Enterprise Scheme, Ideastarter and Dig my Idea which aim to inspire entrepreneurial ambitions among young people. Aligned to this, ATEED is partnering with the tertiary sector to support entrepreneurship catalyst programmes. This continuum of initiatives support the development of the next generation of entrepreneurs in Auckland.</p> <p>Showcasing innovation and entrepreneurship in the Asia-Pacific region through supporting the delivery of <u>Auckland's showcase innovation event, Techweek</u> which will:</p> <ul style="list-style-type: none"> • support collaboration within the Auckland innovation ecosystem • attract entrepreneurs, businesses and investors from throughout the Asia-Pacific region, and • promote Auckland's performance and story as an Innovation Hub of the Asia-Pacific rim to domestic and international audiences.
Supporting R&D and STEM Focused Industries	<p>Partner with industry associations and other key stakeholders to support the growth of Auckland's Advanced Industries (those which have a higher proportion of R&D investment and STEM employment). These industries include High Value Foods and Beverages, ICT, Screen and Digital, Sports Tech, Advanced Materials and High Value Manufacturing.</p> <p>Aligned to our support for High Value Foods and Beverages, continue to <u>support New Zealand Food Innovation Auckland</u> (the Foodbowl – Te Ipu Kai) to achieve its vision for a motivated and internationally recognised F&B industry including improving connectivity between the Foodbowl and F&B firms.</p> <p>Support investment in R&D including through delivery of the Regional Business Partner programme and increasing the awareness of the value of R&D investment amongst Auckland businesses.</p>

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Key projects and programmes	Description
Supporting Local Economies & Local Businesses	<p>In partnership with the Auckland Chamber of Commerce, support local business through delivery of the Regional Business Partner programme in Auckland. Together, ATEED and Auckland Chamber of Commerce, also deliver the Westpac Auckland Business Awards to celebrate the success of local businesses.</p> <p>Through local <u>partnerships</u>, deliver initiatives and local business events which foster connectivity and collaboration both within and across industries.</p> <p>Partnering with the broader council family including local boards <u>and the IMSB</u> to support decision making on local economic growth and facilitate or coordinate the delivery of local economic development activity.</p>
Supporting the Growth and Diversification of the Māori Economy	<p>Working in partnership with <u>Māori and champions of Māori business</u>, ATEED will deliver a range of interventions that will develop Māori capability and capacity to grow the Māori economy. Interventions include youth focused initiatives such as Dig My Idea and Emerging Leaders Programme, an SME focused programme supporting Māori small and medium businesses, and the development of a Māori corporate network.</p> <p><u>ATEED also leads Auckland Council's Maori economic wellbeing programme, Whai Rawa, as part of the overall Te Toa Takitini framework.</u></p>
<p>Attract Business and Investment</p> <p><i>The attraction of more businesses of scale, and a focus on productive inward investment, is crucial if Auckland's growth goals are to be achieved. ATEED's role is to work in partnership with central government <u>agencies, the Auckland Council group</u> and the private sector to proactively attract and respond to business and investment opportunities into sectors of focus for Auckland, and ensure that services are effectively leveraged and coordinated. ATEED also delivers post-investment aftercare services to ensure Auckland retains this investment and associated jobs and skills and actively encourage further investment.</i></p>	
Business Attraction	<p>Identify and facilitate business attraction opportunities in Auckland's key sectors <u>and advanced industries</u>. Understand barriers to business attraction and investment and work to ensure Auckland is an investment friendly destination that delivers appropriate investment opportunities and compelling reasons for businesses to establish in Auckland.</p>
Investment Promotion and Attraction	<p>Promote Auckland as an international business and investment destination. Continue to implement our targeting programme to attract productive FDI into key projects, initiatives and <u>advanced industries, including investment into the Auckland visitor economy such as new hotel infrastructure and major new attractions for Auckland.</u> Partner with <u>MFAT, NZTE and Immigration New Zealand</u> to facilitate the attraction of investment.</p>
Post Investment Support	<p>Deliver post investment support (aftercare) services through the Aroha Auckland programme to companies and individuals to ensure the retention of existing multi-national businesses and investors and identify opportunities for further expansion.</p>
Event Leverage	<p>Leverage major and business event activity to ensure business growth, business attraction and investment opportunities are fully utilised (e.g. motorsport investment) and grow the amenity and liveability of the city.</p>
Screen and Digital	<p>Attract international screen and digital production and project activity to Auckland, develop local productions and sector capability and facilitate the permitting of screen activity (through Screen Auckland) to ensure a thriving Auckland screen sector.</p>
<p>Grow and Attract Skilled Talent</p> <p><i>Nurturing a talented workforce with a strong skills base is identified internationally as key to developing an innovation and knowledge based economy. People with the right skills and talent can give firms a competitive edge through increased innovation, use of new technologies, improved workplace practices and access to new markets. ATEED's role is to work with employers to better understand key skill challenges and workforce development needs and attract the right talent to fill them including the role that youth can play. We also partner</i></p>	

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Key projects and programmes	Description
	<i>with government and training providers to develop pathways for students into the city's <u>advanced and growing industries</u>.</i>
Talent Attraction and Retention	Work in partnership with Immigration New Zealand, Auckland Chamber of Commerce and key employers to support the attraction of migrant and expat talent into skills gaps in Auckland for key sectors through a range of channels including targeted marketing campaigns and interventions.
Workforce Planning	Work in partnership with government and tertiary education providers to identify and support training in areas of emerging shortages such as information and communications technology (ICT) and the science, technology, engineering and mathematics (STEM) skills needed for innovation and economic growth <u>in advanced industries</u> . With COMET, deliver the Science in Society pilot in South Auckland.
Employment Pathways	Support youth employment by delivering the Employers Pledge Programme and Jobfests in partnership with Council's Youth Connections programme. Partner with Education New Zealand to retain international students and develop pathways into employment in alignment with our key economic growth sectors.
Build Auckland's <u>global</u> brand and identity	
<i>Every great city has a great <u>global</u> brand and positioning. A brand is a complete value proposition that sets a city's identity apart. A clearly articulated <u>global</u> brand position for a city is important for attracting tourists, students, migrants, researchers, innovators, entrepreneurs, investors and events, and the associated <u>measurable</u> benefits they bring. ATEED's role is to develop Auckland's global brand proposition and work with <u>Council and private sector</u> partners to ensure it is promoted consistently across Auckland, <u>nationally and internationally</u>.</i>	
Global Auckland	Lead the development of a global brand proposition for Auckland <u>that capitalises on Auckland's Māori identity as a point of difference in the world</u> . Work with partners to promote the Auckland identity and brand story consistently and seamlessly across <u>all activity</u> in domestic and international markets in a way that leverages our distinct advantages. Benchmark and validate brand awareness and traction.
www.aucklandnz.com	Maintain www.aucklandnz.com and associated social media as key channels to promote the Auckland identity and brand story including ongoing investment in search engine marketing and optimisation to ensure traffic continues to grow in key markets <u>and targeted users</u> .

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Local Economic Development

ATEED is developing Local Board Engagement and Action Plans for all 21 Local Boards in the Auckland Region. These plans outline specific actions and projects that align both with ATEED's economic development goals for Auckland on behalf of Auckland Council and each board's objectives as specified in their Local Board Plans. ATEED will report on progress against these actions through regular reporting to Auckland Council and local boards.

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Achieving better outcomes for and with Māori

As Auckland's economic growth agency, ATEED is responsible for promoting and fostering economic development and opportunities for everyone across the region, including Tāmaki Makaurau's 19 recognised iwi groups (mana whenua) and the wider mataawaka Māori community.

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We know the value of strong performing businesses within the economy, and the Māori economy contributes across Auckland's sectors at all levels. We recognise that the Māori economy is becoming a formidable force within Auckland, and that it encompasses business, social and community dimensions, with both a domestic and international focus.

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Through our lead role in the Whai Rawa workstream of the Te Toa Takitini³ – Māori Responsive High Performance Council programme, ATEED has a strong vision about the role we can play to advance the business and economic well-being of mana whenua and mataawaka. This includes identifying appropriate investment partners, sector partners and growth initiatives.

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Key projects that ATEED has identified that specifically contribute to achieve better outcomes for and with Māori are specified below.

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Key projects and initiatives	Description	Contribution to Māori wellbeing/ opportunities
Tāmaki Herenga Waka Festival	Work with key partners (including <u>mana whenua, Panuku Development Auckland and the broader Auckland Council family</u>) to <u>continue to</u> develop and ensure delivery of the Tāmaki Herenga Waka Festival.	Celebrates and showcases Māori culture and <u>innovation and</u> provides a vehicle to leverage Māori business and investment opportunities.
Māori Economic Growth Programme	Deliver a Māori Economic Growth programme including a range of interventions that will <u>foster Māori entrepreneurship and</u> develop capability and capacity to grow the <u>businesses and the Māori economy, locally and internationally</u> .	Provides networking opportunities, advice and channels to support the ongoing growth of Māori business, <u>including the re-establishment of a formal Māori business network</u> .
Māori Tourism Development Programme	Advocate for greater Māori presence in Auckland's attractions, public spaces and visitor services, and support new and existing Māori tourism businesses.	Support for Māori tourism businesses from market intelligence and start-up advice through to assistance in connecting with export <u>and funding opportunities</u> .
Iwi Investment Support	Partner with Auckland iwi to identify opportunities to invest and/or co-invest in initiatives that have positive outcomes for Māori.	Maximise Māori business and investment opportunities, <u>including targeting FDI and other potential investment partners</u> .
Māori Cultural Showcasing	Take all opportunities to showcase Māori <u>tikanga and culture and to develop programmes to support Māori visibility</u> through key initiatives <u>and regional events</u> including major sporting and business events (e.g. NRL9s). <u>Develop connectivity internationally with other regions, cities and businesses based on Auckland's Maori culture and economy.</u>	Celebrates and showcases Māori culture <u>and the unique elements that amplify Auckland's global brand and economic opportunities</u> .
Māori Cultural Centre	Work with partners to facilitate the development of a significant Māori cultural centre <u>and attraction</u> in Auckland.	The Centre will celebrate and showcase Māori culture to the world and provide employment and economic development opportunities.

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In addition, we will also continue to look for one-off opportunities of significance for showcasing and developing the Māori economy, culture and capability, whether in Auckland or internationally. This programme of work and ATEED's initiatives to improve our organisational responsiveness to Māori are also reflected through ATEED's Māori Responsiveness Plan.

³ Te Toa Takitini is a council led initiative designed to lead and influence better outcomes for Maori by enabling a top-down council family approach to significantly lift Maori social and economic well-being, strengthen the council's effectiveness for Maori and maximize post-Treaty settlement opportunities for the benefit of mana whenua, Auckland Council and Auckland public.

Service Level Statement	Measure	2014/15 Actual	2015/16 Target	2016/17	2017/18	2018/19
				Targets		
initiatives to attract and develop investment, businesses and a skilled workforce	(cumulative) and percentage 'innovation-led' ⁹					
	<u>Number of individual entrepreneurs supported through an ATEED delivered or funded entrepreneurship programme</u>	na	New measure	1,500	1,500	1,500
	Percentage of stakeholders satisfied with provision of business advice start-up and training programmes (LTP measure)	94%	85%	85%	85%	85%
	Number of actively managed businesses through Regional Business Partner Programme.	884	360	360	360	360
	Number of businesses that have been through an ATEED programme or benefitted from an ATEED intervention (LTP measure)	New measure	1,500	1,500	1,500	1,500
	Number of Māori businesses that have been through an ATEED programme or benefitted from an ATEED intervention (LTP measure)	New measure	100	100	100	100
	Attract Business and Investment					
Deliver information, advice, programmes and initiatives to attract and develop investment, businesses and a skilled workforce	Facilitation of the establishment or significant expansion of multinational and local companies in target sectors (LTP measure)	6	5	5	5	5
	Number of intensively account managed customers in ATEED aftercare programme (Aroha Auckland)	85	80	85	85	85
	Total GDP contribution of deals effected with ATEED involvement	\$604m	\$54m	\$56.7m	\$59.6m	\$62.5m
	Value of investment deals effected by ATEED within the financial year	\$265m	\$265m	\$278m	\$292m	\$307m
Grow and Attract Skilled Talent						
Deliver information,	Number of 'live' signatories to the Youth Employment Traction	13	50	50	50	50

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⁹ Innovation-led is defined as businesses developing new or improved technologies or services

Service Level Statement	Measure	2014/15	2015/16	2016/17	2017/18	2018/19
		Actual	Target	Targets		
advice, programmes and initiatives to attract and develop investment, businesses and a skilled workforce	Hub Employers Pledge (LTP measure)					
	Growth in value of international student spend to Auckland	\$1.75b	\$1.564b	\$1.888b	\$2.115b	\$2.276b
Build Auckland's Brand and Identity						
Promote and develop Auckland as a national and international visitor and business destination, including through the attraction, facilitation, funding and delivery of major events	Total visits to www.aucklandnz.com (LTP measure)	3.19m	3.0m	3.4m	3.8m	3.8m

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Note: Measures related to major event activity may be subject to some volatility due to the type and size of major events held from year to year. For example, the resources required to deliver a significant major event such as the World Masters Games may mean relatively less activity can be funded and/or delivered in the period leading up to it. As a result, RORI in the year of WMG should be considerable, but is likely to be significantly lower in the year preceding. A 'rolling average' approach to major event measurement may be more appropriate.

Local Economic Development

Measure	2014/15	2015/16	2016/17	2017/18	2018/19
	Actual	Target	Targets		
Percentage of actions in ATEED Local Board Engagement and Action Plans completed.	na	New measure	80%	80%	80%

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Mana Whenua Engagement

Measure	2014/15	2015/16	2016/17	2017/18	2018/19
	Actual	Target	Targets		
Percentage Mana Whenua satisfaction with quality of engagement.	New measure	Establish baseline	Maintain/improve	Maintain/improve	Maintain/improve

World Masters Games 2017

WMG2017 is a multi-year project which will be delivered in April 2017. The major KPIs are based on the outcome of the Games and are specified in the Terms of Reference between ATEED and WMG2017 Ltd. Achieving these KPIs will be the basis on which the performance of the organisation is judged. The below are a subset of the full set of KPIs specified in the Terms of Reference.

Measure	Target
Contribution to regional (Auckland) GDP of world Masters Games 2017	\$36.16m
Visitor nights generated in Auckland by World Masters Games 2017	250,810
Percentage of competitors/participants who agree that the Games were well organised	85%
Percentage of public attendees who agree that the Games were well delivered and enhanced their pride in the city	85%

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7. Monitoring Indicators

In addition to our performance measures, ATEED has identified a further set of monitoring indicators. These indicators reflect outcomes at the regional level which are impacted by a range of factors outside of our direct control (e.g. exchange rates, natural disasters, government policy) but which we aim to influence through our activity. As the city's economic growth agency, we take a leadership role in monitoring, reporting and influencing these indicators as we can, however we do not measure the performance of our organisation against them.

Measure	2011	2012	2013	2014	2015
Auckland Economy					
Auckland Real GDP growth (YE Mar)	3.1%	3.9%	2.5%	2.9%	3.7%
Auckland exports growth	3.0%	2.7%	2.1%	na	na
Auckland productivity growth	na	0.1%	0.2%	-0.3%	na
Grow the Visitor Economy					
Visitor arrivals through Auckland airport (YE Dec)	1.85m	1.82m	1.93m	2.03m	2.22m
Auckland commercial guest nights (YE Dec)	6.25m	6.43m	6.67m	6.99	7.12
Overall visitor satisfaction with Auckland experience (/10)	7.7	7.9	7.8	7.7	na
Build a Culture of Innovation and Entrepreneurship					
Percentage of Auckland businesses innovating	na	na	na	na	77%
Share of Auckland workforce employed in Advanced Industries	10.9%	10.9%	11.3%	11.5%	11.3%
Attract Business and Investment					
Number of top 200 business head offices in Auckland	na	123	na	124	na
Number of FDI deals occurring in Auckland	20	21	16	14	24
Grow and Attract Skilled Talent					
Auckland Vacancy Index (Annual average to YE Dec)¹⁰	72.3	73.3	81.2	93.8	102.5
Auckland youth (15-24yrs) NEET ¹¹ rate (YE Dec)	12.1%	12.8%	9.6%	10.6%	9.8%
Build Auckland's Global Brand and Identity					
Auckland ranking on Mercer Quality of Living Index	na	3rd	na	3rd	3rd
Auckland ranking on JLL Top 20 City Momentum Index	na	na	Not in top 20	Not in top 20	20th

¹⁰ May 2007=100. Increasing index indicates a tightening labour market

¹¹ NEET: Not in employment, education or training

8. Summary of Financials

The following summary of financials supports the delivery of the strategic deliverables and performance targets for ATEED.

\$000	Budget		
	2016/17	2017/18	2018/19
Financial year ending 30 June			
Revenue			
Operating funding from Auckland Council	56,200	50,300	55,612
Capital funding from Auckland Council	7,385	187	193
Fees and user charges	13,207	11,745	11,964
Subsidies and grants	7,103	2,877	1,411
Development and financial contributions	0	0	0
Vested assets (non-Crown)	0	0	0
Other revenue	0	0	0
Total revenue	83,895	65,109	69,180
Expenditure			
Employee benefits	27,037	24,230	24,957
Depreciation and amortisation	1,198	1,933	1,923
Grants, contributions and sponsorship	10,044	11,840	13,711
Other operating expenses	39,052	28,876	30,346
Total expenses	77,332	66,879	70,937
Finance income	36	24	26
Finance expense	(67)	0	0
Net operating income	6,666	(1,745)	(1,731)

Capital expenditure	Budget		
	2016/17	2017/18	2018/19
Total capital expenditure	7,865	187	193
Sources of capital funding:			
Capital funding from Auckland Council	7,385	187	193
Subsidies and grants - capex	480	0	0
Total capital funding	7,865	187	193
Capital funding surplus / (deficit)	0	0	0
Shareholder equity ratio	50%	47%	44%

Specific expenditure towards Māori outcomes

Initiatives (\$000)	Budget		
	2016/17	2017/18	2018/19
Tāmaki Herenga Waka Festival			
Māori Economic Growth programme			
Māori Tourism Development programme			

Other financial information

Current value of assets	The current value of ATEED's assets as 30 June 2015 was \$5.631 million based on the net asset value of the ATEED group as disclosed in the audited financial statements.	
Accounting Policies	ATEED accounting policies are consistent with those of the Auckland Council group policies.	
Financial Reporting	ATEED financial reporting to council will be in accordance with requirements of the CCO Governance Manual.	
Asset sales (\$ million)	2014/15 Actual	Nil
	2015/16 LTP	Nil
	2016/17 Annual Plan	Nil
	2017/18 Annual Plan	Nil
	2018/19 Annual Plan	Nil

9. Approach to Governance

Working in Partnership with the Council Family

Auckland Council works in partnership with its CCOs and the agreed approach to governance is outlined within the CCO Governance Manual (which incorporates all requirements under the CCO Accountability Policy), which sits alongside this SOI and also forms part of the annual binding agreement between council and ATEED.

Deleted: and expectations related to Brand Navigation Policies)

ATEED commits to partnering with all members of the council family to ensure a joined up approach to all its economic development activity including event schedule clashes that would materially impact on the same audience.

Building Aucklanders' Understanding of Assets and Services

ATEED acknowledges that building public understanding of the breadth of assets and services provided to them by the council group is important to increase overall democratic accountability and participation. Signage and other forms of communication assist in educating ratepayers on when ratepayer funds or council group assets are being used to support activity. ATEED commits to proactive and meaningful engagement with the council Brand Navigation Group on issues regarding signage, communications and branding to help improve public understanding of the use of ratepayer funds.

Working with our Entities

In addition to governance relationship with council, ATEED also holds governance relationships with World Masters Games 2017 Ltd and New Zealand Food Innovation Auckland Ltd.

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World Masters Games 2017 Ltd

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World Masters Games 2017 Limited is a limited liability company that has been incorporated by ATEED as a subsidiary and consequently is a Council-Controlled Organisation for the purposes of the Local Government Act 2002. WMG2017 Ltd has its own board of directors, guided by the Constitution and Terms of Reference put in place by ATEED.

WMG2017 Ltd reports to the ATEED Board via monthly whole of programme reporting, and fortnightly to ATEED management via a Steering Group involving the WMG2017 Ltd Chief Executive and two members of ATEED's Leadership Team.

New Zealand Food Innovation Auckland Ltd (NZFIA) – trading as The Foodbowl (Te Ipu Kai)

NZFIA is a food and beverage new product development facility, intended to help Auckland and New Zealand companies create new and innovative products, with an emphasis on added-value and export orientated, food and beverage products. Success for NZFIA is based on how much it helps Auckland and New Zealand's food and beverage sector to expand.

NZFIA is jointly owned and funded by ATEED (one third) and Crown agency, Callaghan Innovation (two thirds). The relationship between NZFIA, ATEED and Callaghan Innovation is governed by a Shareholders Agreement which specifies the way in which the shareholders will work with NZFIA and provide oversight of it as a subsidiary company of each parent entity. Details of the public funding of NZFIA by each shareholder is also outlined in the Shareholders Agreement.

On an annual basis, as specified in the Shareholders Agreement, ATEED and Callaghan Innovation will review and jointly approve a Business Plan for NZFIA for the coming financial year, which will include financial targets and other KPIs for NZFIA.

Public Meetings

Auckland Council CCOs are required to hold two public meetings a year (Local Government (Auckland Council) Act 2009):

Purpose	Date	Form of Public Notification
Consider performance against SOI targets	August 2016	Public notice, New Zealand Herald
Consider shareholder comments on draft SOI	June 2017	Public notice, New Zealand Herald

Health and Safety

ATEED is committed to driving a strategy that delivers a culture of zero harm for employees, contractors, visitors, customers and anyone who may be affected by ATEED's activities. We will do this by:

- Ensuring that best practice health and safety standards are consistently applied in every aspect of our business activities;
- Complying with all health and safety obligations under relevant legislation; and
- Having a safe, healthy and enjoyable environment for everyone within ATEED's area of control.



He Mihi

E tu noa ana ngā maunga whakahii i te riu o Tāmaki Makaurau.

E whakaruruhau ana i ngā ahikaa mai tawhiti.

E maumahara ana i te nguha a Mataoho

Rātou kua poto ki tua ō te ārai, e moe e okioki

Tātou te hunga ora e kawē ana i te aronganui mō te pai me te whai rawa ō Tāmaki, tēnā rā tātou katoa.

The volcanic cones of Tāmaki Makaurau stand as sheltering monoliths to the people from an ancient heritage who have kept the home fires burning as a symbol of remembrance of Mataoho whose rage created this beautiful landscape.

To those who have passed into the night, may you find eternal rest.

For those of us who have been left behind to build the most liveable city in the world, greetings to us all.

Foreword

This Statement of Intent (SOI) sets out ATEED's strategic framework, activities and performance measures for the next three years in order to deliver on our role within the Auckland Council group, and contribute to Council's targets and priorities.

The content of this SOI for 2016-19 reflects the continuing evolution of ATEED's role and focus. From our inception, we have placed a strong focus on growing the visitor economy as a means of underwriting the amenity of the city. More recently, our focus has increased on developing Auckland's culture of innovation and entrepreneurship in recognition of the fact that innovation is a crucial driver of sustained income and business growth, and an area where we can make a significant contribution to delivering Auckland Council's economic priorities. This allows us to showcase Auckland's advantages and advanced industries. We will continue to raise our international profile, develop a stronger focus on improved international connectivity through trade, and drive the attraction of new business and talent into Auckland to fulfil our potential. In combination, these areas of focus will amplify Auckland's brand and identity, in turn generating customers for Auckland in the form of more visitors, entrepreneurs, businesses, talent and investment partners.

As a member of the Council family, we will continue to partner in Council's spatial initiatives, including Manukau, Onehunga, the Central City and The Southern Initiative - and in delivering against the transformational shifts in the Auckland Plan with a particular focus on:

- dramatically accelerate the prospects of Auckland's children and young people – through our work to encourage youth entrepreneurship and create pathways for youth employment
- substantially raise living standards for all Aucklanders and focus on those most in need – through facilitating new smart money and high value jobs for Auckland
- significantly lift Māori social and economic well-being – through delivery of transformational projects to enhance Māori business, tourism and major events

ATEED's specific activities against these shifts are articulated through this SOI.

Through the Annual Plan process and through his Letter of Expectation, the Mayor has clearly articulated an expectation that ATEED will also put increasing focus on growing alternate revenue streams to assist in reducing rates funding while continuing to deliver strong value for money. This will be a strong area of focus for ATEED over the coming year.

During 2016/17, we will undertake a range of diverse and dynamic projects in the collaborative spirit of kotahitanga with our broad range of partners including Auckland Council's governing body and local boards, other Council Controlled Organisations (CCOs), central government, iwi, industry organisations, education and training providers, private businesses and not for profit groups. Our focus will continue to be on fully leveraging our relationships with these partners to ensure maximum value for money from our activities for all Aucklanders.

We are committed to a single minded focus on significant interventions that will leave a lasting legacy for Auckland,, delivering world class or world leading outcomes. We have a highly motivated team at ATEED who have a passion for making Auckland great, fulfilling the potential that has always existed in Tāmaki Makaurau. We are pleased to present this document as our statement of this commitment.



David McConnell
Chair



Brett O'Riley
Chief Executive

Table of Contents

He Mihi	2
Foreword	3
1. Purpose of Statement of Intent	5
2. About ATEED	6
3. ATEED's Contribution to the World's Most Liveable City	9
4. ATEED's Strategic Objectives.....	11
5. Three Year Workplan to Deliver on Strategic Direction	12
6. Performance Outlook	17
7. Monitoring Indicators	21
8. Summary of Financials.....	22
9. Approach to Governance	24

1. Purpose of Statement of Intent

In accordance with the Local Government Act 2002, this annual Statement of Intent (SOI) publicly states the activities and intentions of Auckland Tourism, Events and Economic Development Limited (ATEED) for the next three years, and the objectives to which those activities will contribute. It also serves as the SOI of World Masters Games 2017 Limited (WMG2017 Ltd), a wholly owned subsidiary of ATEED. This SOI takes shareholder comments into consideration and includes performance measures and targets as the basis of organisational accountability.

2. About ATEED

ATEED's role is to support the council's vision of creating the world's most liveable city and deliver great value for money by supporting the growth of a vibrant and competitive economy and generating customers for Auckland, with a particular focus on **facilitating new smart money¹ and high value jobs for Auckland**. The extent to which new opportunities deliver new smart money into Auckland and also increase the level of high value jobs within Auckland are two key pre-requisites upon which we prioritise and allocate our resources. This is our intervention logic for the investment of ratepayer funds.

ATEED Priorities

In delivering on our role, ATEED will contribute to the priorities and growth goals contained in the Auckland Plan and the Auckland Council Economic Development Strategy to:

- Grow a business friendly and well-functioning city
- Develop an innovation hub of the Asia-Pacific rim
- Become internationally connected and export driven
- Enhance investment in people to grow skills and a local workforce
- Develop a vibrant, creative, international city

In particular there is a need to focus our efforts on those areas that offer the greatest opportunity for economic growth. This includes a stronger focus on supporting the growth of Auckland's 'advanced industries' - those sectors that invest in research and development and have a workforce with higher levels of Science, Technology, Engineering and Maths (STEM) skills. International evidence has shown that these advanced industries will typically grow faster, export more and pay better at all levels of employment.

In addition, Auckland is increasingly recognised globally as a 'new world city'², characterised by an attractive quality of life, fewer environmental or economic externalities, and a smaller number of economic specialisms related to our comparative advantages. These locations play a role as knowledge, cultural or entertainment hubs, but many also possess hi-tech, innovation or research capabilities that make them important cities in the convention and higher education economies. New world cities such as Auckland are increasingly internationalised and their global connectivity provides a platform for increased levels of trade and collaboration and compete openly in contested global markets, including tourism, higher education, events, R&D, and summits.

In this context, ATEED believes there are a number of priorities that can significantly impact Auckland's economic growth. These priorities will drive growth and help differentiate Auckland internationally as a leading city. Over the period of this SOI, these will include:

- Continuing to grow Auckland's visitor economy through a refreshed strategic approach to major events that will see ATEED focus on achieving broader objectives across the events portfolio and growing homegrown unique events that reflect Auckland's identity.
- The delivery of World Masters Games 2017 and associated legacy activity as part of the continued expansion of Auckland as a world leading sports and events city.
- Ongoing focus on Auckland as an Innovation Hub of the Asia-Pacific rim offering a world leading eco-system for the establishment of innovation based entrepreneurs, including:
 - the ongoing development and expansion of GridAKL
 - facilitation of a significant Screen Innovation and Production Precinct
 - ongoing showcasing of Auckland's expanding innovation ecosystem
 - the creation of new opportunities for Māori and Pacific Island business start-ups

¹ ATEED defines 'smart money' as productive foreign direct investment.

² In February 2016, Auckland was recognised globally as a city on the move, being named for the first time in JLL's Top 20 City Momentum Index (CMI).

- Understanding and supporting the growth of Auckland’s advanced industries and supporting the development of productive two way trading relationships.
- An increased focus on attracting new businesses, investment and talent into our key sectors of comparative advantage to improve Auckland’s growth and competitiveness internationally.
- Developing the regional brand to position Auckland as a unique destination for the attraction of investors, entrepreneurs, innovators, tourists, events, students and skilled migrants.

ATEED Operating Principles

ATEED has identified the following operating principles which we will adhere to in fulfilling our role:

Being Customer-centric

ATEED acknowledges that the experience for the customer should be seamlessly integrated between the CCOs and the Council ensuring a consistent approach to service delivery. Responsive and seamless customer service is a priority for ATEED. ATEED’s organisational structure ensures delivery is designed from the “outside-in”, deploying customer-centric design techniques to ensure ATEED is accessible and transparent about its activities.

Partnering for Growth – Kotahitanga

Partnering is a core principle through which ATEED designs and delivers its work and is essential to our future success. ATEED adopted the Māori principle of kotahitanga ("unity in purpose") in 2012 to define its approach to partnering. Incumbent in that approach is the notion of shared goals and objectives, joint funding and ATEED being willing to let partners lead where appropriate.

For example, ATEED will provide business training and R&D funding through its role as the Auckland delivery agent for the government’s Regional Business Partner Network programme, and it will leverage funding for major events through the national Major Events Development Fund. ATEED collaborates with a range of agencies and organisations including the Ministry of Business Innovation and Employment, Callaghan Innovation, Tourism New Zealand, New Zealand Trade and Enterprise, Sport New Zealand, Immigration New Zealand, Te Puni Kokiri, Ministry of Pacific Island Affairs, Treasury, , NZ Film Commission, Ministry of Culture and Heritage, Ministry of Social Development and Education New Zealand. In addition ATEED partners with a range of private sector organisations across all elements of our portfolio, where there are common goals.

Delivering Value for Money

ATEED recognises the ongoing pressures on public funding and the need to deliver ever improving value for money to ratepayers. ATEED will continue to focus on delivering enhanced levels of service without increasing rate funding requirements through:

- An ongoing focus on opportunities to partner with third parties to deliver additional and/or improved services within our current funding envelope.
- Continued pursuit of commercial partnerships to reduce reliance on ratepayer funding and allow Council funding to be channelled into enhanced service offerings.
- Specific investigation of a Visitor Levy for Auckland to generate an additional revenue stream for projects and activities designed to grow and support the visitor economy.
- Ongoing focus on reducing overhead costs including greater use of shared services.

Many Minds – One Team

ATEED's goal is for Auckland to be number one, or world leading in its activities – as a liveable city, sports events city, innovation hub of Asia Pacific, diverse city, visitor destination, Māori city, Pacific Island city, and number one economic growth agency. We will get there by living our values, which permeate all the work we do. Our values are:

- It's all about people: great company
- Let's be clear: great communication
- Connect and collaborate: great relationships
- Bold actions, smart choices: great thinking
- Get it done and make it yours: great results

3. ATEED's Contribution to the World's Most Liveable City

The Auckland Plan is the roadmap to deliver on Auckland's vision to be the world's most liveable city. This is a thirty year plan that is under pinned by a set of outcomes and transformational shifts to achieve this vision which help ensure we focus on the right things.

AUCKLAND'S VISION						
THE WORLDS MOST LIVEABLE CITY						
OUTCOMES: WHAT THE VISION MEANS IN 2040						
A fair, safe and healthy Auckland	A green Auckland	An Auckland of prosperity and opportunity	A well connected and accessible Auckland	A beautiful Auckland that is loved by its people	A culturally rich and creative Auckland	A Māori identity that is Auckland's difference to the rest of the world
TRANSFORMATIONAL SHIFTS TO ACHIEVE THE OUTCOME						
Dramatically accelerate the prospects of Auckland's children and young people	Strongly commit to environmental action and green growth	Move to outstanding public transport within one network	Radically improve the quality of urban living	Substantially raise living standards for all Aucklanders and focus on those most in need	Significantly lift Māori social and economic well-being	

The transformational shifts in the Auckland Plan work together to achieve the transformations that are required to get there. ATEED plays a critical part in delivering on these shifts through both primary and secondary contributions. This is outlined in the table below:

Auckland Plan	Degree of contribution	How ATEED contributes
Children & young people	Secondary	Through our work in enhancing the visitor economy growing our target sectors and enabling skill development, education and talent, ATEED contributes directly to the following goals of I Am Auckland (council's strategic action plan on children and young people): <ul style="list-style-type: none"> Given opportunities to succeed and being given a fair go Auckland is my playground Rangatahi tu rangatira (transforming from a young person into a leader)
Environmental action & green growth	Secondary	Development of a sustainable visitor economy. Growth of service based low carbon emitting industries.
Outstanding public transport	Secondary	Facilitating the development of digital industries and solutions and clean technology industries including electric vehicles. Attraction of investment for significant infrastructure projects..

Auckland Plan	Degree of contribution	How ATEED contributes
Quality urban living	Secondary	Business attraction and investment activity including assisting high quality investors with a commitment to ethical and sustainable development. The visitor economy underpins the amenity of urban and rural living in Auckland.
Raised living standards	Primary	ATEED's focus on facilitating new smart money and high value jobs for Auckland through delivering on its five strategic priorities (innovation, investment, skills and talent, visitors, brand) will lead to a transformational uplift in income for all Aucklanders and help to improve socio-economic inequalities.
Māori social and economic wellbeing	Primary	Through our lead role in the Whai Rawa workstream of the Te Toa Takitini programme and through projects and programmes like, the Māori Economic Growth programme, the Major Events Strategy, the Tāmaki Herenga Waka Festival, Māori tourism development and iwi investment facilitation, ATEED will take every opportunity to incorporate Māori responsiveness – contributing to Māori wellbeing, and achieving better outcomes for and with Māori– into its activity.

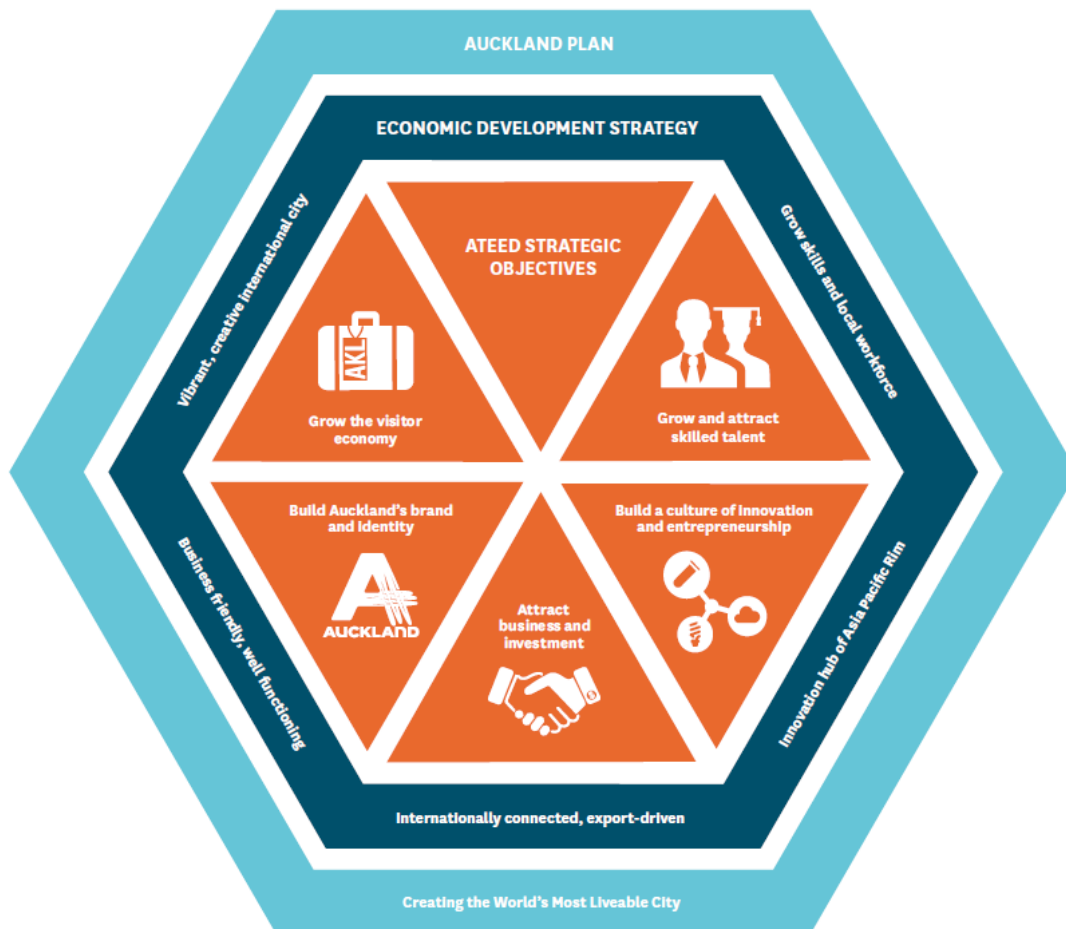
4. ATEED's Strategic Objectives

ATEED has identified five key strategic objectives that collectively articulate ATEED's role in creating the world's most liveable city, delivering on a number of key strategies to bring new smart money and high value jobs into Auckland. The five strategic objectives are:

- Grow the visitor economy
- Build a culture of innovation and entrepreneurship
- Attract business and investment
- Grow and attract skilled talent
- Build Auckland's global brand and identity

Through these objectives we can connect Auckland wide strategies (Auckland Plan, Economic Development Strategy) and ATEED's ongoing strategic interventions, growth programmes and projects. The framework below provides the organisation with focus on those areas of our role that will make a difference to Auckland. The key strategic objectives are supported by more detailed action plans, investment proposals and delivery partnerships.

Figure 3: ATEED's Strategic Objectives



5. Three Year Workplan to Deliver on Strategic Direction

The following are the key initiatives/projects to deliver on ATEED strategic objectives. Many of these initiatives/projects are delivered across the region including into council's key spatial priority areas, the Central City and the Southern Initiative.

Key projects and programmes	Description
<p>Grow the Visitor Economy</p> <p><i>The benefits of an enhanced visitor economy extend beyond the direct economic impacts that increased visitor numbers bring. A city that is attractive to visitors also attracts residents, students, migrants and investment, in turn providing jobs and an improved standard of living. In this way, the visitor economy underwrites much of the amenity of Auckland that benefits visitors and residents alike. ATEED's role is to partner, to market and promote Auckland as a unique destination to domestic and international tourists, the travel trade, business/institutions and students. We also partner with the visitor sector to identify and fill gaps in Auckland's visitor attraction offering – including major events.</i></p>	
International and Domestic Destination Marketing	Undertake international trade and consumer marketing and media activity in Australia, China, and the USA in partnership with Tourism NZ (TNZ), Auckland International Airport Limited (AIAL), Flight Centre, and other partners. Continue marketing Auckland domestically including through new and existing events and through specific campaigns.
Trade Marketing	Focus on increasing yield from markets through the high value "AKL GEMS" programme (Golf, Equine, Marine including super yachts, Screen) and trade partnerships with TNZ, AIAL, Virtuoso, AMEX, Air NZ, China Southern and others.
Destination Development	Work with partners to identify and address product gaps and ensure the region's strong Māori identity and contemporary culture are woven into the visitor offering. Projects include lighting the tupuna maunga and other Auckland landmarks, new developments like Skypath, Vector Wero Water Park, new attractions, cycling and walking trails, and Māori cultural attractions that align with the Auckland offering. Continue to partner with local tourism operators and regional cluster groups to facilitate connectivity and position and promote local areas as distinctive destinations within Auckland. Partner with the Cruise sector to ensure Auckland continues to rate highly as a cruise destination and that cruise infrastructure responds to the growth in the size of ships and the number of visits.
Business Event Attraction and Leverage	Grow the value and volume of business events in Auckland and focus on using business events to address seasonality in the visitor economy and support growth and investment into key Auckland sectors (through the Auckland Convention Bureau) in line with the Auckland Business Events Plan. Partner with TNZ and the New Zealand International Convention Centre to attract major business events to Auckland.
International Student Attraction and Retention	Partner with Education New Zealand and the education sector to tell the Auckland education story to attract international students to Auckland. Deliver interventions to enhance the international student experience, including workforce integration and create lifelong connections between the city and students, their friends and family.
Major Event Attraction and Development	Work in partnership to attract, develop and manage a portfolio of economic, social and brand anchor events which align with Auckland's Major Events Strategy and the priorities of ATEED and Auckland Council. Currently contracted events include the ITM 500 Auckland (V8 Supercars) and the NRL Auckland Nines.
Major Event Sponsorship and Leverage	Leverage the annual major events portfolio taking an integrated view across ATEED and focusing particularly on events having significant impact such as the ISAF World Junior Sailing Championships 2016, Lions Tour 2017, World Masters Games 2017, Rugby League World Cup 2017 and Volvo Ocean Race Auckland Stopover 2018.

Key projects and programmes	Description
Major Event Delivery and Operational Support	Ensure the successful delivery in combination with partners of the Tāmaki Herenga Waka Festival, Auckland Lantern Festival, Auckland Pasifika Festival and the Auckland Diwali Festival of Lights. Offer city operations expertise and support of major events.
World Masters Games 2017	Through WMG2017 Ltd, deliver an operationally successful event that meets or exceeds KPIs while maintaining at least a balanced budget and in accordance with contractual obligations to the International Masters Games Association (IMGA) and the Ministry of Business Innovation and Employment (MBIE). ATEED will leverage WMG 2017 to maximise economic opportunities for Auckland and showcase Auckland's Māori identity.
Visitor Information Provision	Continue to improve the provision of visitor information services particularly through digital channels and i-SITES
<p>Build a Culture of Innovation and Entrepreneurship</p> <p><i>An entrepreneurial economy fuelled by innovative businesses in advanced industries will grow at an accelerated rate, and as such innovation and entrepreneurship are crucial for sustained and long-term economic growth. In building a culture of innovation and entrepreneurship, ATEED's primary role is to enable, facilitate and connect. In partnership with corporates, industry clusters, government, universities and businesses we will help build an environment which supports innovation and entrepreneurship to flourish. ATEED has a dedicated Innovation Programme, shaped by the Auckland Innovation Plan, which will support the growth of a culture of Innovation and Entrepreneurship in Auckland and build Auckland's position as an Innovation Hub of the Asia-Pacific rim.</i></p>	
Stimulating and Promoting Innovation & Entrepreneurship	<p>The ongoing development of GridAKL as the innovation hub at Wynyard Quarter for Auckland and a showcase of innovation in digital technology, including the nurturing of high-growth start-ups and a programme of events and activation. We will also partner with other existing and proposed precincts and co-working spaces to enhance linkages between these spaces and GridAKL, increasing collaboration and shared knowledge. These include Growth North, Grid Uptown, Grid Devonport and the proposed Screen Innovation Production Precinct.</p> <p>Delivery of our youth entrepreneurial programmes including Young Enterprise Scheme, Ideastarter and Dig my Idea which aim to inspire entrepreneurial ambitions among young people. Aligned to this, ATEED is partnering with the tertiary sector to support entrepreneurship catalyst programmes. This continuum of initiatives support the development of the next generation of entrepreneurs in Auckland.</p> <p>Showcasing innovation and entrepreneurship in the Asia-Pacific region through supporting the delivery of Auckland's showcase innovation event, Techweek which will:</p> <ul style="list-style-type: none"> • support collaboration within the Auckland innovation ecosystem • attract entrepreneurs, businesses and investors from throughout the Asia-Pacific region, and • promote Auckland's performance and story as an Innovation Hub of the Asia-Pacific rim to domestic and international audiences.
Supporting R&D and STEM Focused Industries	<p>Partner with industry associations and other key stakeholders to support the growth of Auckland's Advanced Industries (those which have a higher proportion of R&D investment and STEM employment). These industries include High Value Foods and Beverages, ICT, Screen and Digital, Sports Tech, Advanced Materials and High Value Manufacturing.</p> <p>Aligned to our support for High Value Foods and Beverages, continue to support New Zealand Food Innovation Auckland (the Foodbowl – Te Ipu Kai) to achieve its vision for a motivated and internationally recognised F&B industry including improving connectivity between the Foodbowl and F&B firms.</p> <p>Support investment in R&D including through delivery of the Regional Business Partner programme and increasing the awareness of the value of R&D investment amongst Auckland businesses.</p>

Key projects and programmes	Description
Supporting Local Economies & Local Businesses	<p>In partnership with the Auckland Chamber of Commerce, support local business through delivery of the Regional Business Partner programme in Auckland. Together, ATEED and Auckland Chamber of Commerce, also deliver the Westpac Auckland Business Awards to celebrate the success of local businesses.</p> <p>Through local partnerships, deliver initiatives and local business events which foster connectivity and collaboration both within and across industries.</p> <p>Partnering with the broader council family including local boards and the IMSB to support decision making on local economic growth and facilitate or coordinate the delivery of local economic development activity.</p>
Supporting the Growth and Diversification of the Māori Economy	<p>Working in partnership with Māori and champions of Māori business ATEED will deliver a range of interventions that will develop Māori capability and capacity to grow the Māori economy. Interventions include youth focused initiatives such as Dig My Idea and Emerging Leaders Programme, an SME focused programme supporting Māori small and medium businesses, and the development of a Māori corporate network.</p> <p>ATEED also leads Auckland Council's Maori economic wellbeing programme, Whai Rawa, as part of the overall Te Toa Takitini framework.</p>
<p>Attract Business and Investment</p> <p><i>The attraction of more businesses of scale, and a focus on productive inward investment, is crucial if Auckland's growth goals are to be achieved. ATEED's role is to work in partnership with central government agencies, the Auckland Council group and the private sector to proactively attract and respond to business and investment opportunities into sectors of focus for Auckland, and ensure that services are effectively leveraged and coordinated. ATEED also delivers post-investment aftercare services to ensure Auckland retains this investment and associated jobs and skills and actively encourage further investment.</i></p>	
Business Attraction	<p>Identify and facilitate business attraction opportunities in Auckland's key sectors and advanced industries. Understand barriers to business attraction and investment and work to ensure Auckland is an investment friendly destination that delivers appropriate investment opportunities and compelling reasons for businesses to establish in Auckland.</p>
Investment Promotion and Attraction	<p>Promote Auckland as an international business and investment destination. Continue to implement our targeting programme to attract productive FDI into key projects, initiatives and advanced industries including investment into the Auckland visitor economy such as new hotel infrastructure and major new attractions for Auckland. Partner with MFAT, NZTE and Immigration New Zealand to facilitate the attraction of investment.</p>
Post Investment Support	<p>Deliver post investment support (aftercare) services through the Aroha Auckland programme to companies and individuals to ensure the retention of existing multi-national businesses and investors and identify opportunities for further expansion.</p>
Event Leverage	<p>Leverage major and business event activity to ensure business growth, business attraction and investment opportunities are fully utilised (e.g. motorsport investment) and grow the amenity and liveability of the city.</p>
Screen and Digital	<p>Attract international screen and digital production and project activity to Auckland, develop local productions and sector capability and facilitate the permitting of screen activity (through Screen Auckland) to ensure a thriving Auckland screen sector.</p>
<p>Grow and Attract Skilled Talent</p> <p><i>Nurturing a talented workforce with a strong skills base is identified internationally as key to developing an innovation and knowledge based economy. People with the right skills and talent can give firms a competitive edge through increased innovation, use of new technologies, improved workplace practices and access to new markets. ATEED's role is to work with employers to better understand key skill challenges and workforce development needs and attract the right talent to fill them including the role that youth can play. We also partner</i></p>	

Key projects and programmes	Description
<i>with government and training providers to develop pathways for students into the city's advanced and growing industries.</i>	
Talent Attraction and Retention	Work in partnership with Immigration New Zealand, Auckland Chamber of Commerce and key employers to support the attraction of migrant and expat talent into skills gaps in Auckland for key sectors through a range of channels including targeted marketing campaigns and interventions.
Workforce Planning	Work in partnership with government and tertiary education providers to identify and support training in areas of emerging shortages such as information and communications technology (ICT) and the science, technology, engineering and mathematics (STEM) skills needed for innovation and economic growth in advanced industries. With COMET, deliver the Science in Society pilot in South Auckland.
Employment Pathways	Support youth employment by delivering the Employers Pledge Programme and Jobfests in partnership with Council's Youth Connections programme. Partner with Education New Zealand to retain international students and develop pathways into employment in alignment with our key economic growth sectors.
<p>Build Auckland's global brand and identity</p> <p><i>Every great city has a great global brand and positioning. A brand is a complete value proposition that sets a city's identity apart. A clearly articulated global brand position for a city is important for attracting tourists, students, migrants, researchers, innovators, entrepreneurs, investors and events, and the associated measurable benefits they bring. ATEED's role is to develop Auckland's global brand proposition and work with Council and private sector partners to ensure it is promoted consistently across Auckland, nationally and internationally.</i></p>	
Global Auckland	Lead the development of a global brand proposition for Auckland that capitalises on Auckland's Māori identity as a point of difference in the world. Work with partners to promote the Auckland identity and brand story consistently and seamlessly across all activity in domestic and international markets in a way that leverages our distinct advantages. Benchmark and validate brand awareness and traction.
www.aucklandnz.com	Maintain www.aucklandnz.com and associated social media as key channels to promote the Auckland identity and brand story including ongoing investment in search engine marketing and optimisation to ensure traffic continues to grow in key markets and targeted users.

Local Economic Development

ATEED is developing Local Board Engagement and Action Plans for all 21 Local Boards in the Auckland Region. These plans outline specific actions and projects that align both with ATEED's economic development goals for Auckland on behalf of Auckland Council and each board's objectives as specified in their Local Board Plans. ATEED will report on progress against these actions through regular reporting to Auckland Council and local boards.

Achieving better outcomes for and with Māori

As Auckland's economic growth agency, ATEED is responsible for promoting and fostering economic development and opportunities for everyone across the region, including Tāmaki Makaurau's 19 recognised iwi groups (mana whenua) and the wider mataawaka Māori community.

We know the value of strong performing businesses within the economy, and the Māori economy contributes across Auckland's sectors at all levels. We recognise that the Māori economy is becoming a formidable force within Auckland and that it encompasses business, social and community dimensions, with both a domestic and international focus.

Through our lead role in the Whai Rawa workstream of the Te Toa Takitini³ – Māori Responsive High Performance Council programme - ATEED has a strong vision about the role we can play to advance the business and economic well-being of mana whenua and mataawaka. This includes identifying appropriate investment partners, sector partners and growth initiatives.

Key projects that ATEED has identified that specifically contribute to achieve better outcomes for and with Māori are specified below.

Key projects and initiatives	Description	Contribution to Māori wellbeing/ opportunities
Tāmaki Herenga Waka Festival	Work with key partners (including mana whenua Panuku Development Auckland and the broader Auckland Council family) to continue to develop and ensure delivery of the Tāmaki Herenga Waka Festival.	Celebrates and showcases Māori culture and innovation and provides a vehicle to leverage Māori business and investment opportunities.
Māori Economic Growth Programme	Deliver a Māori Economic Growth programme including a range of interventions that will foster Māori entrepreneurship and develop capability and capacity to grow the businesses and the Māori economy, locally and internationally.	Provides networking opportunities, advice and channels to support the ongoing growth of Māori business, including the re-establishment of a formal Māori business network.
Māori Tourism Development Programme	Advocate for greater Māori presence in Auckland's attractions, public spaces and visitor services, and support new and existing Māori tourism businesses.	Support for Māori tourism businesses from market intelligence and start-up advice through to assistance in connecting with export and funding opportunities.
Iwi Investment Support	Partner with Auckland iwi to identify opportunities to invest and/or co-invest in initiatives that have positive outcomes for Māori.	Maximise Māori business and investment opportunities, including targeting FDI and other potential investment partners.
Māori Cultural Showcasing	Take all opportunities to showcase Māori tikanga and culture and to develop programmes to support Māori visibility through key initiatives and regional events including major sporting and business events (e.g. NRL9s). Develop connectivity internationally with other regions, cities and businesses based on Auckland's Maori culture and economy.	Celebrates and showcases Māori culture and the unique elements that amplify Auckland's global brand and economic opportunities.
Māori Cultural Centre	Work with partners to facilitate the development of a significant Māori cultural centre and attraction in Auckland.	The Centre will celebrate and showcase Māori culture to the world and provide employment and economic development opportunities.

In addition, we will also continue to look for one-off opportunities of significance for showcasing and developing the Māori economy, culture and capability, whether in Auckland or internationally. This programme of work and ATEED's initiatives to improve our organisational responsiveness to Māori are also reflected through ATEED's Māori Responsiveness Plan.

³ Te Toa Takitini is a council led initiative designed to lead and influence better outcomes for Maori by enabling a top-down council family approach to significantly lift Maori social and economic well-being, strengthen the council's effectiveness for Maori and maximize post-Treaty settlement opportunities for the benefit of mana whenua, Auckland Council and Auckland public.

6. Performance Outlook

ATEED has an agreed set of performance measures and targets which form the basis for accountability to delivering on our strategic objectives. These will be reported on quarterly in accordance with the CCO Governance Manual and align to the measures agreed as part of the Long-term Plan 2015-2025.

Service Level Statement	Measure	2014/15	2015/16	2016/17	2017/18	2018/19
		Actual	Target	Targets		
Grow the Visitor Economy						
Promote and develop Auckland as a national and international visitor and business destination, including through the attraction, facilitation, funding and delivery of major events	Spend by visitors in Auckland	\$5,30m	\$5,412m	\$6,319m ⁴	\$6,617	\$6,943
	Number of international business event bids submitted (and win/loss ratio)	28	35 (60%)	35 (60%)	35 (60%)	40 (60%)
	Number of international business event bids supported	na	New measure	tbc	tbc	tbc
	Percentage of customers satisfied with visitor information centres and services (LTP measure)	93%	85%	85%	85%	85%
	Contribution to regional GDP from major events invested in (LTP measure)	\$73.1m	\$49m	\$86m ⁵	\$49m	\$55m
	Percentage of Aucklanders who agree events make Auckland a great place to live (engender pride and sense of place)	79%	80%	80%	80%	80%
	Visitor nights generated by major events invested in ⁶	390,000	170,000	415,000 ⁷	165,000	180,000
	Percentage of customers satisfied with delivered major events (LTP measure)	92%	85%	85%	85%	85%
Build a Culture of Innovation and Entrepreneurship						
Deliver information, advice, programmes and	Number of businesses taking up tenancy at GridAKL (Wynyard Innovation Precinct)	15	25 (70%)	55 (70%)	75 (70%)	95 (70%)

⁴ From 2016/17 targets have reset to align with latest Ministry of Business, Innovation and Employment Regional Tourism Estimates (RTEs)

⁵ Target includes the impact of World Masters Games 2017

⁶ Targets for visitor nights generated by major events reflect the targets originally endorsed by council through the Major Events Strategy. It has since become apparent that these targets are low and ATEED aims for significantly higher KPIs internally. Refreshed target will be developed for 2017/18. ⁷ Target includes the impact of World Masters Games 2017⁸ Innovation-led is defined as businesses developing new or improved technologies or services

⁷ Target includes the impact of World Masters Games 2017⁸ Innovation-led is defined as businesses developing new or improved technologies or services

Service Level Statement	Measure	2014/15	2015/16	2016/17	2017/18	2018/19
		Actual	Target	Targets		
initiatives to attract and develop investment, businesses and a skilled workforce	(cumulative) and percentage 'innovation-led' ⁸					
	Number of individual entrepreneurs supported through an ATEED delivered or funded entrepreneurship programme	na	New measure	1,500	1,500	1,500
	Percentage of stakeholders satisfied with provision of business advice start-up and training programmes (LTP measure)	94%	85%	85%	85%	85%
	Number of actively managed businesses through Regional Business Partner Programme.	884	360	360	360	360
	Number of businesses that have been through an ATEED programme or benefitted from an ATEED intervention (LTP measure)	New measure	1,500	1,500	1,500	1,500
	Number of Māori businesses that have been through an ATEED programme or benefitted from an ATEED intervention (LTP measure)	New measure	100	100	100	100
Attract Business and Investment						
Deliver information, advice, programmes and initiatives to attract and develop investment, businesses and a skilled workforce	Facilitation of the establishment or significant expansion of multinational and local companies in target sectors (LTP measure)	6	5	5	5	5
	Number of intensively account managed customers in ATEED aftercare programme (Aroha Auckland)	85	80	85	85	85
	Total GDP contribution of deals effected with ATEED involvement	\$604m	\$54m	\$56.7m	\$59.6m	\$62.5m
	Value of investment deals effected by ATEED within the financial year	\$265m	\$265m	\$278m	\$292m	\$307m
Grow and Attract Skilled Talent						
Deliver information, advice,	Number of 'live' signatories to the Youth Employment Traction Hub Employers Pledge (LTP measure)	13	50	50	50	50

⁸ Innovation-led is defined as businesses developing new or improved technologies or services

Service Level Statement	Measure	2014/15	2015/16	2016/17	2017/18	2018/19
		Actual	Target	Targets		
programmes and initiatives to attract and develop investment, businesses and a skilled workforce	Growth in value of international student spend to Auckland	\$1.75b	\$1.564b	\$1.888b	\$2.115b	\$2.276b
Build Auckland's Brand and Identity						
Promote and develop Auckland as a national and international visitor and business destination, including through the attraction, facilitation, funding and delivery of major events	Total visits to www.aucklandnz.com (LTP measure)	3.19m	3.0m	3.4m	3.8m	3.8m

Note: Measures related to major event activity may be subject to some volatility due to the type and size of major events held from year to year. For example, the resources required to deliver a significant major event such as the World Masters Games may mean relatively less activity can be funded and/or delivered in the period leading up to it. As a result, RORI in the year of WMG should be considerable, but is likely to be significantly lower in the year preceding. A 'rolling average' approach to major event measurement may be more appropriate.

Local Economic Development

Measure	2014/15	2015/16	2016/17	2017/18	2018/19
	Actual	Target	Targets		
Percentage of actions in ATEED Local Board Engagement and Action Plans completed.	na	New measure	80%	80%	80%

Mana Whenua Engagement

Measure	2014/15	2015/16	2016/17	2017/18	2018/19
	Actual	Target	Targets		
Percentage Mana Whenua satisfaction with quality of engagement.	New measure	Establish baseline	Maintain/improve	Maintain/improve	Maintain/improve

World Masters Games 2017

WMG2017 is a multi-year project which will be delivered in April 2017. The major KPIs are based on the outcome of the Games and are specified in the Terms of Reference between ATEED and WMG2017 Ltd. Achieving these KPIs will be the basis on which the performance of the organisation is judged. The below are a subset of the full set of KPIs specified in the Terms of Reference.

Measure	Target
Contribution to regional (Auckland) GDP of world Masters Games 2017	\$36.16m
Visitor nights generated in Auckland by World Masters Games 2017	250,810
Percentage of competitors/participants who agree that the Games were well organised	85%
Percentage of public attendees who agree that the Games were well delivered and enhanced their pride in the city	85%

7. Monitoring Indicators

In addition to our performance measures, ATEED has identified a further set of monitoring indicators. These indicators reflect outcomes at the regional level which are impacted by a range of factors outside of our direct control (e.g. exchange rates, natural disasters, government policy) but which we aim to influence through our activity. As the city's economic growth agency, we take a leadership role in monitoring, reporting and influencing these indicators as we can, however we do not measure the performance of our organisation against them.

Measure	2011	2012	2013	2014	2015
Auckland Economy					
Auckland Real GDP growth (YE Mar)	3.1%	3.9%	2.5%	2.9%	3.7%
Auckland exports growth	3.0%	2.7%	2.1%	na	na
Auckland productivity growth	na	0.1%	0.2%	-0.3%	na
Grow the Visitor Economy					
Visitor arrivals through Auckland airport (YE Dec)	1.85m	1.82m	1.93m	2.03m	2.22m
Auckland commercial guest nights (YE Dec)	6.25m	6.43m	6.67m	6.99	7.12
Overall visitor satisfaction with Auckland experience (/10)	7.7	7.9	7.8	7.7	na
Build a Culture of Innovation and Entrepreneurship					
Percentage of Auckland businesses innovating	na	na	na	na	77%
Share of Auckland workforce employed in Advanced Industries	10.9%	10.9%	11.3%	11.5%	11.3%
Attract Business and Investment					
Number of top 200 business head offices in Auckland	na	123	na	124	na
Number of FDI deals occurring in Auckland	20	21	16	14	24
Grow and Attract Skilled Talent					
Auckland Vacancy Index (Annual average to YE Dec) ⁹	72.3	73.3	81.2	93.8	102.5
Auckland youth (15-24yrs) NEET ¹⁰ rate (YE Dec)	12.1%	12.8%	9.6%	10.6%	9.8%
Build Auckland's Global Brand and Identity					
Auckland ranking on Mercer Quality of Living Index	na	3rd	na	3rd	3rd
Auckland ranking on JLL Top 20 City Momentum Index	na	na	Not in top 20	Not in top 20	20th

⁹ May 2007=100. Increasing index indicates a tightening labour market

¹⁰ NEET: Not in employment, education or training

8. Summary of Financials

The following summary of financials supports the delivery of the strategic deliverables and performance targets for ATEED.

\$000	Budget		
	2016/17	2017/18	2018/19
Financial year ending 30 June			
Revenue			
Operating funding from Auckland Council	56,200	50,300	55,612
Capital funding from Auckland Council	7,385	187	193
Fees and user charges	13,207	11,745	11,964
Subsidies and grants	7,103	2,877	1,411
Development and financial contributions	0	0	0
Vested assets (non-Crown)	0	0	0
Other revenue	0	0	0
Total revenue	83,895	65,109	69,180
Expenditure			
Employee benefits	27,037	24,230	24,957
Depreciation and amortisation	1,198	1,933	1,923
Grants, contributions and sponsorship	10,044	11,840	13,711
Other operating expenses	39,052	28,876	30,346
Total expenses	77,332	66,879	70,937
Finance income	36	24	26
Finance expense	(67)	0	0
Net operating income	6,666	(1,745)	(1,731)

Capital expenditure	Budget		
	2016/17	2017/18	2018/19
Total capital expenditure	7,865	187	193
Sources of capital funding:			
Capital funding from Auckland Council	7,385	187	193
Subsidies and grants - capex	480	0	0
Total capital funding	7,865	187	193
Capital funding surplus / (deficit)	0	0	0
Shareholder equity ratio	50%	47%	44%

Specific expenditure towards Māori outcomes

Initiatives (\$000)	Budget		
	2016/17	2017/18	2018/19
Tāmaki Herenga Waka Festival	tbc	tbc	tbc
Māori Economic Growth programme	tbc	tbc	tbc
Māori Tourism Development programme	tbc	tbc	tbc

Other financial information

Current value of assets	The current value of ATEED's assets as 30 June 2015 was \$5.631 million based on the net asset value of the ATEED group as disclosed in the audited financial statements.	
Accounting Policies	ATEED accounting policies are consistent with those of the Auckland Council group policies.	
Financial Reporting	ATEED financial reporting to council will be in accordance with requirements of the CCO Governance Manual.	
Asset sales (\$ million)	2014/15 Actual	Nil
	2015/16 LTP	Nil
	2016/17 Annual Plan	Nil
	2017/18 Annual Plan	Nil
	2018/19 Annual Plan	Nil

9. Approach to Governance

Working in Partnership with the Council Family

Auckland Council works in partnership with its CCOs and the agreed approach to governance is outlined within the CCO Governance Manual (which incorporates all requirements under the CCO Accountability Policy) which sits alongside this SOI and also forms part of the annual binding agreement between council and ATEED.

ATEED commits to partnering with all members of the council family to ensure a joined up approach to all its economic development activity including event schedule clashes that would materially impact on the same audience.

Building Aucklanders' Understanding of Assets and Services

ATEED acknowledges that building public understanding of the breadth of assets and services provided to them by the council group is important to increase overall democratic accountability and participation. Signage and other forms of communication assist in educating ratepayers on when ratepayer funds or council group assets are being used to support activity. ATEED commits to proactive and meaningful engagement with the council Brand Navigation Group on issues regarding signage, communications and branding to help improve public understanding of the use of ratepayer funds.

Working with our Entities

In addition to governance relationship with council, ATEED also holds governance relationships with World Masters Games 2017 Ltd and New Zealand Food Innovation Auckland Ltd.

World Masters Games 2017 Ltd

World Masters Games 2017 Limited is a limited liability company that has been incorporated by ATEED as a subsidiary and consequently is a Council-Controlled Organisation for the purposes of the Local Government Act 2002. WMG2017 Ltd has its own board of directors, guided by the Constitution and Terms of Reference put in place by ATEED.

WMG2017 Ltd reports to the ATEED Board via monthly whole of programme reporting, and fortnightly to ATEED management via a Steering Group involving the WMG2017 Ltd Chief Executive and two members of ATEED's Leadership Team.

New Zealand Food Innovation Auckland Ltd (NZFIA) – trading as The Foodbowl (Te Ipu Kai)

NZFIA is a food and beverage new product development facility, intended to help Auckland and New Zealand companies create new and innovative products, with an emphasis on added-value and export orientated, food and beverage products. Success for NZFIA is based on how much it helps Auckland and New Zealand's food and beverage sector to expand.

NZFIA is jointly owned and funded by ATEED (one third) and Crown agency, Callaghan Innovation (two thirds). The relationship between NZFIA, ATEED and Callaghan Innovation is governed by a Shareholders Agreement which specifies the way in which the shareholders will work with NZFIA and provide oversight of it as a subsidiary company of each parent entity. Details of the public funding of NZFIA by each shareholder is also outlined in the Shareholders Agreement.

On an annual basis, as specified in the Shareholders Agreement, ATEED and Callaghan Innovation will review and jointly approve a Business Plan for NZFIA for the coming financial year, which will include financial targets and other KPIs for NZFIA.

Public Meetings

Auckland Council CCOs are required to hold two public meetings a year (Local Government (Auckland Council) Act 2009):

Purpose	Date	Form of Public Notification
Consider performance against SOI targets	August 2016	Public notice, New Zealand Herald
Consider shareholder comments on draft SOI	June 2017	Public notice, New Zealand Herald

Health and Safety

ATEED is committed to driving a strategy that delivers a culture of zero harm for employees, contractors, visitors, customers and anyone who may be affected by ATEED's activities. We will do this by:

- Ensuring that best practice health and safety standards are consistently applied in every aspect of our business activities;
- Complying with all health and safety obligations under relevant legislation; and
- Having a safe, healthy and enjoyable environment for everyone within ATEED's area of control.

Friday, 24 June 2016



OPEN AGENDA

5. **CHIEF EXECUTIVE'S ACTIVITY REPORT**

Brett O'Riley, Chief Executive

Chief Executive Review of June 2016

Report to Auckland Tourism Events and Economic Development Limited Board

Health & Safety (H&S)

Risk Profile update: ATEED has developed a Health and Safety Risk Profile to determine the health and safety risks that are faced by the organisation. This was compiled from risk profile workshops which began with the Senior Leadership Team and continued across all parts of ATEED (16 teams in total). The purpose was to determine or quantify where ATEED should be targeting efforts and resources to reduce injury and illness in the workplace. The top 16 hazards identified were then incorporated into the Corporate Risk Profile, which provides a documented record of the analysis, evaluation and treatment of risks and will assist in managing workplace health and safety risks.

Famil update: Updated famil policies and procedures – modelled on Tourism New Zealand's (TNZ) – are being trialed across ATEED to ensure they are fit for purpose. The key elements of these processes includes a risk assessment for each famil; the collection of participant information; the use of approved operators; and the establishment of an itinerary based on the information collected.

Event risk management: Event health and safety templates have been reviewed and updated by the Major Events team. These templates will form the basis for all Event Health and Safety Plans, with event and site specific information added to the plans. ATEED was praised at the New Zealand Event Association of Professionals (NZEAP) Seminar in May, where the Lantern Festival health and safety plan was used to demonstrate best practice to approximately 100 event organisers based in Auckland. In addition to the revised Event Health and Safety Plans, the team has also embedded health and safety into all operational procedures. All process documentation is compiled to reflect external audit and past event recommendations ensuring continuous improvement for future events.

Contractor management update: Improvements have been made in our pre-qualification processes for physical work contractors and suppliers including using a new system, IMPAC- PREQUAL through Auckland Council. This means we have the assurance that all contractors in the system have had the appropriate level of certification verified by an independent organisation. Impac are due to provide training to users in June.

i-SITES: Approved operators are now being noted in booking systems and a process of adding Qualmark approved accommodation is underway. As a result of feedback gathered at a national conference with Tourism New Zealand, Regional Tourism Operators, i-Sites, Worksafe New Zealand and i-site New Zealand, ATEED is recognized as taking the lead in the implementation of new processes and systems.

Health and safety page on the hub: The ATEED intranet (the hub) now has an updated health and safety page that includes direct external links to Worksafe legislation, as well as latest news and Act terms and definitions. The page includes ATEED's health and safety policy and Health and Safety Committee minutes, health and safety workgroup representatives, information on the Employee Assistance Programme and first aid, and emergency evacuation information. The ability to report incidents, hazards, pain and discomfort directly into an online system (Vault) is also included.

Wellbeing: Initiatives for May included: free eye examination with Specsavers and massages booked

through Auckland Council. The “Eat. Move. Live Team Challenge” also commenced in May. In addition last month saw 38 staff members opted to have the flu vaccination offered through the Wellbeing Programme.

Health & Safety Scorecard update

Incidents: Three incidents were reported and recorded in May.

- One staff member from the Brand and Marketing team complained about some pain and discomfort. The person had not participated in the quarterly work station assessments. A work station assessment has now been scheduled to address the issue.
- One staff member from the Brand and Marketing team is experiencing an ongoing health issue. This employee had advised team members about the procedure to follow in case of an emergency and has kept emergency contact details at their desk.
- A customer collapsed in the Princes Wharf i-site. Staff contacted emergency services and kept the customer comfortable until the emergency services arrived.

Near Misses: zero.

Hazards: Forty hazards were identified in May as a result of the Health and Safety site inspection at Graham St major events storage area . Audit results and recommendations have been forwarded to the Head of Major Events for rectification.

H&S Training: Ninety seven percent of all staff have attended the ATEED H&S Journey. Staff members who haven't taken part in the H&S induction training include three staff from the Business Attraction and Investment, Destination and Marketing Business, Innovation & Skills teams.

ATEED Strategic Priorities

Growing Auckland's Innovation Ecosystem

GridAKL

Tenancy of the Lysaght building has grown to 53 companies, (approximately 80% of capacity) with the addition of SKM Digital, ZeroLoop and 3Minds. The increase in new businesses at GridAKL is accompanied by an increase in the international growth and recognition of current residents Glory League. 90 Seconds won the 'IBM Most Innovative Company award' and the 'ATEED Best Technology Solution for the Creative Sector' award at the Hi-Tech Awards on 20 May.

This month there has been a strong focus and drive in GridAKL community development. . A total of 33 events were held this month, and 109 since January. Innovation flourishes when the community is well connected and inspired to collaborate. Developing a strong innovation community is the bedrock for a thriving innovation ecosystem. An events programme for the year has been developed

As part of the community development GridAKL-Ex/Uptown has gone live with the first pilot hub. GridAKL-Ex hubs will enable the wider community to connect in with GridAKL and enables us to tailor our approach for the individual communities innovation needs. Uptown's affiliated partnership include Industry Connect and Lightening Lab.

Innovation 5A

The building of Innovation 5A is underway and remains on target for completion in July 2017. The design phase for the fit out of the building is complete and tendering for subcontractor has begun. Work to identify potential tenants for Innovation 5A has started. Discussions are underway with three potential corporate occupiers, as well as potential operators for the co-working and SME space.

Growing the visitor economy

International visitor numbers to Auckland continue to break records. The year to April 2016 saw a record breaking of just over 2.3 million international visitor arrivals, an increase of 10.5% on the previous year. There were 187,728 international visitors in April 2016, up 9.9% on the previous year. Holiday visitor arrivals were up 16.0% on the previous 12 months.

World Masters Games 2017 (WMG2017)

ATEED continues to meet regularly with WMG2017 to progress issues or concerns.

The 2017 Accommodation Project Team was recently formed to provide a significant level of support to WMG2017 in tackling issues and concerns. Alternative accommodation options currently being looked at include school boarding houses and temporary campervan parks. Following feasibility, it was agreed a cruise ship was not a viable option due to likely costs and associated logistics. The commercial accommodation sector has opened more inventory for booking and hotel pricing continues to be a key issue.

Attract business and investment

Screen and Innovation Production Precinct

ATEED has entered into a six month agreement with Auckland Film Studios Ltd (AFSL) to supply "chief executive services" so that AFSL can address its strategic options, including incorporating ATEED's screen precinct strategy into Auckland Council Investment Limited's long term strategy for AFSL. ATEED is assisting AFSL to address both its longer term strategic options and its shorter term operational challenges, including health and safety compliance, long term repair and maintenance, future staffing requirements and updated IT requirements.

Month in review

Business Awards

ATEED has been selected as a finalist in the Drake New Zealand Government category of the upcoming AUT Business School 2016 Excellence in Business Support Awards.

Brett O'Riley has been announced as a finalist in the Fuji Xerox Leadership category, alongside ATEED board member Helen Robinson who is also a finalist in this category.

The categories and finalists are as follows:

Drake New Zealand Government award

- Plant and Food Research
- Energy Efficiency and Conservation Authority EECA Business
- ATEED
- NZECO (New Zealand Export Credit Office)

Fuji Xerox Leadership award

- Wayne Norrie – Revera
- Brett O'Riley – ATEED
- Dr Adam Jaffe – Motu Economic and Public Policy Research
- Helen Robinson – Penguin Consulting.

Rugby League World Cup

Discussions are progressing with Sport NZ which is coordinating the New Zealand RFP response to the Rugby League World Cup 2017 match allocation process. ATEED expects this process to conclude over the coming weeks.

ATEED is currently working with RLWC2017 to finalise a MoU around this ahead of an expected announcement July 19.

Lions Tour

The NZ Lions Series is expected to attract over 30,000 visitors to the Auckland region providing a significant business, regional and tourism opportunity. To fully maximise this, ATEED is in discussions with central government to align region and national programmes. This has been divided into:

- Destination programme (with TNZ)
- Business programme (with NZTE)
- Regional programme (with Sport NZ)

Māori Responsiveness Plan (MRP)

Auckland Council has formally approved ATEED's MRP. Our plan was reviewed by the Auckland Council legal and internal audit teams, through their Waharoa Group which is set up specifically for this purpose. Our MRP was the first plan within the Council group to have gone through this process.

A small internal cross-organisational team will drive the implementation of the plan and will meet on a quarterly basis. The key roles of this team will be to:

- Review activity across ATEED that contributes to the delivery of our MRP (for reporting/audit purposes)
- Review actions with the ATEED MRP to ensure the plan is kept live and relevant
- Prioritise and champion specific actions within the plan that may not currently have a natural owner within the business
- Develop and implement a process for awarding ATEED's quarterly Maori Responsiveness Award.

All staff meeting

An all staff meeting was held on 3 June. The event provided an update on people and capability development, global brand, process improvement and new ways of working, Māori responsiveness and Kaiārahi Toru.

Statement of Intent KPIs

Metrics within the ATEED SOI are categorised as either:

1. Key Performance Indicators: an agreed set of performance measures and targets which form the basis for accountability for delivering on our strategic objectives.
2. Monitoring Indicators: Indicators which we have a strong interest in and we aim to influence through our activity, but which ultimately are driven by a range of factors outside of our direct control.

Progress against KPIs are included in the attached KPI Scorecard. To the end of May, issues of note are as follows:

- As reported last month it is still anticipated that KPIs related to Callaghan Innovation R&D grants facilitated through the RBPN programme, will not be met.
- Also reported previously, the target related to the number of business events supported may not be met – although the win/loss ratio remains on target. This issue was discussed with the Major Events Sub-Committee on 1 June.
- As at May the results for GDP generated from major events invested in are expected to remain below the target. Of the full portfolio so far 20 of the evaluations have been

received. The final variance will be known post 30 June 2016. (Note – the attached scorecard contains the figures reported in in the May version of this report).

- All other SOI KPIs are on track.

Burning Issues

Staff Engagement Survey

ATEED's 2016 Employee Engagement Survey opened on 13 June and will close on 24 June. This year we have a new survey provider, AON, which will collect, process and report back the survey findings. The full organisation-wide results will be shared with the ALT at the end of June prior to being shared with all employees shortly after.

Auckland mayoral election, 2016

ATEED is well prepared to move into formal pre-election mode as we reach the three-month 'brown out' period ahead of the Auckland local government elections on Saturday, 8 October.

Nominations for elected members open on 15 July and close on 12 August.

Current declared Mayoral candidates include (alphabetical order): Penny Bright, Victoria Crone, Phil Goff, David Hay, Adam Holland, John Palino, Tyrone Raumati, and Mark Thomas.

The ATEED Senior Leadership Team is aware the pre-election period is a busy time for the Council group, and that it ushers in some important considerations for all council employees. SLT will ensure the expectations and protocols surrounding the 'brown out' period are disseminated to all staff and ensure correct standards are maintained – particularly the overriding need to maintain political neutrality in everything ATEED does.

Looking Forward

A portfolio of upcoming events/activities is provided for the Board's information:

Scheduled event date	Event name	Location
9 - 19 July 2016	Pan Pacific Youth Water Polo Festival	St. Cuthbert's College and AUT Millennium
14 - 31 July 2016	New Zealand International Film Festival	Various
22 - 28 August 2016	New Zealand Fashion Week	ANZ Viaduct Events Centre
29 Sep - 2 Oct 2016	Auckland On Water Boat Show	Viaduct Harbour
7 Oct - 11 Nov 2016	Priscilla Queen of the Desert – The Musical	The Civic
15 - 16 October 2016	Auckland Diwali Festival	Various

22 October 2016	Bledisloe Cup: All Blacks vs Australia	Eden Park
30 October 2016	ASB Auckland Marathon	Various

Finance

Part of ATEED's year to date underspend of \$0.7m is timing related and will be utilised in June, however we also expect some increase in the amount of deferred expenditure as identified in our Q3 forecast.

As we go into the last month of this financial year, we are managing our 2016 activity carefully to ensure priority deliverables are achieved and workloads across the organisation managed. We have deferred certain projects and activity in order to achieve this and with the ability to carry the related funding over to 2017, there is no risk to agreed outcomes of these deferred projects.

Risk

Three new risks are being closely monitored within ATEED since the quarterly risk report was presented back in April.

- Screen precinct opportunity is being progressed in conjunction with the wider Council group
- ATEED is working closely with Te Waka Angamua on defining a consistent engagement protocol with mana whenua and matawaaka
- GridAKL Innovation 5A – noting the financial risk that is being managed in relation to the head lease

Recommendations

1. The report be received.
-

Signatory

Chief Executive: Brett O'Riley

Friday, 24 June 2016



OPEN AGENDA

6. **FINANCE REPORT**

Barbara Imlach, Chief Financial Officer

Finance Report, May 2016

Report to Auckland Tourism, Events and Economic Development Chairman and Board

Summary Income Statement									TABLE 1	
For the Period Ended 31 May 2016									\$000's	
Month				Year to Date			Full Year			
Actual	Forecast	Variance		Actual	Forecast	Variance	Forecast	Budget	Last Year	
			Net operational expenses:							
238	301	63	Business Attraction & Investment	2,265	2,330	65	2,797	3,590	3,282	
1,399	1,637	238	Destination & Marketing	9,270	9,395	125	10,801	10,257	11,267	
657	416	(241)	Major Events	9,562	9,398	(164)	11,643	11,599	15,992	
1,062	1,513	451	Business, Innovation and Skills	8,489	9,067	578	10,256	10,301	7,969	
1,475	1,351	(124)	Corporate	9,797	9,922	125	11,108	12,627	9,138	
4,831	5,218	387	ATEED net deficit	39,383	40,112	729	46,605	48,374	47,648	
			Major Events Fund deferral				2,317	1,000	280	
(71)	130	201	World Masters Games 2017 Ltd, net deficit	849	240	(609)	410	1,642	50	
4,760	5,349	589	Operating deficit before Council funding	40,232	40,352	120	49,331	51,015	47,977	
			Opex Funding, Council				49,099	50,307	47,952	
			Operating Deficit				(232)	(709)	(25)	
			Capex Funding				3,077	2,777	300	
			Surplus				2,845	2,068	275	

Key Points

Current year's financial results

ATEED is showing a slight underspend compared to Q3 forecast. Some of this spend is timing related and activity will take place in June. However, we continue to reprioritise activity and resources to focus on key areas so we do expect a small number of further deferrals from the \$2.3m we identified in our Q3 forecast (Major event fund deferral).

The ability to defer funding (under agreed circumstances with Auckland Council) has given us greater flexibility on project and activity funding crossing financial years. Some of the underspend that we have this year, could therefore be deferred to FY17.

Total favourable variance of \$0.7m

Destination and Marketing

YTD net underspend of \$0.1m against forecast. Delay due to changes to Global Auckland project plan (approval received from the Steering Committee) and delay in the scoping work for Education NZ JV. Both projects are looking to defer activity into 2016/17, the value to be confirmed in June.

Major Events

YTD net overspend of \$0.2m due to a sponsorship payment for V8 Supercars made a month earlier than planned due to the event organiser meeting their milestone in May.

Business, Innovation and Skills

YTD net underspend of \$0.6m. There is some timing related variances in GridAKL (\$0.2m) as regards operator spend as well as some deferral of activity on Innovation 5A property work. There is also delayed activity in the Skills and Employment programme which will result in deferral of spend for the Support Implementation of Mayor's Youth Employment Traction Plan to FY17.

Corporate

At this stage there is no material change to the planned year end deferrals, with variances due to Tripartite sponsorship revenue higher than forecast and the spend profile of key strategic projects (Transformation, Partnering, and Sentient customisation) activity deferred to June.

Income Statement

Income Statement									TABLE 2
For the Period Ended 31 May 2016									
Month				Year to Date			Full Year		
Actual	Forecast	Variance		Actual	Forecast	Variance	Forecast	Budget	Last Year
			Operational income						
187	187	0	Funding from Government	1,746	1,746	0	1,854	1,211	3,518
246	228	18	Sponsorship	1,601	1,505	95	1,635	2,005	967
7	23	(16)	Fees & Subscriptions	439	465	(25)	482	609	510
125	123	2	i-Sites	2,366	2,379	(13)	2,507	2,483	2,580
145	171	(26)	Sundry income	1,392	1,280	112	1,412	1,683	1,348
711	734	(23)	Total Operating income	7,545	7,375	169	7,890	7,991	9,053
1,932	1,908	(24)	Staff costs	18,791	18,876	85	20,811	20,735	19,208
1,135	1,249	115	Professional fees, consultancy & contractors	6,246	6,588	342	7,659	10,644	7,675
478	483	5	Grants & sponsorships	6,259	6,190	(69)	8,268	7,586	12,004
(25)	55	80	Depreciation & amortisation	566	582	16	650	656	540
181	183	2	Shared services and lease costs	1,963	1,971	8	2,154	2,192	2,475
245	236	(8)	Occupancy	2,388	2,397	9	2,629	2,676	2,495
291	263	(27)	Travel & entertainment	1,502	1,491	(11)	1,623	1,445	1,510
249	286	37	General, admin & other	2,501	2,541	41	2,757	1,741	2,610
1,057	1,289	232	Advertising, marketing & research	6,713	6,852	139	7,943	8,689	8,182
5,542	5,952	410	Total Operating Expenditure	46,928	47,488	560	54,494	56,365	56,701
4,831	5,218	387	ATEED Net deficit	39,383	40,112	729	46,605	48,374	47,648

Revenue

YTD revenue \$0.2m higher than forecast due to additional Tripartite sponsorship revenue received and sundry income relating to staff secondments received earlier than planned.

- The registration revenue target for the month was exceeded. WMG management are confident that the \$1.5m YTD variance is timing related and with the opening of international flights, registration is expected increase over the coming months to meet plan.
- We are working closely with WMG to ensure no negative funding implications on ATEED for both 2016 and 2017. A high level forecast for FY16 has been undertaken and the revised position is a deficit for 2016 of \$1.8m. Our funding for the whole program remains unchanged at \$11.75m (including funding by way of staff secondments).

Summary Statement of Financial Position

Statement of Financial Position, ATEED Group		
As at 31 May 2016		
TABLE 5	YTD	\$000's Jun-15
Current assets		
Cash and cash equivalents	1,932	2,206
Receivables and prepayments	7,922	9,512
Other current assets, including iSite inventory	79	55
Total current assets	9,933	11,773
Current liabilities		
	9,856	11,230
Working capital	77	543
Non-current assets		
Receivables and prepayments (non-current)	1,851	1,236
Property, plant and equipment	4,637	2,240
Investment in Joint Venture, The FoodBow I	2,047	2,047
Total non-current assets	8,535	5,523
Non-current liabilities		
	469	436
NET ASSETS	8,143	5,630
EQUITY	8,143	5,630
Capex spend	2,984	ADJ FY Funding \$3,030
Total commitments (at April 2016)		\$46.1m

- The decrease in working capital is due to the decrease in creditors and other payables by \$2.7m when compared to June last year. At year end, accruals are usually higher as we ensure spend in all activity to date is accounted for in the correct period.
- Reduction in receivables and prepayments is due to last \$1m due to a June 2015 receivable from Panuku (Waterfront Auckland) relating to the early vacation of Polperro.
- The increase in property, plant and equipment relates to GridAKL fit out on the John Lysaght building. Some deferral of the full year capex budget of \$3m is expected due to delays with Innovation 5A. This will not be material and we will work through the deferral process with the GridAKL team and Council.

Recommendation

It is recommended that the Board note the Finance Report for the period 31 May 2016

Signatories

Manager: Avika Singh, Finance Manager

GM: Barbara Imlach, Chief Financial Officer
