

ATEED Statement of Intent

2020 – 2023

July 31 2020



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He Mihi

<i>Huakina! huakina!</i>	<i>Open the doors! open the doors!</i>
<i>Piki mai rā, kake mai rā, ki tōku whare</i>	<i>Welcome inside my home</i>
<i>Ko tō manawa, ko tōku manawa</i>	<i>Your heart is my heart</i>
<i>Hara mai ra, ki te whai rawa e hora nei</i>	<i>Come to the place of abundance</i>
<i>Tāmaki Makaurau, herenga waka</i>	<i>Tāmaki, a place to unite waka</i>
<i>Tāmaki Makaurau, herenga tangata</i>	<i>Tāmaki, a place to unite people</i>
<i>Anei, ana, inā hi</i>	<i>Yes, absolutely, indeed!</i>
<i>Anei, ana, inā hi</i>	<i>Yes, absolutely, indeed!</i>

ATEED has developed a story of 'Ngā Hau e Whā o Tāmaki Makaurau - the four winds of Auckland. Ngā Hau e Whā is a metaphor for the work that ATEED does across the Auckland region, and our city's connections to the Pacific and the world, connecting us to our people and our place.

The four winds arrive carrying opportunity for our people and new growth for our region. They flow through us shaping our thoughts and bringing about new ideas and as they disperse, they connect us to the four corners of our region, our country and our world:

Te Hau Raki to the north

the Jewels of the Gulf, the warmth of the Pacific, the shimmer of the Waitematā

Te Hau a Uru to the west

the energies of the west wind, drawing from the life and vitality of the Waitākere ranges

Te Hau Tonga to the south

pulling in powerful energy from the south and potency of potential

Te Hau Rawhiti to the east

drawing inspiration from the winds of the rising sun and awakening of the new dawn, the bloom of the pōhutukawa

Foreword

The impacts of the COVID-19 pandemic are already profound for the Auckland regional economy, with significant disruption likely to continue for some time. The 2008 global financial crisis demonstrated how Auckland's economy is susceptible to global shocks – the negative GDP impacts of that event were felt first and more deeply in Auckland than the rest of New Zealand.

The Auckland economy represents 38% of New Zealand GDP. With 66,000 direct tourism jobs, a concentration of professional services, construction, and New Zealand's largest screen and creative sectors, it operates in a manner distinct from New Zealand's broader economy. Auckland's recovery will require focused strategies that address its challenges and leverage its strengths.

ATEED's focus is now firmly on economic recovery for Auckland.

Valuable, growing industry sectors such as tech, high-value food exports, education and the creative industries (including screen) that employ well-trained and qualified people in the tradeable sectors of the economy are highly concentrated in the Auckland region. These industries offer great opportunity for Auckland, as New Zealand's reputation as a safe place to live and work gains international attention.

Auckland can make a strong recovery if government policy, key Auckland institutions (including the council family) and businesses can respond jointly, effectively and urgently to mitigate the worst impacts of the COVID-19 pandemic. This will require a clear focus on businesses and employment and channeling investment into areas of potential future growth.

In the early days of this unfolding crisis, ATEED led by; proposing the suspension of Council's Accommodation Provider Targeted Rate (APTR) for 12 months commencing 1 April 2020; taking on secretariat responsibilities for the Mayoral Business Advisory Panel; supporting displaced workers in the tourism and hospitality sectors; partnering with central government's stimulus and support initiatives; and significantly scaling up our business support services to provide financial resource, practical guidance, tools and information for Auckland businesses.

We have suspended nearly all international-facing visitor attraction activities given the current border restrictions and instigated significant cost savings across the organisation. We have re-allocated spending to priority programmes focused on helping Auckland's economic recovery.

ATEED's future work programme reflects Mayor Phil Goff's expectations related to COVID-19 outlined in May 2020. We are focusing on activities that will have the greatest impact on achieving Council priorities that align to the outcomes outlined in the *Auckland Plan 2050*. These include supporting a more inclusive economy and the ongoing development and delivery of *Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan*. Importantly, many of the objectives of the plan around resilience and economic sustainability are made even more urgent as COVID-19 has exposed some of the same vulnerabilities and the fragility of our economy.

We have identified four challenges Auckland must address to accelerate a successful economic recovery. These are:

1. Driving quality investment into Tāmaki Makaurau Auckland
2. Rebuilding the Auckland region from the neighbourhood up
3. Showcasing a culturally rich, vibrant and resilient Tāmaki Makaurau Auckland
4. Supporting businesses to innovate and thrive

It is also timely to restate ATEED's purpose so that it more tightly defines our unique role as we concentrate on economic recovery. While 'quality jobs for all Aucklanders' served us well in the pre-COVID-19 environment, employment and jobs will be a shared objective for many parts of council moving forward. We believe the following statement is a more powerful articulation of what we uniquely do for Auckland:

*Create prosperity for all by enriching Tāmaki Makaurau Auckland
as a place for investment, talent, innovation, and visitors*

While the full extent of COVID-19's impact on the events planned throughout 2021 is not yet known, the year still presents significant opportunities to showcase Auckland to a global audience of future visitors, investors, and businesses. Work

continues to ensure the 36th America's Cup provides a worthy legacy by connecting our region as much as possible with global markets and showcasing its cultural richness, resilience and innovation. However, we are mindful of the need to adapt aspects of activity to prevailing conditions and restrictions that may remain in place in 2021 as a result of COVID-19.

Tempering our ambition, we are also faced with challenging budget realities. Suspension of the APTR represents a significant reduction in our funding from Council. This is not a simple matter of reducing marketing spend or 'turning off' events and visitor attraction activities. Much of the expense of cancelled events was 'sunk cost' and our preparatory work continues for 2021 and other future programmes. The budget reduction will require a rebalancing of programmes across the entire portfolio and development of a new operating model, including withdrawing funding from some major events, cutting international marketing, and achieving operating efficiencies.

While local government budgets are contracting, central government is actively stimulating the economy through new spending programs. ATEED is well-placed to expand our partnership with government to put new programmes to effect. Our role to bring investment into Auckland extends effectively into identifying and facilitating government investment into the region. Expansion of the Regional Business Partners programme, new Pacific Skills programmes, and tourism industry support activities currently underway demonstrate how ATEED can effectively partner with government, and we are actively seeking other opportunities to bring other new investment from government into Auckland.

ATEED is being proactive in the current crisis. We have come through the first few months of the COVID-19 pandemic in good shape as an organisation. We have demonstrated agility and resilience as we have stopped programmes made redundant by the crisis and quickly created and ramped up activities with direct impact for Aucklanders. Our staff are highly engaged and are actively solving the challenges we face.

Despite the challenges of the current moment, we remain steadfast in our commitment to building towards the long-term future of Auckland. We are positively and proactively engaged in Council's independent CCO review and anticipate this process can improve alignment and clarify expectations around how we operate within the Council family. We also eagerly anticipate the upcoming collaboration on the next Long-Term Plan.

The actions we take now, the work we endeavor to undertake in the remainder of 2020, and building towards a vibrant 2021 will have long-term impacts on Auckland and the future course on Aucklanders' prosperity. ATEED is well prepared and ready for the challenge.

Proposed Amalgamation with Regional Facilities Auckland Limited

It is expected that ATEED will enter into a short form amalgamation with Regional Facilities Auckland Limited (**Amalgamation**), to take effect on 1 December 2020. Because ATEED's current and intended activities, objectives and intentions, including those set out in this Statement of Intent, will continue to be progressed and implemented under the amalgamated, continuing company (which will be Regional Facilities Auckland Limited, but potentially under a new name), the board considers the Amalgamation to be in accordance with and one of ATEED's current and intended activities, objectives and intentions.

The board will meet on 28 October 2020 with a view to approving the Amalgamation. If the Amalgamation is approved by the board in accordance with the Companies Act 1993 and ATEED's constitution, all references to ATEED's activities, objectives and intentions set out in this Statement of Intent are to be read as activities, objectives and intentions which will be carried on by the amalgamated, continuing company in accordance with its statement of intent and constitution once the Amalgamation takes effect.



Mark Franklin
Chair



Nick Hill
Chief Executive

Purpose of Statement of Intent

In accordance with the Local Government Act 2002, and subject to the provisions in the Foreword regarding the Amalgamation, 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. This SOI takes shareholder comments into consideration and includes performance measures and targets as the basis of organisational accountability.



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About ATEED

ATEED is Auckland's economic development agency. We add value to the Auckland economy through a portfolio of programmes that range across sectors and are highly coordinated with Auckland businesses and central government.

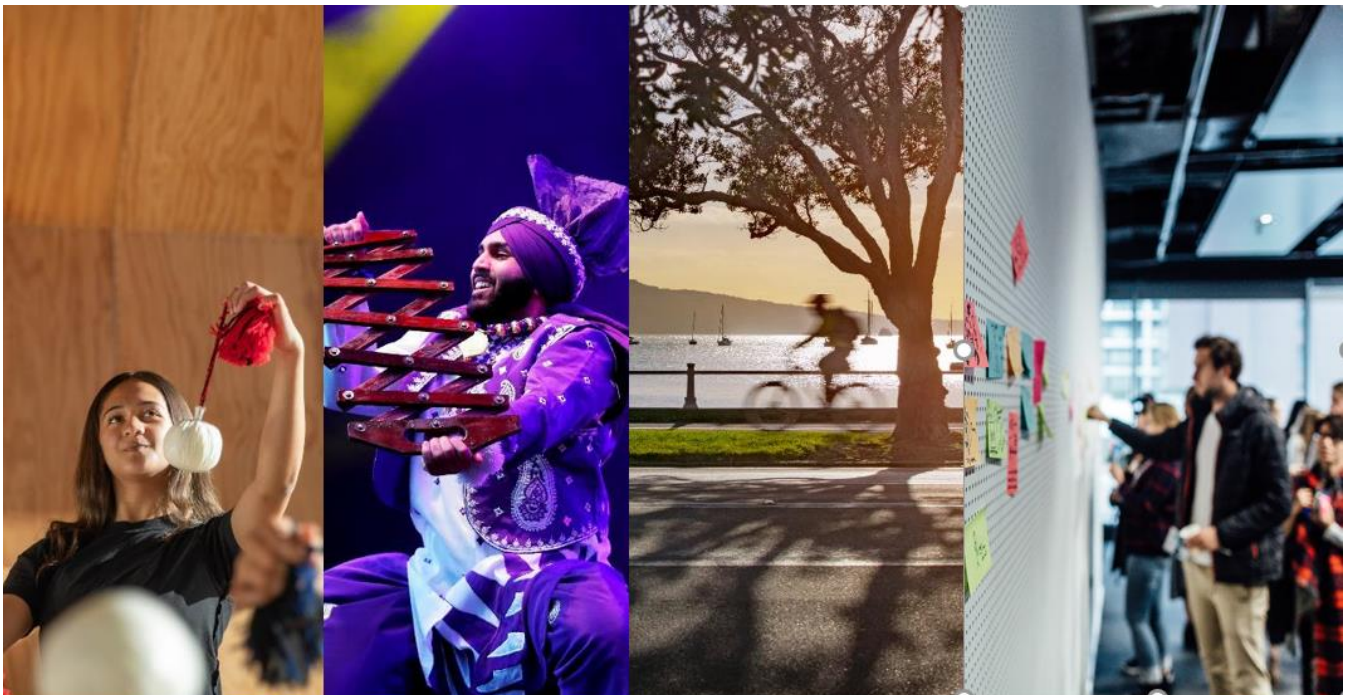
As we re-orient and re-focus efforts to adapt to the economic impacts of COVID-19, we are sharpening and clarifying our role. Recovery will require an 'all of Council' approach, and whilst ATEED is the lead agency on economic development, a coordinated effort across the Council family is required to achieve the best economic outcomes. To provide clarity on our core functions within the broader Council context, we have begun organising ourselves around four key themes:

- Driving investment into Tāmaki Makaurau Auckland
- Rebuilding the regional economy from the neighborhood up
- Showcasing a culturally rich, vibrant and resilient Tāmaki Makaurau Auckland
- Supporting businesses to innovate and thrive

Over the next twelve months ATEED will embed these drivers into our work programme to ensure we are focussing on the right things and can readily measure the impact we are having against them. At the same time we will continue to refine our work programmes and ways of working to pursue more scalable programmes and interventions and ensure we remain aligned to our stakeholders and provide clear value for money.

Working with the Council Family

While ATEED is the regional economic development agency, other entities across the Council family (including Auckland Transport, Panuku Development Auckland, and Regional Facilities Auckland) all play important roles in achieving regional economic outcomes for Auckland. In addition, as we enter a period of post-COVID recovery, Local Boards, Business Improvement Districts and other local entities also play an increasingly vital role in economic recovery and development at the local level. ATEED is committed to working proactively across the Council family at both the regional and local level to ensure improved prosperity for all Aucklanders.



ATEED Strategic Framework

We are in the midst of the most significant global economic disruption in nearly a century. Accordingly, the strategies that ATEED pursue need to be updated to reflect the challenges and opportunities we now face. Working with Auckland Council and central government, we are actively engaged in a strategic review process that will articulate the long-term ambition and direction for ATEED in light of new realities.

However, the urgency of the moment also dictates that we have a coherent and focused response. To that end, we are organising our recovery efforts around four key drivers and themes as illustrated in Figure 1.

Figure 1: ATEED Strategic Recovery Framework

Purpose	<i>Create prosperity for all by enriching Tāmaki Makaurau Auckland as a place for investment, talent, innovation, and visitors</i>			
Focus	Tāmaki Makaurau Auckland's Economic Recovery			
Themes	Driving investment into Tāmaki Makaurau Auckland	Rebuilding the regional economy from the neighbourhood up	Showcasing a culturally rich, vibrant and resilient Tāmaki Makaurau Auckland	Supporting businesses to innovate and thrive
What is the opportunity?	Auckland has immense investment potential, however a lack of advocacy to prompt direct investment into the city.	Auckland sub-regions have unique stories and characteristics that are not well known. International travel restrictions create opportunities for Auckland to attract locals and visiting kiwis into less-known areas of the city.	Strong 'rational' perceptions of Auckland exist, but weak emotional ones. The opportunity exists to share a unified 'experience' of Auckland, with supporting narrative, and consistent 'brand' projection of Auckland by a wide range of stakeholders.	An economic reset creates an opportunity to build a more resilient, regenerative economy and to re-imagine Auckland as a destination. Businesses will face unprecedented challenges, and only those that innovate will thrive.
What will we do?	Facilitate government investment into Auckland Foreign Direct Investment (FDI) attraction into Auckland Business attraction into Auckland Leverage of 2021 activities for investment outcomes	Facilitate LDI funded projects with local boards Work with Council family and partners on precinct-focused initiatives (e.g. Tāmaki regeneration) Promote local areas in partnership with Auckland Council, Panuku Development Auckland, Business Associations and Local Boards	Major and business event attraction and delivery Partner to curate and disseminate the Auckland narrative Destination marketing to locals, New Zealanders and the rest of the world	Sector-based business capability and R&D support for priority sectors Supporting skill development and job matching New destination product and experience development aligned to the Auckland narrative GridAKL and support for Auckland's innovation ecosystem

How will we measure it?	GDP of major and business events (LTP)		Visitor nights from major and business events (LTP)	No. of businesses supported (LTP) No. of Maori businesses supported (LTP)
	Attributable dollar value of investment attracted (KPI)	Local Board satisfaction with interactions with ATEED (KPI)	Auckland brand narrative uptake (KPI)	Customer satisfaction (KPI)
	Government investment into Auckland enabled (KPI)	Development of a local strategy	Waste diversion from landfill and carbon zero for delivered events (KPI)	Support for local business - no. of businesses
	Spatial investment - south and west	Support for local destinations - no. of activities	No. of events, No. of visitors	No. of trainings in priority sectors Job matching
	Opportunity of investment - communities supported	Support local narrative - no. of engagements	No. of promotions No. of digital mentions	Job creation
Economic Impact Indicators	<i>Supporting investment</i>	<i>Supporting local economies</i>	<i>Making Auckland famous</i>	<i>Supporting economic opportunities for Auckland businesses</i>
	Gross value added by sector (nominal and real)	Consumer spending and economic mobility and activity by local boards based on local activities	Auckland Tourism Sentiment Index/ place based brand index Consumer and visitor spending in accommodation, recreation, hospitality	New company formation Improved productivity and access to financing in priority sectors Improved training opportunities in priority sectors Improved access to skills and innovation in priority sectors

Māori Outcomes

ATEED supports the economic aspirations of Mana Whenua and Mataawaka, individually and collectively, on areas of shared interest; to showcase Tāmaki Makaurau, help transform our region, improve economic prosperity and to bring enduring benefits for Mana Whenua and Māori.

At the fore will be creating leverage during 2021 and beyond and investigating options for a stronger cultural and commercial footprint across Tāmaki Makaurau.

ATEED is the outcome lead for Māori Business, Tourism and Employment within the Māori Outcomes portfolio for Auckland Council. We will continue to collaborate across the Auckland Council family to coordinate and strengthen the portfolio through alignment with ATEEDs strategic framework to enable a more strategic and impactful focus to activities within the portfolio, linked to clear performance measures.

ATEED is collaborating with the Council Group on the development of Māori Outcome measures and will include such measures where appropriate in a future SOI. In addition, ATEED continues to be committed to playing our role in the council group Te Tiriti o Waitangi Audit programmes.

ATEED's key programmes of work to deliver Māori Economic Outcomes are summarised below.

2021 and beyond

- Implement a programme of work that will generate opportunities for Mana Whenua and Māori businesses in Tāmaki Makaurau by leveraging from events being held in Auckland during 2021¹.
- The Tāmaki Herenga Waka Festival, will be delivered in early 2021. ATEED is in working partnership with the Mana Whenua Kaitiaki Forum to build on the event concept delivered in January 2020².
- Work with partners to ensure a stronger Māori cultural and commercial footprint across Tāmaki Makaurau is a legacy outcome of 2021.
- Support Mana Whenua to develop a Business Case for a Waterfront Cultural Centre.

Māori Business and Development

- Focus on Māori Business Programmes, which includes connecting Māori businesses and tourism operators to resources and opportunities to assist them to grow and innovate in their businesses such as through GridMNK (Te Haa o Manukau), He Waka Eke Noa, Regional Business Partners and Māori Business Advisor resource.
- Formalise a strategic partnership with the Whaariki network to support the growth and sustainability of Māori businesses in Tāmaki Makaurau. The partnership includes implementing a programme to build a digital engagement platform, provide marketing and communication support, procurement and business opportunities, scoping the potential to scale nationally and build a sustainable model.

Working with Partners

- ATEED will continue to build a strategic partnership with the Mana Whenua Kaitiaki Forum, formalise a strategic partnership with the Whāriki Business Network and continue to focus on collaborations with key delivery partners; Callaghan Innovation, New Zealand Trade & Enterprise Development Inc, Te Puni Kokiri and Te Wananga o Aotearoa, Ngahere Communities, New Zealand Māori Tourism and Air New Zealand.

Skills and Jobs

- Through our skills and workforce programmes and services, ATEED is focussing on youth and Māori employment in South and West Auckland, in partnership with The Southern Initiative and The Western Initiative.

Climate Change and Sustainability

ATEED has worked closely with Auckland Council on the development of Te Tāruke-ā-Tāwhiri – Auckland's Climate Plan. This plan was unanimously adopted in July 2020, setting out the dual goals of reducing Auckland's emissions by 50% by 2030, and taking a precautionary approach to climate adaptation and resilience building. ATEED is leading three of the programmes under the plan's economy section: Establishment of a climate innovation hub, moving towards a more resilient & regenerative economy, and supporting businesses to transition to a low carbon, resilient future. ATEED is currently working with council on the Long-Term Plan (LTP) to secure funding for these programs. As available funding for each programme is clarified and key partners are engaged ATEED will develop more detailed plans for implementation and monitoring.

¹ Funded through the Auckland Council Maori Outcomes Steering Group

² Funded through the Auckland Council Maori Outcomes Steering Group

Across our Destination division, ATEED is developing a climate change and sustainability action plan for visitor economy. This plan aligns with Te Tāruke-ā-Tāwhiri, Destination AKL 2025 strategy and other relevant commitments such as NZ Tourism Sustainability Commitments. The plan will be based on robust evidence in areas of emissions, social and ecological impacts and include stakeholders and field-experts input. The desired output will be a set of 11-12 strategic actions which both ATEED and industry can activate.

Furthermore, ATEED is currently working with Toitū towards achieving Toitū CarbonReduce certification that will accurately measure ATEED's greenhouse gas emissions and put in place an emissions reduction plan. In addition to CarbonReduce, ATEED has been audited to be certified for Toitū Diamond Environmental Management System which is a step up from our previous certification of Gold. This system will support ATEED in meeting its environmental obligations, goals & objectives across our operations and work with Auckland businesses.

South and West

Our strategic framework has a broad regional focus, but we also recognise that we may need to support some local communities before others, to best aid Auckland's economic recovery. The Auckland Plan and ATEED's *Prosperity Index* provide clear evidence of regional disparity, with South and West Auckland lagging behind the rest of the region in terms of household prosperity.

The Southern Initiative (TSI) was established through the Auckland Plan as an initiative to help solve some of South Auckland's most pressing social and economic challenges. One of TSI's key priorities is the transformation of South and West Auckland through economic activity which is inclusive, just, circular and regenerative. The TSI works to a vision for Auckland's prosperity to be more equitably shared and to ensure that South and West Aucklanders hold leadership roles across the economy, including as business leaders, entrepreneurs, designers and innovators. This programme of work is characterised by initiatives that intentionally seek out the best opportunities for local communities, with the greatest potential for personal, whānau and community transformation.

Developed in collaboration with the TSI, ATEED's Whanau Prosperity detailed data diagnostic is specific to the communities of South and West Auckland and Māori and Pasifika communities at local board level. This data focuses on education and the education to employment transition, and the associated resources required to support local people. It informs immediate action in the COVID-19 environment and identifies longer term systemic opportunities.

ATEED may seek to initially support communities in the south and west, alongside other areas significantly affected by COVID-19 (e.g. the city centre). ATEED will continue to work with The Southern Initiative, central government, Pānuku Development Auckland, local boards and other area-based initiatives to ensure a stronger spatial focus for economic development activities.

ATEED three-year work programme

ATEED's immediate focus over the next 12-24 months in the wake of COVID-19 is to focus on the recovery of Auckland businesses and the economy. To enable this, our work programme has been redesigned to focus around four key strategic themes: driving investment, rebuilding from the neighborhood up, showcasing a vibrant and resilient Tāmaki Makaurau Auckland and supporting business to innovate and thrive. Further detail on each of these is provided below.

Working through the upcoming LTP process, incorporating any changes resulting from the CCO review, expanding our partnerships with central government, and responding to the challenges that emerge as the impacts of COVID-19 unfold will all inform an emerging and evolving strategy and may have direct impacts on the work programme below.

Driving investment into Tāmaki Makaurau Auckland

- Attract business and investment (FDI) into key Auckland sectors (infrastructure and construction, screen/technology/digital, green economy and tourism) using the Invest Auckland Platform to promote Auckland and opportunities in collaboration with the broader council family and NZ Inc. (CC)
- Work with central government to attract investment into ATEED-led and facilitated programmes
- Manage Auckland Film Studios and Kumeu Film Studios to attract opportunities and investment into Auckland's screen and creative tech sectors and support the industry to attract further infrastructure development
- Support investor migrants to increase investment into Auckland and develop a better understanding of current and potential investor migrants through research
- Leverage the 2021 programme of events to attract investment into Auckland
- Focus on capturing investment from Australia (New Zealand's largest source of FDI) through leveraging partner-city relationships and existing relationships with Australian city investment agencies, and foster relations with international partners and diaspora
- Deliver a virtual Tripartite 2020 in collaboration with Los Angeles and Guangzhou to attract investment and increase trade
- Investigate COVID-19 investment opportunities such as Auckland as a safe haven for international businesses, screen production and secretariats

Rebuilding the regional economy from the neighbourhood up.

- Work with local boards (through their Locally Driven Initiative work programme), and partners to develop and deliver local programmes that help to build consumer and business confidence in Auckland's economic recovery and stimulate intra-regional demand
- Manage the Locally Driven Initiative work programme for economic development on behalf of the relevant local boards
- Work with agencies and sub-regional tourism cluster groups to support regional dispersal of locals and visitors and spread economic and social benefits throughout the Auckland region, including facilitating development of new local visitor product and experiences

- Develop a local strategy that establishes a framework for ATEED to work across the council family, with multiple stakeholders and partners at the local level to enable an evidenced based, hyper local, approach to support the regional economic objectives
- Support key urban growth, regeneration and redevelopment programmes to inform the delivery of local economic outcomes that support the regional economy in collaboration with Pānuku Development Auckland (Henderson, Manukau) and government (Tamaki, Drury)
- Micro activations and events across the city
- Provide enhanced local economic data and insights such as the *Auckland Prosperity Index*, and local board economic overviews, to communicate the economic narrative of a local area to decision makers
- Activate Auckland's night-time economy in collaboration with the local business communities and the hospitality, arts/culture, and retail sectors
- Activate targeted campaigns to support local food and beverage businesses and in conjunction with other regions, build Auckland and New Zealand's reputation as a food and beverage destination

Showcasing a culturally rich, vibrant and resilient Tāmaki Makaurau Auckland.

- Develop a domestic tourism campaign in partnership with Tourism New Zealand and leverage Tourism New Zealand's domestic campaign to drive immediate travel to Auckland
- Provide opportunities for industry to participate in marketing campaigns across all visitor segments and assist in marketing Auckland to a domestic audience
- Deliver an integrated marketing campaign to promote Auckland and the compelling line-up of events and opportunities in 2021 to businesses and consumers
- Work with Auckland Council to activate an Auckland business campaign to support Auckland businesses and provide a platform for areas within Auckland to support the same messaging
- Lead the development of Auckland stories in alignment with *He Aratohu - the Auckland Playbook* and provide open source Auckland brand assets (photography, videography) via aucklandnz.com allowing partners to tell a compelling and aligned Auckland story
- Partner to attract major and business events to Auckland over the short, medium and long term focused initially on the domestic market and expanding as border restrictions allow
- Deliver *Elemental 2020* – Auckland's Winter Festival
- Deliver Lantern, Pasifika, Diwali and Tāmaki Herenga Waka Festivals under a consolidated cultural festivals strategy including a consolidated approach to landfill waste diversion and carbon footprint monitoring (CC)
- Lead agency for AC36 on behalf of Council and The Crown

Supporting businesses to innovate and thrive

- Support local business capability development, innovation and research and development including through delivery of the government's Regional Business Partner Network programme

- Foster Auckland's innovation ecosystem and deliver new responses to the city's urban and economic challenges through the GridAKL strategy and physical locations in Wynayrd Quarter and Manukau
- Drive the *Creative Industries Auckland* plan which supports the growth of creative industries and Auckland's position as a creative hub, with a focus on screen and creative tech sectors
- Deliver film permitting operations, as Auckland's regional film office, and foster Auckland's reputation as a film friendly region³
- Deliver *Auckland's Future Now* – a summit bringing together leading business and economic thinkers to create a shared, business-led response to the challenges ahead for Auckland
- Connect Māori businesses and tourism operators to resources and opportunities to assist them to grow and innovate in their businesses such as through GridMKN (Te Haa o Manukau), He Waka Eke Noa, Regional Business Partners and Māori Business Advisor resource
- Formalise a strategic partnership with the Whaariki network to support the growth and sustainability of Māori businesses in Tāmaki Makaurau
- Work with the Auckland visitor sector to lead the delivery of the *Destination AKL Recovery Plan* to support Auckland's re-emergence as a more resilient and sustainable domestic and international destination
- Foster and promote greater innovation within Auckland's future visitor economy, aligning with the 're-imagining' *National Tourism Recovery Strategy*, where practicable
- Foster innovation to adapt existing and develop new commissionable products, experiences to drive local and domestic visitation. Products must be authentic and leverage Auckland's unique offerings (Māori and Pacific cultural/arts, vibrancy) and support our sustainability goals (CC)
- Develop a series of climate and sustainability actions in collaboration with key partners that will guide the visitor economy's recovery towards a more resilient, adaptable and low impact (regenerative) sector (CC)
- Develop programmes, such as *XLabs* to support businesses to transition to a low carbon, resilient future including through circular economy practices and opportunities, and supporting investment in green technology and innovation (CC)
- Support the Māori and Pacific and youth workforce including through the Pacific Skills Shift Initiative aimed at delivering micro-credential training for Pacific people in employment
- Work with businesses to support skills development and training of youth through *Youth Employer Pledge*, *BuildAKL*, the government's *Regional Skills Leadership Group* and other initiatives that will emerge as a result of COVID-19
- Working with government and businesses to help the redeployment of displaced workers through initiatives such as *Go With Tourism*

(CC) – indicates activities that address climate change and other environmental outcomes

³ Screen Auckland issues permits to film on public open spaces throughout the Auckland region once necessary approvals have been gained from relevant owners, managers and/or leaseholders of the proposed location.

Impact of reduction in budget and suspension of the Accommodation Provider Targeted Rate (APTR)

The suspension of the APTR has had an immediate and significant impact on ATEED's operations with our funding from Council forecast to decrease \$14m for 12 months from 01 April 2020. The rationale for APTR is to fund activities that benefit the accommodation sector. The activities will continue however as they are committed and relate to future years - so there is no simple relationship between revenue raised and activity each year.

Programmes in all areas of the business will be affected, with the following areas significantly reduced or postponed:

- International visitor attraction and international engagement (including staff travel)
- Short-term event delivery (note that many of these already have incurred sunk-costs and do not produce significant savings)
- Marketing and media spend
- Many areas of the tourism portfolio
- Short-term business events
- International student programmes

Performance Outlook

Key Performance Indicators

These KPIs will be reported on quarterly in accordance with the CCO Accountability Policy.

KEY PERFORMANCE INDICATOR	2018/19 ACTUAL	2019/20 ACTUAL	2020/21	2021/22	2022/23
Driving Investment into Tāmaki Makaurau Auckland					
Value of central government investment into Auckland facilitated by ATEED ⁴	New	New	\$20m	\$10m	\$10m
Attributable value of private sector investment secured over the year	\$198m	\$403m	\$100m ⁵	\$200m	\$200m
The contribution to regional GDP from major events and business events attracted or supported (LTP measure)	\$43.9m	\$33.7m	LTP: \$66.5m Revised ⁶ \$25m	LTP: Increasing to \$70m by 2028	
Rebuilding the regional economy from the neighbourhood up.					
Local board satisfaction with the way ATEED has engaged with local boards on work in their area ⁷	25%	No result	35%	45%	50%
Showcasing a vibrant and resilient Tāmaki Makaurau Auckland.					
The number of visitor nights generated as a result of an ATEED intervention. (LTP measure)	295,282	244,249	LTP: 435,000 Revised ⁶ 125,000	LTP: Increasing to 442,500 by 2028	
Uptake of Auckland Play-Book and associated brand assets from aucklandnz.com brand hub	New	New	Benchmark	Grow	Grow
Supporting businesses to innovate and thrive					
Number of businesses that have been through an ATEED programme or benefited from an ATEED intervention (LTP measure).	3,303	4,315	3,000	3,000	3,000

⁴ Includes contracted central government grants and funding directly to ATEED, administered by ATEED and directly to activity facilitated by ATEED in the year that it occurs

⁵ Targets reflect the aim of achieving \$500m of attributable private sector investment over a 3 year period. Ongoing uncertainties related to investment opportunities in the context of COVID-19 and capacity of screen infrastructure will almost certainly result in achieved variances around target on an annual basis

⁶ Targets were originally set in 2018 and have been revised down to reflect the impact of Covid-19 on international travel, the subsequent suspension of the APTR and the impact of the delay in the opening of the NZICC. The revised targets are based on the assumption that international borders will not open in full for the duration of FY 2020/21

⁷ Based on results from Auckland Council Survey of Elected Members

Number of Māori businesses that have been through an ATEED programme or benefitted from an ATEED intervention (LTP measure)	244	333	120	150	150
Customer satisfaction of customers, partners and stakeholders who have interacted with ATEED	77%	66%	85% ⁸	85%	85%
Climate change and sustainability					
ATEED delivered events (Diwali, Lantern, Pasifika and Tamaki Herenga Waka Festivals)					
• Diversion of landfill waste					
• No. events achieve Carbon Zero	69%	76%	70%	70%	70%
	0/4	0/4	1/4	2/4	4/4

Developing our Indicator Framework

ATEED will continue to refine its indicator framework to ensure our KPIs reflect the impact of the work we do and inform all key stakeholders of the effectiveness of our activities. Over the next 12 months as we work with Auckland Council on the development of the next Long Term Plan (LTP), we will continue to align our KPIs with our strategic framework themes of driving investment, rebuilding the regional economy, showcasing a vibrant and resilient Tāmaki Makaurau Auckland and supporting businesses to innovate and thrive and ensure appropriate targets are in place.

However, ATEED acknowledges that due to the nature of much of the work that we undertake, not all impacts can be easily measured via a quantitative indicator framework.

Monitoring Indicators

In addition to our performance measures, ATEED has identified a range of monitoring indicators which we report regularly through the AKL Index (www.aucklandnz.com/auckland-index). 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 development 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.

⁸ From 2020/21 ATEED will broaden the scope of its Voice of the Customer programme to incorporate a broader range of customers who have long term and shorter term, purpose driven contacts and interactions with ATEED. In addition, the scope of satisfaction will be broadened to include those who say they are 'Satisfied' in addition to those who say they are 'Very Satisfied' and 'Extremely Satisfied'.

Alignment with the Auckland Plan

The Auckland Plan is Auckland Council's roadmap to deliver on Auckland's vision of a world class city where talent wants to live. The Auckland Plan is a 30-year plan that is underpinned by a set of outcomes to achieve this vision. ATEED plays a critical part in delivering on outcomes, actions and targets in the Auckland Plan as outlined in the table below.

AUCKLAND PLAN OUTCOMES	HOW ATEED CONTRIBUTES
 <p>Belonging & participation</p>	<ul style="list-style-type: none"> Working with key local employers and institutions in less prosperous places, to facilitate industry development, local recruitment, workforce development training and progression Ensuring that events support the creation of a shared sense of belonging for Aucklanders and recognise, value and celebrate Auckland's diversity Promoting Auckland to Aucklanders as a place to meet, connect and enjoy participation in the community
 <p>Māori identity & wellbeing</p>	<ul style="list-style-type: none"> Promoting Māori success, innovation and enterprise through our Maori Business programme and through leveraging 2021 activity Showcasing Auckland's Māori identity and vibrant Māori culture through festival and events and through He Aratohu - the Auckland brand narrative playbook Celebrating Māori culture and supporting te reo Māori to flourish Strengthening employment outcomes by connecting rangatahi to training and entrepreneurship opportunities
 <p>Homes & places</p>	<ul style="list-style-type: none"> Partnering with Panuku Development Auckland, Auckland Transport and Auckland Council to integrate economic outcomes into place based and transport initiatives delivered across the Council group
 <p>Transport and access</p>	<ul style="list-style-type: none"> Partnering with Panuku Development Auckland, Auckland Transport and Auckland Council to integrate economic outcomes into place based and transport initiatives delivered across the Council group
 <p>Environment and cultural heritage</p>	<ul style="list-style-type: none"> Focus on economic development that can be sustained in the long term and benefits both current and future generations including support of inclusive growth, technological adoption and the growth of the circular economy Raising awareness of the benefits of operating in an environmentally sustainable way through supporting operators who lead in this space and providing preferential profile to organisations that embrace sustainability throughout their business
 <p>Opportunity & prosperity</p>	<ul style="list-style-type: none"> Building a pipeline of opportunities and attracting investment that creates higher value employment across Auckland Enhancing Auckland's innovation ecosystem and delivering new responses to the city's urban and economic challenges Growing more dynamic, connected and export focused businesses across Auckland Advancing Maori employment and supporting Maori businesses to be significant drivers of Auckland's economy.

Alignment with Development Strategy

Concurrently, and through partnership with the broader council family, ATEED will align relevant activities with areas of focus identified through the Auckland Plan Development Strategy – in particular in the south and west of Auckland.

Summary of Financial Information

The following summary of financial information supports the delivery of the strategic deliverables and performance targets for ATEED. ATEED is always focussed on opportunities to deliver improved value for money within a funding envelope (agreed through 2018-28 LTP) that allows for annual inflationary adjusted increases only. Additionally, ATEED looks to source funding (beyond Auckland Council provided funding) including central government funding and commercial opportunities.

Financial data is Actuals for 2018/19, Revised Budget for 2019/20, Board approved Annual Plan for 2020/21 and the Revised LTP for financial years 2021/22 and 2022/23.

Financial Position:

Financial year ending 30 June	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Revenue					
Fees and user charges	0.6	0.7	0.5	0.5	0.6
Subsidies and grants (opex)	2.2	2.7	9.0	7.0	5.9
Other direct revenue	15.1	18.3	17.3	17.7	18.0
TOTAL REVENUE	17.9	21.7	26.8	25.2	24.5
Expenditure					
Employee benefits	21.5	25.0	23.9	25.1	25.8
Grants, contributions and sponsorship	10.9	9.2	10.3	12.0	12.3
Other operating expenses	34.2	38.1	49.6	40.0	39.3
TOTAL EXPENDITURE	66.6	72.3	83.8	77.1	77.4
NET DIRECT EXPENDITURE / (INCOME)	48.7	50.6	57.0	51.9	52.9
Funding from Auckland Council	(47.9)	(49.9)	(44.8)	(51.9)	(52.9)
AC36 Funding	-	-	(11.6)	-	-
Local Board funding	(0.8)	(0.7)	(0.6)	-	-
Depreciation and amortisation	5.0	3.1	2.9	3.0	3.1
NET EXPENDITURE / (INCOME)	5.0	3.1	2.9	3.0	3.1

Note 1: Subsidies and grants (opex) revenue includes funding received from other sources including central government grants

Note 2: Funding from Auckland Council includes approved Annual Plan/LTP and approved budget carry forwards

Note 3: Local Board amounts vary each year depending on Local Board approvals and for outer years no amounts have been confirmed

Note 4: From FY2020/21 approved AC36 event funding is reported in ATEED

Note 5: APTR suspension until Q4 FY2020/21 is reflected as reduced Auckland Council funding in FY2020/21

Expenditure by Activity

Activity (\$m)	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Economic Development	14.8	15.2	18.1	16.6	16.9
Destination	21.7	23.8	26.9	23.8	24.4
Operational Support	12.2	11.6	12.0	11.5	11.6
Total	48.7	50.6	57.0	51.9	52.9

Note 1: Economic development includes funding from LDIs which varies year on year depending on Local Board approvals

Note 2: Operational support includes Strategy (media, communications and marketing), People & Culture, Finance, Risk, Health & Safety, Business Support services and Executive Leadership

Note 3: Destination activity FY2020/2021 includes approved AC36 event funding

Specific Expenditure towards Māori Outcomes*:

Initiatives (\$m)	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Māori Signature Event **	-	0.5	0.5	0.5	0.5
Māori Economic Development	0.4	0.7	0.7	0.7	0.7
Whāriki Māori Business Network Development	-	0.3	0.2	-	-
2021 Māori Outcomes Delivery Programme	-	0.4	1.2	0.9	-
Total	0.4	1.9	2.6	2.1	1.2

*Note that expenditure towards Māori outcomes does not include staff costs and corporate overhead costs.

** Māori Signature Event represents the Tāmaki Herenga Waka Festival. In FY2018/19, following consultation with the Mana Whenua Kaitiaki Forum, it was agreed to defer the event in January 2019.

Capital Expenditure

CAPITAL EXPENDITURE	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
TOTAL CAPITAL EXPENDITURE	3.1	0.2	0.2	0.2	0.2
Sources of capital expenditure					
Capital funding from Auckland Council	3.1	0.2	0.2	0.2	0.2
Subsidies and grants - capex	-	-	-	-	-
TOTAL CAPITAL FUNDING	3.1	0.2	0.2	0.2	0.2
CAPITAL FUNDING SURPLUS/DEFICIT	0.0	0.0	0.0	0.0	0.0

Targeted Rate on Commercial Accommodation Providers

In 2018, the Council Governing Body adopted a targeted rate on commercial accommodation providers to fund a proportion of the visitor attraction and major events expenditure of ATEED. The amount of the targeted rate was set at 50 percent of ATEED's budgeted expenditure on visitor attraction and major events (including associated staff and operational support costs).

As a result of the COVID-19 pandemic and the associated border closures a decision was made to suspend collection of the APTR for a 12-month period from 1 April 2020 to 31 March 2021. This decision will be reviewed prior to 31 March 2021 in the light of national and international travel restrictions at the time.

Other Financial Information

Current value of assets	The value of ATEED's assets as at 30 June 2019 was \$38.465million, based on total assets (current and non-current) of ATEED as disclosed in the audited financial statements.	
Accounting Policies	ATEED accounting policies are consistent with those of the Auckland Council group policies.	
Acquisition of shares	ATEED will consult with Auckland Council before purchasing or otherwise acquiring shares in any company or other organisation,	
Financial Reporting	ATEED financial reporting to Council will be in accordance with requirements of the CCO Governance Manual.	
Asset sales (\$ million)	2018/19 Actual	Nil
	2019/20 LTP	Nil
	2020/21 LTP	Nil
	2021/22 LTP	Nil
	2022/23 LTP	Nil

Approach to Governance

Working in Partnership with the Council Group

Auckland Council works in partnership with its CCOs and the agreed approach to governance is outlined within the CCO Governance Manual which sits alongside this SOI and also forms part of the annual binding agreement between Council and ATEED. ATEED will adhere to the common expectations for CCOs contribution to the council's objectives and priorities, outlined in the CCO Accountability Policy as they relate to:

- 1) Building public trust and confidence in the council group, including through a commitment to the no surprises protocols set out in the CCO Governance Manual
- 2) Providing value for money
- 3) Building a group approach to achieve outcomes for Aucklanders
- 4) Improving outcomes for Māori
- 5) Health and Safety
- 6) Managing risk appropriately
- 7) Understanding and giving effect to Auckland's shared governance
- 8) Climate change and reducing carbon emissions

Within this, ATEED will commit to pursuing shared back-office delivery where appropriate and aligning ICT investments to optimise value and efficiency and avoid duplication.

Further, ATEED will continue to work with local boards to progress local board economic development initiatives and will continue to build on its engagement with all elected members and relevant communities of Auckland to proactively build and maintain relationships.

In alignment with requirements in the CCO Governance Manual, ATEED will commission an external review of board performance over FY 2020/21.

Governance of the Accommodation Providers Targeted Rate

In June 2018, ATEED adopted new governance arrangements for its Destination focussed work programme, which was 50 percent funded (via Council) by the Accommodation Providers Targeted Rate (APTR). Through these arrangements ATEED established a subcommittee of the ATEED Board (The Destination Committee) to make recommendations on visitor attraction and major events activities. The Destination Committee included three representatives of accommodation provider targeted ratepayers and three representatives of the ATEED Board. The Destination Committee operated in accordance with its own Terms of Reference.

Notwithstanding the suspension of the APTR for a 12-month period from 01st April 2020, the Destination Committee will continue to meet and provide industry insights to the ATEED Board over the period of the suspension.

ATEED Values

In uncertain times, our values continue to guide us more than ever. They define our ways of working both internally and externally with partners. ATEED's values are:

It's all about people: great company

- We respect and support each other and value our differences;
- We encourage each other to be the best we can be;
- We recognise and reward effort and achievement.

Let's be clear: great communication

- We are open and honest in what we say and do;
- We listen first and speak respectfully;
- We have straightforward conversations in a non-judgemental environment.

Connect and collaborate: great relationships

- We seek to understand others and work together to make a difference;
- We celebrate our diversity and share our individual strengths;
- We are one team with a common goal, to grow our economy.

Bold actions, smart choices: great thinking

- We are courageous;
- We welcome fresh ideas, try new things and embrace change;
- We ask how we can do it differently and do it better.

Get it done and make it yours: great results

- We make things happen by taking personal ownership and responsibility;
- We believe time is precious and use it wisely.

Māori Responsiveness at ATEED

ATEED's first Māori Responsiveness Plan was first adopted in May 2016 and since then we have been able to reflect on our progress and learnings as we work toward embedding Māori Responsiveness as part of our organisational culture and to deliver Māori Outcomes across our activities.

ATEEDs refreshed Māori Responsiveness Plan (November 2019) draws on the narrative of *Ngā Hau e Wha o Tāmaki Makaurau* – the four winds of Tāmaki Makaurau – to connect the plan to ATEEDS purpose, strategy, work programmes and culture. It describes the purposeful steps that are informed by Māori knowledge and practices, the views of our stakeholders and our learnings to drive toward a shared vision of economic prosperity for Mana Whenua and Māori across Tāmaki Makaurau.

The plan focuses on three key areas:

- Empowering ATEED through Ngā Hau e Wha o Tāmaki Makaurau
- Working in partnership with ngā Mana Whenua o Tāmaki Makaurau and key delivery partners
- A strong Māori Outcomes portfolio and targeted programmes.

Public Meetings

Council CCOs are required to hold two public meetings a year (Local Government (Auckland Council) Act 2009) as outlined in the table below:

PURPOSE OF PUBLIC MEETING	DATE	FORM OF PUBLIC NOTIFICATION
Consider prior year performance against SOI targets	October 2020	Public notice, New Zealand Herald and www.aucklandnz.com
Consider shareholder comments on draft SOI	June 2021	Public notice, New Zealand Herald and www.aucklandnz.com

Health Safety and Wellbeing

Health, safety and wellbeing will be owned by us all and integrated into everything we do. We will put the health, safety and welfare of our people, our visitors and the people of Auckland first, making this a great place to work, visit and live.

“We look after our safety and wellbeing” (Ka tiaki tātou kia āhuru, kia ora tonu tatou).

ATEED will empower our people with the right training, information, knowledge and experience to exceed our health and safety requirements driving both safety leadership and continuous improvement.

ATEED’s safety culture will continue to mature, moving away from an organisational compliance driver towards focussing on health safety and wellbeing for their intrinsic value - “it’s what we do around here”.

