

AUGUST 2018

# ATEED Quarterly Report to Auckland Council

For the quarter ending 30 June 2018

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## He Mihi

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

*E whakaruruhau ana i nga ahikaa mai tawhiti.*

*E maumahara ana i te nguha a Mataoho.*

*Ratou kua poto ki tua o te arai, e moe e okioki*

*Tatou te hunga ora e kawe ana i te aronganui mo te pai me te whai rawa o Tāmaki, tena ra tatou 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.*

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## Executive summary

This report highlights ATEED's performance against its Statement of Intent (SOI) 2017-2020 at the end of the fourth quarter of the 2017/18 financial year.

During the period, ATEED continued to work with Auckland Council and key partners to enable, facilitate and connect, business, investment and job opportunities supporting Auckland's future prosperity. Major progress was made in promoting and building the infrastructure to support innovation and growth of Auckland's key sectors, a new direction was set with industry to guide the future development of the visitor economy, and more young people were supported into entrepreneurship, training and employment opportunities as a result of ATEED and partner interventions.

Key quarter four highlights and achievements:

- A Memorandum of Understanding was signed with the Ministry of Foreign Affairs and Trade to underpin the successful planning and delivery of Auckland events for New Zealand's hosting of the Asia-Pacific Economic Cooperation (APEC) forum in 2021.
- The new *Destination AKL 2025* strategy was well received at an industry launch on 11 May. As a first step towards achieving the strategy's new sustainability focus, ATEED became a signatory to the New Zealand Tourism Sustainability Commitment<sup>1</sup>, pledging to help New Zealand businesses lead the world in sustainable tourism.
- Auckland's global reputation as a sports city received another boost, with the DHL New Zealand Lions Series 2017 Auckland fan activation and World Masters Games 2017 (WMG2017) picking up gold and silver at the annual Sports Business Awards held in London in June.
- ATEED announced that the surplus generated by its incorporated subsidiary, World Masters Games 2017 Ltd. is set to benefit amateur sport as a result of Auckland hosting WMG2017.
- Auckland's food stories have been brought to life in ATEED's '[Made for Winter](#)' marketing campaign encouraging domestic travellers to experience and discover the region's diverse culinary offering during the off-peak season.
- The Urban List Australia campaign which wrapped up in May exceeded online and social targets.
- 104 businesses were resident across GridAKL's Lysaght, Madden Street and Mason Brothers buildings at year end, up from 70 companies at the same period last year.
- The InnovateAKL lab at GridAKL was officially opened in May as a key piece of infrastructure for public sector innovation and collaboration tackling Auckland's urban and economic challenges.
- The national Techweek'18 festival took place from 19-26 May showcasing the region's diverse tech offering. More than 80 events made up the Auckland programme curated by ATEED.
- More than 2500 individual entrepreneurs were supported through an ATEED- delivered or funded programme, exceeding the annual target by 166 per cent
- About 940 Auckland businesses were actively managed through the Regional Business Partner programme with NZTE and Callaghan Innovation – this is 30 per cent over target. ATEED's business advice, start-up, training and mentoring services also attained an 'excellent' net promoter customer score of +54.
- Through the Project Palace partnership with NZTE, ATEED helped to secure an estimated \$250m hotel investment by Ninety Four Feet Property Development.
- The total estimated GDP contribution of investment deals effected by ATEED involvement at year end was \$256.3m, more than four times the target of \$59.6m.
- 525 young people have been enabled into employment through the Tindall Foundation-funded Youth Connections programme with Council, and the CBD Jobs and Skills Hub with the Ministry of Business Innovation and Employment. The success of the CBD Jobs and Skills Hub will see other hubs established over the coming year. A northern hub will be established in the Kaipatiki Local Board area and discussions are underway with Council and CCOs relating to hubs for the west and south.

<sup>1</sup> An industry initiative driven by Tourism Industry Aotearoa (TIA): <https://tia.org.nz/advocacy/tia-projects/tourism/>

## Performance measures

At year end, ATEED achieved 21 out of 28 of its annual SOI targets. Two KPIs were substantially achieved (within 2 per cent of target) and five were not met. Those not met were as follow:

- *ATEED facilitated the establishment, or significant expansion, of four multinational companies in target sectors against a target of five.* Two companies were also supported in the retail sector, which is outside of ATEED's target sectors.
- *73 per cent of Aucklanders agree events make Auckland a great place to live, below the target of 80.* The annual Council Residents Survey returned a similar result to last year (74 per cent) and refers to events more generally rather than those specifically involving ATEED.
- The two KPIs related to *total visits to aucklandnz.com* and the *percentage of visitors to the website from outside of Auckland* did not meet year end targets. This is due to the redesign and launch of the new website in April 2017, which now targets a more defined customer base and is not intended to drive volume.
- The KPI related to *Mana Whenua satisfaction with quality of engagement* measured via the Council's annual Mana Whenua survey returned only six responses for questions relating to ATEED. None reported satisfaction with ATEED. Given the small sample size, results should be considered indicative only.

## Financial performance

At the end of quarter four, revenue is on forecast, operational expenditure is \$3.2m lower than forecast, and depreciation aligns to forecast. The capital expenditure full year forecast has increased from budget due to the carry forward of underspent capex from FY17 relating to GridAKL.

## Risk management and health and safety

A number of risks and issues were actively managed, with the overall risk profile relatively stable. One risk on operational changes has been increased to high. ATEED continues to be vigilant on sensitive expenditure with monthly reviews.

Health and safety practices continue to be embedded into day-to-day operations.

## Governance

As directed by the Governing Body, ATEED, working with Auckland Council has appointed three highly experienced commercial accommodation industry representatives to the Destination Committee, a sub-committee of the ATEED Board. The six-person committee, operational from 1 July, will oversee ATEED's visitor attraction and major events activities. Accommodation sector representatives are:

- Troy Clarry, Owner/Operator Whangaparaoa Lodge
- Paul Columbus, General Manager, Novotel Auckland Airport
- Tim Pollock, Area General Manager Intercontinental Hotel Group NZ, General Manager, Crowne Plaza Auckland.

ATEED's representatives are directors Glenys Coughlan and Mike Taitoko and former ATEED director and Air New Zealand executive, Norm Thompson.

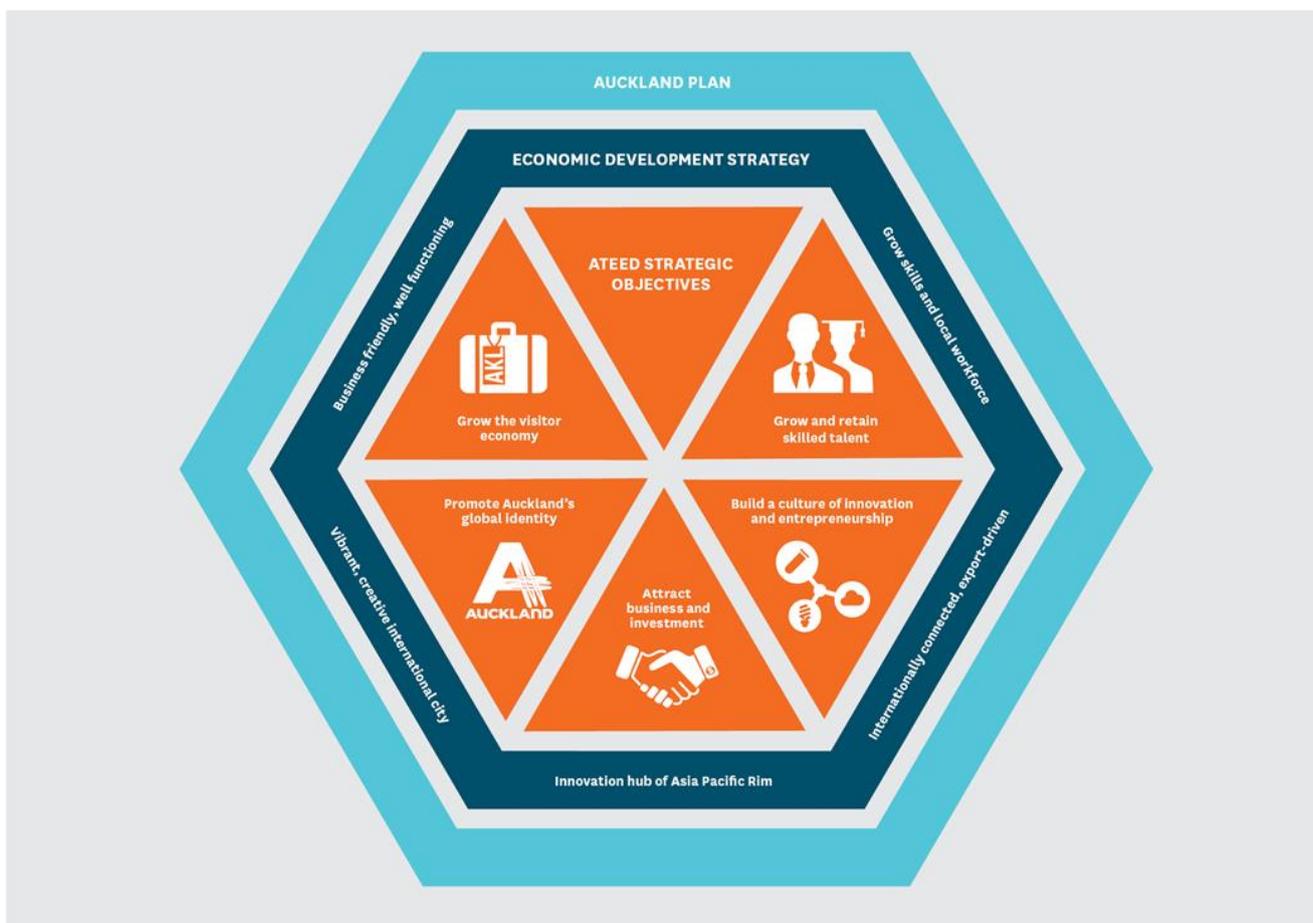
## Strategic framework and focus areas

ATEED's Strategic Framework (Figure 1 below), articulates ATEED's role in enabling Auckland to be a world-class city where talent wants to live, by focussing on five key priorities:

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

Through these objectives, we can connect Auckland-wide strategies (the Auckland Plan and 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 both regionally and locally. The key strategic objectives are supported by more detailed action plans, investment proposals and delivery partnerships.

**FIGURE 1 – ATEED'S STRATEGIC FRAMEWORK<sup>2</sup>**



<sup>2</sup> As per ATEED's Statement of Intent 2017-20

## Statement of Intent Key Performance Indicators

ATEED has progressed well in its work towards the targets set in our *Statement of Intent 2017-2020 (SOI)*.

Against the 28 KPIs, ATEED has made significant progress towards achieving our vision to improve New Zealand's economic prosperity by leading the successful transformation of Auckland's economy. ATEED has adopted the 5-tier assessment which Auckland Council uses to assess KPIs, with the following statuses applied:

Symbol	Status	Definition
	Achieved	Result has met or exceeded target (also includes where baseline has been established)
	Substantially achieved	Result within 2% of target
	Not achieved but progress made	Target not achieved, but improvement over last year
	Not achieved	Target not achieved and no improvement over last year

ATEED's performance against the KPIs is set out in the table below, along with commentary regarding the results, measurement methods, and previous year's performance as appropriate. In summary, of the 28 KPIs:

- 21 were achieved (75%)
- 2 were substantially achieved (7%)
- 5 were not achieved (18%)

No.	How we will demonstrate success in achieving our aims	2017/18 Target (30 June 2018)	2017/18 Result	Status	Comment	2016/17 Result
<b>Build a culture of innovation and entrepreneurship</b>						
1.1	Number of businesses taking up tenancy at GridAKL (Wynyard Innovation Precinct) (cumulative) and percentage 'innovation-led'	100 70%	104 69%	 	<p>At the end of FY 2017/18, 104 businesses had taken up residence in GridAKL, 69% of which are innovation-led. GridAKL comprises of three buildings</p> <ul style="list-style-type: none"> <li>• Lysaght Building, (50, 80%)</li> <li>• 12 Madden Street and the Mason Brothers Building (54, 58%).</li> </ul> <p>The 12 Madden Street and Mason Brothers buildings opened in October 2017.</p> <p>ATEED took over the management of the Lysaght building from an external property management company halfway through the financial year. Records provided as part of the handover regarding the number of businesses taking up tenancy at Lysaght were not complete. As such, ATEED has taken a conservative approach to reporting the number of businesses and has only reported the results for which clear support exists. This may have resulted in an understatement of the reported results.</p>	70 80%
1.2	Number of individual entrepreneurs supported through an ATEED delivered or funded entrepreneurship programme	1,500	2,502		<p>This measure includes a variety of programmes including the DIGMYIDEA and iDEAstarter programmes which are delivered by ATEED. It also includes individuals who have been through Velocity at The University of Auckland and X Challenge (AUT), which are co-funded by ATEED. The measure also includes the Lion Foundation Young Enterprise Scheme that was delivered by ATEED until the end of the 2017 school year. Delivery has since been transferred to the Auckland Chamber of Commerce. The variation from the 2016/17 result is primarily due to the additional support of X Challenge this year.</p>	1,995

No.	How we will demonstrate success in achieving our aims	2017/18 Target (30 June 2018)	2017/18 Result	Status	Comment	2016/17 Result
1.3	Level of advocacy by stakeholders involved in the provision of business advice, start-up, training & mentoring programmes	+50	+54		ATEED uses the net promoter score methodology to measure the willingness of customers to recommend an organisation's products and services to others. ATEED has followed this methodology since mid-2016/17 when it was adopted by NZTE. Surveying is undertaken for NZTE by AC Nielson. The total sample size for Auckland in 2017/18 was 260. A score of +50 is considered excellent.	New measure
1.4	Number of actively managed businesses through Regional Business Partner Programme	750	937		This result represents the number of businesses that have been actively managed through the Regional Business Partner programme, but excludes other ongoing client relationships managed throughout the year. The result is slightly down on last year but 30% above target. The key reason for the decrease on the 2016/17 result was the decision to focus funding on new clients and not refunding existing clients	1,101
1.5	Number of businesses that have been through an ATEED programme or benefitted from an ATEED intervention (LTP measure)	3000	3,537		The measure includes only businesses that went through an ATEED programme or intervention and doesn't capture the wider downstream benefits of each intervention. It also excludes individuals or entrepreneurs measured separately. Businesses that have been involved in multiple ATEED interventions / programmes are only counted once. The key reason for the decrease on the 2016/17 result was fewer businesses through the Regional Business Partner programme and less tourism networking activity	4,178
1.6	Number of Māori businesses that have been through an ATEED programme or benefitted from an ATEED intervention (LTP measure)	120	188		Where possible, Māori businesses have been self-defined and include businesses that consider themselves a Māori business due to ownership, philosophy, principles, goals, tikanga, management practices, branding, assets (both tangible and intangible), and employees (all categories provided by Stats NZ).	183

No.	How we will demonstrate success in achieving our aims	2017/18 Target (30 June 2018)	2017/18 Result	Status	Comment	2016/17 Result
<b>Attract business and investment</b>						
2.1	Facilitation of the establishment, or significant expansion of multinational and local companies in target sectors (LTP measure)	5	4+2		ATEED has facilitated the establishment or significant expansion of 4 multinationals in target sectors into Auckland during 2017/18. These included companies in the ICT/digital, screen/creative and automotive sectors. The attraction of these companies increases Auckland's productivity in these sectors. In addition, ATEED also facilitated the establishment of two companies in the retail sector (not one of ATEED's target sectors).	6
2.2	Number of intensively account managed customers in ATEED Aftercare programme (Aroha Auckland)	85	86		86 Aroha Auckland clients were engaged over this financial year – the same number as last year. The scope of this programme will be reviewed over 2018/19 as part of ATEED's strategy review process.	86
2.3	Total GDP contribution of deals effected with ATEED involvement	\$59.6m	\$256.3m		<p>This figure is based on deals achieved by the Business Attraction and Investment team during the 2017/18 financial year and is comprised of:</p> <ul style="list-style-type: none"> <li>• Target sectors: \$107.0m</li> <li>• Other sectors: \$1.7m</li> <li>• Screen: \$147.6m.</li> </ul> <p>The current methodology uses a standardised attribution model based on a one-year calculation that accurately takes into account all investment into Auckland that ATEED has had involvement with.</p>	\$340.7m
2.4	Value of investment deals effected by ATEED within the financial year	\$292m	\$343.8m		<p>This figure is based on deals achieved by the Business Attraction and Investment team during the 2017/18 financial year and is comprised of:</p> <ul style="list-style-type: none"> <li>• Target sectors: \$208.0m</li> <li>• Other sectors: \$3.4m</li> <li>• Screen: \$132.4m.</li> </ul>	\$487.8m

No.	How we will demonstrate success in achieving our aims	2017/18 Target (30 June 2018)	2017/18 Result	Status	Comment	2016/17 Result
<b>Grow and attract skilled talent</b>						
3.1	Number of 'live' signatories to the Youth Employment Traction Hub Employers Pledge (LTP measure)	50	69		As at 30 June 2018, 69 Auckland employers had joined the Auckland Youth Employer Pledge. These companies have actively supported ATEED youth employment initiatives such as JobFest. Pledge partners from the construction and infrastructure sector also supported the #BuildAKL industry youth recruitment campaign. The Youth Employer Pledge companies represent Auckland industries including hospitality, construction and infrastructure, and the digital/ICT and services industries.	66
3.2	Number of young people enabled into employment as a result of ATEED and partner activity (Youth – incl Maori and Pacific youth)	500	525		Result represents confirmed employment outcomes at the time of reporting. ATEED and partner activity covered over 2017/18 are the Youth Connections Programme (including two JobFest events), the CBD Jobs and Skills Hub and the final phase of the #BuildAKL Campaign which ran over 2017.	New measure
3.3	Number of expression of interest from skilled migrants in working and living in Auckland resulting from ATEED Marketing activity (Talent) – via LinkedIn	1500	3,465		The result is for the number of Auckland – Make the Smart Move LinkedIn followers. Around half of page visitors are viewing jobs in construction and tech with the remainder viewing Auckland lifestyle and immigration information. The variation from target was due to stronger interest than anticipated for a new initiative.	New measure
3.4	Growth in value of international student spend to Auckland	\$2.306b	\$2.76b		This result is provided by Education New Zealand based on the <i>Economic Impact of International Education in New Zealand 2017</i> Report and Ministry of Education data. Results are based on surveys with approximately 6,000 international students across New Zealand and refer to the 2017 calendar year.	\$2.25b

No.	How we will demonstrate success in achieving our aims	2017/18 Target (30 June 2018)	2017/18 Result	Status	Comment	2016/17 Result
<b>Grow the visitor economy</b>						
4.1	Spend by visitors in Auckland	\$6,617m	\$8,360m		This result is for year-ending June 2018 and is based on data available from the Monthly Regional Tourism Estimates prepared by the Ministry of Business, Innovation and Employment. The target has been exceeded, which is driven by continued strong growth in visitor arrivals.	\$7,212m
4.2	Number of major international business event bids submitted or supported	35	37		This result is above target and a significant increase on last year and includes a number of significant international opportunities that have arisen as a result of the forthcoming completion of the NZICC.	29
4.3	Business event bid win/loss ratio (based on results received in financial year)	60%	62%		This result is slightly down on last year but still above target. The ratio is based on win results received within the financial year, but not necessarily submitted within the year.	70%
4.4	Value of business event bids won in financial year	\$22m	\$29.1m		Value relates to international events only and does not include domestic or Australia event bids. Variation from target is a result of significant international opportunities that have arisen as a result of the forthcoming completion of the NZICC.	\$32.4m
4.5	Percentage of customers satisfied with visitor information centres and services ( <b>LTP Measure</b> )	85%	97.3%		ATEED sold the i-SITEs in May 2018. The satisfaction result was last recorded in April 2018 and is based on 1,167 responses to self-completion surveys undertaken across the Auckland i-SITE network (Airport, Princes Wharf, SKYCITY) to the question: 'Overall, how satisfied were you with your experience at the i-SITE today?'	97.2%
4.6	Contribution to regional GDP from major events invested in ( <b>LTP measure</b> )	\$49m	\$75.9m		The targets set for this measure are those presented in the 2011 Auckland Major Events Strategy (MES). Result includes GDP generated by the final DHL New Zealand Lions Series 2017 match played in Auckland on 8 July 2017, as reported by MBIE, but excludes support for the Vodafone Warriors as the season is ongoing at the time of reporting.	\$114.3m <sup>(3)</sup>
4.7	Percentage of Aucklanders who agree events make Auckland a great place to live (engender pride and sense of place)	80%	73%		The annual Council Residents Survey (sample of 4,475 residents) results show that 73% of Aucklanders agree that events make Auckland a great place to live (engender pride and sense of place). This result is similar to last year (74%). This Council survey asks about	74%

<sup>(3)</sup> Results differ from those presented in 2016/17 Annual Report due to addition of results for the DHL New Zealand Lion Series 2017 which were not available at the time of reporting in 2016/17.

No.	How we will demonstrate success in achieving our aims	2017/18 Target (30 June 2018)	2017/18 Result	Status	Comment	2016/17 Result
					people's perceptions of events generally rather than those specifically with ATEED involvement.	
4.8	Visitor nights generated by major events invested in	165,000	404,800		The targets set for this measure are those presented in the 2011 MES. Result includes visitor nights generated by the final DHL New Zealand Lions Series 2017 Series match played in Auckland on 8 July 2017, as reported by MBIE, but excludes support for the Vodafone Warriors as the season is ongoing at the time of reporting.	687,290 <sup>(3)</sup>
4.9	Percentage of customers satisfied with delivered major events ( <b>LTP Measure</b> )	85%	83%		Result is based on online surveys of attendees at ATEED's delivered events, undertaken by the Fresh Information Company. Result is the average satisfaction rating across attendees of the Tāmaki Herenga Waka (satisfaction; 90%, sample size: n=544), Pasifika (77%, n=321), Lantern (80%, n=619) and Diwali (86%, n=203) festivals. This result is attributed to the Pasifika Festival score being low with poor weather being a key factor.	89%
<b>Build Auckland's brand and identity</b>						
5.1	Total visits to <a href="http://aucklandnz.com">aucklandnz.com</a> (LTP measure)	3.8m	2.1m		ATEED first reported that this measure was unlikely to be achieved in its Quarter 1 report to Auckland Council, stating that the KPI was aligned to ATEED's former website design that was replaced in April 2017.  The new website is designed to target a more defined customer base and as such is not designed to drive a high volume of visits.	3.2m
5.2	Percentage of visitors to aucklandnz.com located outside of Auckland	50%	45.1%		This measure was heavily influenced by marketing activity targeting Aucklanders throughout the year, which in turn decreased the percentage of visitor sessions outside of Auckland. Budget was also a limiting factor with international traffic having a higher cost to acquire.	New measure

No.	How we will demonstrate success in achieving our aims	2017/18 Target (30 June 2018)	2017/18 Result	Status	Comment	2016/17 Result
<b>Mana Whenua engagement</b>						
6.1	Percentage Mana Whenua satisfaction with quality of engagement	Maintain/improve	0%		<p>The Mana Whenua survey is undertaken annually by Auckland Council to provide inputs into the Council's annual report.</p> <p>Contacts were provided and questions were asked in relation to a number of Council departments and Council-Controlled Organisations (CCOs) including ATEED. Only six responses were received for questions relating to ATEED. Of these 6 responses, none were satisfied with the quality of engagement, two were neutral and four were dissatisfied. Key areas of dissatisfaction were providing insufficient opportunity for Mana Whenua to have their say, providing insufficient information and not providing feedback in a timely manner. The small sample size means results should be viewed as indicative only.</p>	29%
<b>Local economic development</b>						
7.1	Percentage of approved local economic development projects delivered by ATEED using local board "Locally Driven Initiatives" (LDI) funding.	70%	80%		<p>The total budget allocated to Local Economic Development was \$840,000 (this accounts for any local board decisions and reallocated money to or from the local economic development work programme). Of the allocated budget \$675,293 has been spent equating to 80% of the total allocated budget. It should be noted that the measure for 2016/17 was "percentage of actions in ATEED Local Board Engagement and Action Plans completed", and therefore the result (95%) is not directly comparable with the 2017/18 result.</p>	95%

# Highlights for the quarter

## Build a culture of innovation and entrepreneurship

### GridAKL

More than 6600 people were hosted at more than 210 GridAKL events over the quarter. Features include Techweek'18 events, the inaugural NZ Space Challenge and The Funding Network event which raised \$30,000 for Auckland social enterprise projects.

The InnovateAKL lab opened on 30 May with 60 delegates at the Policy by Design inter-government symposium, led by the Auckland Co-design Lab and The Southern Initiative (TSI). The purpose-built lab is a joint initiative with Auckland Council and CCOs, bringing together the public, business and community sectors to tackle complex urban and economic issues affecting Auckland.

Key to GridAKL is its role in connecting Auckland's innovation ecosystem. This includes:

- Representation on the Grow North Innovation District Steering Group providing strategic advice, funding and guidance.
- Work with TSI and Panuku to co-fund the development of the first community led Manukau Co-work and Makerspace in the Boehringer Ingelheim Building in Osterley Way, including procurement support for a local community social enterprise operator – Ngahere Communities. ATEED will have ongoing engagement with the Manukau Co-work and Makerspace and TSI to create a pipeline of exchange between GridAKL, the south, and wider ecosystem.

### Stimulating and promoting innovation and entrepreneurship

The Auckland Techweek'18 programme was successfully delivered from 19-26 May with 86 events coordinated by ATEED. This was in addition to the 10 Featured and Headline Series events curated by TechNZ. During the festival, ATEED sponsored and delivered two DIGMYIDEA events, the Sports Performance Innovation Forum, and activations at the AR/VR Garage.

Forty-three out of 255 start-up ideas won prizes at The University of Auckland's Velocity programme Innovation Challenge on 24 May. Velocity is a signature entrepreneurship programme of Auckland's tertiary education sector, sponsored by ATEED. The programme runs from March to October.

In May, ATEED together with the Sustainable Business Network and Sapere Research Group launched *The Circular Economy Opportunity for Auckland* report. The report is the first of its kind in New Zealand and draws on overseas and Auckland economic research focussed on food, transport and the built environment.

### Supporting R&D and STEM-focused industries and advanced industries

The Sport Performance Innovation Forum was held at QBE Stadium on 23 May attracting 133 delegates. Post-event survey results showed 83 per cent of respondents were either very or somewhat satisfied with the event, and 76 per cent made new business connections or commercial leads that are likely to lead to business deals or partnerships in the future.

A sponsorship contract has been signed with Women in Sport Aotearoa for Auckland to host the International Working Group (IWG) on Women and Sport Secretariat from 2018-22, and 8th IWG conference in 2022. ATEED will leverage the secretariat and sport platform to encourage women into jobs as well as maximise IWG's vast network for Auckland sport performance businesses. The conference is expected to attract 1000 delegates, 5100 visitor nights and an economic impact of \$1.8m.

### **Supporting local economies and local businesses**

At the end of quarter four, there were 1070 registrations in the Regional Business Partner Network programme, including 64 Māori businesses. The NZTE Capability Development voucher fund of about \$1.7m was fully allocated and \$2.3m of Callaghan Innovation grants had been issued to 87 companies.

Good progress has been made on completing market validation and prototype concepts for the Business Support Forum project with The Auckland Chamber of Commerce, and EMA – including Export New Zealand, Manufacturers' Network. The project aims to provide a platform and/or tool to assist businesses with navigating support services and access what they need to operate efficiently.

A chatbot prototype, named Anahera (translates to Angel) was launched on [aucklandnz.com](http://aucklandnz.com) on 1 May. The chatbot is the first phase of an improved customer experience and will allow ATEED to track online business customer journeys as well as have access to richer daily reports and data.

### **International partnerships and trade**

A delegation of 14 people, including eight Auckland businesses, participated in the Select LA Investment Summit hosted by World Trade Centre LA, from 23-25 May. The delegation formed part of the Tripartite 2018 programme in Los Angeles, and was led by Deputy Mayor Bill Cashmore. Participating businesses gained exclusive opportunities for networking, workshops, business matching and site visits to Warner Bros. and the LA Cleantech Incubator. Most notable was a \$20m investment deal between New Zealand's HMI Technologies (HMI) and the Sino-Europe Innovation Centre of Heshan Industrial City in China's Guangdong Province. The deal will see a manufacturing facility set up for HMI's self-driving electric people mover, Ohmio and HMI has directly attributed the deal to the Tripartite activity in LA.

The Lord Mayor of Brisbane and a 28-strong delegation visited Auckland from 12-15 April. ATEED and Council's Global Partnerships and Strategy team organised visits to the City Rail Link, Hobsonville and Wynyard Quarter. A Brisbane Auckland business forum was also held at GridAKL resulting in a number of new and renewed connections that indicate likely business deals in the near future.

### **Attract business and investment**

ATEED's investment attraction team helped to secure an estimated \$250m investment by Ninety Four Feet Property Development for a new landmark hotel in central Auckland. Due for completion in 2021, the new 41-storey, 225-room upscale hotel will be one of the city's tallest buildings, and mark the New Zealand debut of international hotel operator InterContinental Hotel Group's boutique Hotel Indigo brand.

Through ATEED's partnership in NZTE's Project Palace – which began in 2016 to help solve the country's shortage of hotels in key tourism regions – ATEED has helped Ninety Four Feet understand Auckland's visitor economy, navigate the nuances and cost structure of the Auckland commercial property market, and gain the assurance it needed to proceed. ATEED support will continue as the hotel proceeds towards construction and completion.

### **Screen Auckland**

More than 210 Auckland Council film permits were issued in quarter four, including 81 permits for domestic productions, 34 international productions and 33 co-productions. Total enquiries logged were 342. The *Guns Akimbo* co-production wrapped up in May, involving the most complex road closures for any production in Auckland. Work is continuing with Council's Regional Parks team on the discretionary process for filming in areas impacted by track closures in the Waitākere and Hunua ranges.

A technical review has been completed for the Auckland Film Protocol – which outlines the conditions and guidelines for filming – together with Council stakeholders and CCOs. This includes regulatory changes, process and biodiversity updates such as kauri dieback.

Screen Auckland joined the NZ Film Commission (NZFC) delegation to China and Taiwan in June. The delegation involved attendance at the Shanghai International Film Festival for *The Meg* preview and visit to Wanda Studios in Qingdao (Auckland partner city).

Auckland rangatahi (youth) got the chance to be inspired by Kea World Class NZ Award winner, Hollywood actor and producer of New Zealand and Māori story films, Cliff Curtis, at a leverage event held at Studio West in Henderson in May. Curtis was joined by Tracey Collins, Tearepa Kahi and Jared Rawiri in an energising discussion on creative careers<sup>4</sup>.

### **Film studios**

ATEED met with several screen industry leaders after they formally raised a number of concerns regarding the outcome of the Film Studios Operator Request for Proposal process, which resulted in no appointment of an operator. The meeting provided an opportunity to clarify the process that was undertaken and to understand their concerns. It was agreed that ATEED will continue to communicate with industry on future studio management options and support for industry challenges.

### **AR/VR Garage**

The University of Auckland has moved three architectural VR students to the AR/VR Garage, bringing the total number of tenant companies to 10 and the total number of individuals working in the space to 25. The students are gaining valuable insight into their projects from the other tenant companies.

## **Grow and attract skilled talent**

### **Youth Connections**

JobFest was held at the ASB Showgrounds on 24 May, in association with Careers Expo. About 2500 youth attended, including more than 600 NEET (not in employment, education or training) youth. About 25 job offers were made on the day, 88 youth were employed at 30 June and further employment offers are pending.

### **Youth entrepreneurship**

The iDEAStarter youth entrepreneurship competition closed on 18 June attracting 203 entries. Two winners were announced at the finalist event held at AUT on 6 July: Ski Sock (15-19-year category); MapMyCrop (19-24-year category), each receiving up to \$10,000 in business start-up support.

At the end of June, 1343 students from 56 schools were enrolled in the Young Enterprise Scheme, sponsored by ATEED and delivered by The Auckland Chamber of Commerce.

### **Employment pathways**

As at 30 June, the CBD Jobs and Skills Hub had supported 221 people into employment (12-month target was 200 by March 2018). Of those employed, 38 per cent were Māori – against target of 40 per cent. More than 795 training outcomes were also facilitated with 79 per cent of placements remaining in work and not claiming a Work and Income benefit. Since the hub opened in March 2017, only 17 per cent of people assisted have returned to a benefit, compared to about 60 per cent of typical Work and Income clients.

ATEED's role in future Auckland-wide hub activity is being scoped as the network of hubs is expected to grow. ATEED leadership at the CBD hub has been retained and the current hub lease is expected to be held until early 2019. The City Rail Link, Pānuku and Ministry of Education have all signalled an interest in joining the MoU governing the CBD hub.

Advice was provided to the establishment group for a north hub based in the Kaipatiki Local Board area, with Pānuku and Homes, Land, Community – wholly-owned subsidiary of Housing New Zealand Corporation. Scoping is also underway of west and Manukau hubs.

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<sup>4</sup> Tracey Collins, is a multi award-winning film and TV production and costume designer, Tearepa Kahi (Ngāti Paoa, Tainui) is a filmmaker best known for *Poe-E*, *The Story of Our Song*, and his work on *Hunt for the Wilderpeople*, and Jared Rawiri is an accomplished actor who plays 'Mo' on *Shortland Street*.

The Ministry of Business, Innovation and Employment has commissioned a hub system review for Auckland, following the Minister's decisions on programme and budget in July 2018. Government officials are preparing advice to ministers on scaling up and extending jobs and skills hubs nationally.

## Grow the visitor economy

### **Destination AKL 2025**

The *Destination AKL 2025* strategy was launched on 11 May with the Mayor, Minister of Tourism, Industry Leaders' Group and up to 200 representatives from the local and national visitor industry. The draft Destination Plan, which outlines the work programme ATEED will undertake across its destination activities to support the strategy's vision, was presented to the Destination Committee at its first meeting on 2 August.

### **International destination marketing**

The Urban List campaign ran from 20 November 2017 to 1 May 2018, featuring compelling Auckland destination content on the popular lifestyle website. Content was designed to address perceived barriers in the Australian market, including distance and needing a break that is different from the ordinary. The campaign's Instagram reach surpassed benchmark by over 65,000 and the highest performing video reached about 13,400 engagements.

A Travelport agent campaign is in market until July. The campaign aims to attract high-value visitors, targeting Southeast Asia through Travelport's agent network, and increase length of stay in Auckland from May to September.

ATEED partnered with Air New Zealand and Auckland Airport to deliver a short breaks campaign targeting the Australian market from 2 April to 30 May. The campaign offered an alternative proposition to touring, driven by Tourism NZ (TNZ) brand campaigns.

### **Domestic destination marketing**

The ['Made for Winter'](#) campaign is in market from 1 June to 31 August targeting Wellington, Christchurch, the Bay of Plenty, Waikato and Northland. The campaign tells Auckland's unique food and beverage story and features Sir John Kirwan and popular Auckland food leaders and artisans who are an integral part of the city's culinary culture. The campaign aims to stimulate increased domestic visitation, spend and stay to offset the region's traditional winter off-peak period.

The North Island touring campaign went live on 17 June and will run until the end of August. Now in its sixth year, this is one of ATEED's longest running campaign partnerships with TNZ and North Island Regional Tourism Organisations.

### **Trade marketing**

ATEED joined 400 international travel sellers and media outlets at TRENZ 2018 held in Dunedin in early May. ATEED met and trained about 100 international buyers and TNZ offshore staff on *Destination AKL 2025* and Auckland tourism product updates. Several familiarisation and hosting opportunities were also secured, as well as joint marketing opportunities with various tourism trade partners.

### **Destination development**

Vector Lights displays ran on Poppy Day (day before Anzac Day), Anzac Day (25 April), International Day of Light (16 May) and during Techweek'18 (19-22 May). Investigations are underway for future commercialisation options and protocols. A residents survey is in progress with outputs and recommendations due to the Governance Group in late August.

### **Business event attraction and leverage (Auckland Convention Bureau)**

During the quarter, with support from ATEED's Auckland Convention Bureau (ACB), Auckland won the bid to host the:

- 13<sup>th</sup> International Symposium of Pediatric Pain in 2021, expected to attract 500 delegates and have an economic impact of more than \$1m and 2950 visitor nights
- International Conference on Autonomous Agents and Multiagent Systems in 2020, expected to attract 500 delegates and have an economic impact of more than \$0.9m and 2400 visitor nights.

The annual MEETINGS trade show was held at the ASB Showgrounds from 30-31 May. Over the two days, ACB generated a number of leads, made more than 30 appointments and 10 lead referrals.

### **Major event sponsorship and leverage**

Auckland was named 'Best Medium City'<sup>5</sup> at the prestigious SportsBusiness Ultimate Sports City Awards for the third consecutive time. The awards, which happen every two years, were announced at the 2018 Sport Accord World Sport and Business Summit in Bangkok in April. The accolade comes on the back of Auckland's biggest periods in its major events history, including the World Masters Games 2017, the DHL NZ British & Irish Lions Series 2017, Rugby League World Cup 2017 and Volvo Ocean Race stopover.

WMG2017 was named 'Best Mass Participation Event' at the 2018 Sports Business Awards held in London in June.

Major events sponsored by ATEED, on behalf of Auckland Council, in quarter four:

- 2018 FINA Water Polo World League Intercontinental Cup (3-8 April), SKYCITY Auckland Double Header (14 April)
- Gunter Von Hagen's Body Worlds Vital (23 April – 13 July)
- 2018 NZ International Comedy Festival (26 April – 19 May)
- Auckland Writers Festival (15-10 May)
- Auckland Art Fair (23-27 May)
- All Blacks v France (9 June).

Post event results for the Volvo Ocean Race Auckland stopover, staged from 24 February to 18 March, showed an impact of 23,470 domestic and international visitor nights and \$7.2m of GDP for the Auckland economy.

About 27,000 rugby league fans enjoyed the sold-out SKYCITY Auckland Double Header at Mount Smart Stadium on 14 April. The event, which replaced the cancelled 2018 NRL Auckland Nines, had a GDP impact of nearly \$1m for the Auckland economy.

ATEED worked with the New Zealand Choral Federation to win the rights to host the internationally renowned World Symposium of Choral Music in Auckland between 11-18 July 2020. The event is expected to attract more than 2500 international visitors, including around 850 of the world's best choral singers. The event is expected to generate more than \$3m in GDP for Auckland during the off-peak tourist season.

### **World Masters Games 2017 Legacy Fund**

On 30 April, key sporting organisations from the 28 sports involved in World WMG2017 were invited to apply for funding from the WMG2017 Legacy Programme. Of the \$831,000 surplus achieved by WMG2017 Ltd – an ATEED incorporated subsidiary – \$50,000 was awarded to New Zealand Masters Games, with the remainder distributed via direct grants and a contestable legacy fund.

Applications for the contestable legacy fund closed on 31 July and a panel, including representatives from ATEED, will decide the outcomes in August.

### **International student attraction and retention (Study Auckland)**

Positive feedback has been received from Whai Maia (Ngāti Whātua Ōrākei's development arm) on the impact of the Rukuhia Global Leadership Programme<sup>6</sup> on their organisation. The pilot programme involved more than 140 tertiary level students from 41 nationalities. Further Study Auckland support has been committed for the 2018/19 programme and will include greater emphasis on enhancing the kaitiakitanga / sustainability themes aligned with *Destination AKL 2025*. A modified version will also be tested for high school and language school students.

Study Auckland sponsored and co-organised the Australia New Zealand Agent Tradeshow (ANZA) welcome reception on 4 April with International Consultants for Education and Fairs. The ANZA tradeshow is the region's largest business

<sup>5</sup> The 'Best Medium City' award is open to cities with populations between 1.3 and 2 million. Auckland joins an exclusive group of award winners including London, New York, Melbourne and Glasgow. London was best overall Ultimate Sports City, while New York, Melbourne and Glasgow took best extra-large, large and small city awards.

<sup>6</sup> Consists of day-long workshops on the marae (ancestral grounds) focusing on leadership, values, innovation, sustainability and the connection of people, place and environment.

to business event for buyers and sellers of education, edu-tourism, youth and student travel, attracting 450 attendees from 50 countries.

### **APEC 2021**

A Memorandum of Understanding (MoU) was signed with the Ministry of Foreign Affairs and Trade on 6 June. The MOU includes the Ministry's responsibility for hosting APEC, coordination with Auckland Council and CCOs, core city operations, leveraging, iwi engagement, city presentation, stakeholder engagement, information sharing, coordination, communication and confidentiality.

Work is underway to establish a whole-of-council approach to leverage and legacy. ATEED has been leading Auckland conversations around the development of a legacy vision and ambitious outcomes with Council, CCOs and external stakeholders (such as industry leaders, iwi and government agencies). The Auckland City Operations Working Group met on 13 June with early stages of detailed planning around Auckland's operational requirements progressed. The inaugural APEC21 Auckland Utilities and Operational Service Providers briefing was held on 14 June.

### **36th America's Cup (AC36)**

The governance structure for AC36 is now established. This comprises an AC36 Joint Chief Executives' Group with Americas Cup Events Limited (ACE), Crown, Council and mana whenua representatives, and two key project arms: infrastructure development (with an Infrastructure Alliance Board); and the events delivery (Council group is led by ATEED's Head of Major Events). The structure is supported by a programme management office.

The Interagency Steering Group will have its first meeting in mid-August. This group will be pivotal in the decision making for the event concept and is responsible for ensuring that the logistics of the event interfaces successfully with all the required parties and agencies involved at the city and national levels.

## **Corporate**

### **Stakeholder engagement**

Hon. Dr Megan Woods, Minister of Research, Science and Innovation, was co-hosted with Callaghan Innovation to raise the profile of Auckland's innovation ecosystem. The visit involved selected start-ups and universities and tours of two companies which have received Callaghan Innovation Research & Development grants and other support from ATEED.

ATEED also hosted a successful tour of Auckland by Ministry of Foreign Affairs and Trade ambassadors and high commissioners as part of their Leaders' Week between 21-25 May. The visit included tours of the AC36 base, GridAKL and Kumeu Film Studios.

### **Section 17a – Value for Money reviews**

The ICT and Customer Services reviews are underway across the group and management is provided the necessary information to Council. ATEED also continued to work with Council colleagues on delivering improvements to the effectiveness of Māori engagement processes through strategic communications and engagement – a recommendation of the Section 17a (s17a) Communications and Engagement Review.

ATEED had no input to the Procurement review as all procurement services are delivered by Auckland Council shared services.

ATEED has initiated a Voice of the Customer Programme, in part to address the Investment Attraction and Global Partnerships review and to gain customer intelligence to help ATEED design and refine its services to businesses. The introduction of this programme supports Auckland Council's commitment to generating measures that demonstrate investment attraction and global partnerships activity, specifically the benefit that new business and investment provides to all Aucklanders.

**ATEED Head Office**

A nine-year lease has been signed for a new head office location in the Spark Building on Wellesley Street West. Securing greater value for money for ratepayers was a crucial factor, and the move will mean ATEED pays about \$6.2 million less across the lease term than it would have had to pay to stay in its current offices. The new site will also allow ATEED to better meet its business customers' needs with more shared space for more flexible working practises, that will drive increased efficiency and effectiveness.

## Future outlook

Outlined below are future priorities for ATEED aligned with the *Statement of Intent (SOI) 2018-21*.

### Economic Development

**Manukau:** Identification of ATEED's strategic areas of focus for Manukau to inform the development of a Manukau strategy, in collaboration with Council, Pānuku and Auckland Transport.

**GridAKL:** Review commenced for transitioning the leadership and management of GridAKL to a broader-based governance model to provide visible and active hub for investment. Support for cross-council innovation to address Auckland's urban and economic challenges, including the identification and/or initiation of the first three InnovateAKL projects.

**International partnerships and trade:** Work with Council Global Partnerships and partners to facilitate trade and export development, including mayoral visit to Japan in July, accompanied by the ATEED Chief Executive.

**Auckland Film Protocol consultation:** Consultation with local boards, iwi, industry and the Auckland public completed by December 2018. Workshop with Governing Body prior to ratification in the New Year.

**Auckland Investment Story:** Progress on developing a shared Auckland Investment Story (action from s17A Review).

### Destination

**Destination AKL 2025:** Destination Committee functioning. Ongoing engagement with the Industry Leaders' Group to shape the Destination Plan and Auckland destination marketing strategy.

**Virtuoso:** Attendance and Māori showcase at Virtuoso Travel Week in Las Vegas from 12-17 August.

**Auckland Innovation Study tour:** Hosting of 10 Japanese high school students with leadership and innovation potential as part of the joint Study Auckland and Air New Zealand Auckland Innovation Study Tour from 23-26 August. Collateral used at Education New Zealand's Japan agency trade event in September.

**World Masters Games 2017 Legacy Fund:** Surplus allocated to key sport organisations involved in WMG2017.

**36th America's Cup:** Event Concept agreed by the end of September. Host Venue Agreement agreed for signing by the end of November 2018.

**Downtown Programme:** Participation in Downtown Programme to ensure that the proposed ferry terminal redevelopment is based on an agreed strategic direction for ferry public transport and is consistent with future plans for public access to Queens Wharf and the downtown waterfront.

## Corporate

**Indicator Framework:** Development of a more robust measurement framework for ATEED's KPIs that clearly show the impact of ATEED's investment and interventions. ATEED will work with Council to test and share developments.

**Te Toa Takitini – Māori Wellbeing Strategy:** Continued leadership of the Whai Rawa (economic development) workstream.

### UPCOMING 2018/19 MAJOR EVENTS/KEY ACTIVITY:

Key events/activity	Date	Location
FIBA Basketball World Cup 2019 Asian Qualifier: Tall Blacks vs China	1 July	Spark Arena
Pan Pacific Youth Water Polo Festival	7-17 July	Various
New Zealand International Film Festival	19 July – 5 August	Various
Mayoral visit to Fukuoka and Tokyo	29 July – 2 August	Japan
<i>The Meg</i> – First New Zealand screening	13 August	The Civic
All Blacks vs Australia	25 August	Eden Park
New Zealand Fashion Week	17 August – 2 September	ANZ Viaduct Events Centre
International Conference on Biomechanics in Sports 2018	10-14 September	AUT City Campus
Auckland Tourism Skills Campaign Industry launch	13 September	GridAKL
Auckland On Water Boat Show	27 – 30 September	ANZ Viaduct Events Centre

A full schedule of upcoming events can be found on [aucklandnz.com](http://aucklandnz.com)

# Financial performance

## FINANCIAL PERFORMANCE FOR THE PERIOD ENDING 30 JUNE 2018

\$'m	Actual	Forecast	Variance f/(u)	Budget	Variance f/(u)	Full Year Forecast	Full Year Budget
<b>Operational</b>							
External Revenue	14.8	14.8	0.0	15.4	(0.6)	14.8	15.4
Operational Expenditure excl. Depreciation	63.3	66.5	3.2	63.2	(0.1)	67.7	63.2
<b>Operating Deficit before Depreciation and Council Funding</b>	<b>48.5</b>	<b>51.7</b>	<b>3.2</b>	<b>47.8</b>	<b>(0.7)</b>	<b>53.0</b>	<b>47.8</b>
AC Opex Funding	49.1	52.0	(2.9)	47.8	1.3	51.3	47.8
Depreciation	2.6	2.7	0.0	1.4	(1.2)	1.5	1.4
<b>ATEED Surplus / (Deficit)</b>	<b>3.2</b>	<b>3.0</b>	<b>(0.2)</b>	<b>1.4</b>	<b>(1.8)</b>	<b>(0.2)</b>	<b>1.4</b>
<b>Capex</b>							
Capital Expenditure	7.9	6.4	(1.5)	0.7	(7.2)	6.4	0.2
<b>AC Capex Funding</b>	<b>7.9</b>	<b>6.4</b>	<b>(1.5)</b>	<b>0.7</b>	<b>(7.2)</b>	<b>6.4</b>	<b>0.2</b>

### Actuals vs Forecast

External revenue aligns to forecast.

Operational expenditure is \$3.2m lower than forecast. This is due to \$1.4m savings in Professional fees from delays across the business in project resourcing. Staff costs are \$0.8m lower due to savings against vacant positions, temporary staff costs and training savings across the business. Savings of \$0.7m in Advertising, marketing and research from programmes of work across the business.

At the end of June ATEED's funding from Council is \$2.9m lower than forecast resulting from the delay of project spend across ATEED's business units.

Depreciation is on forecast.

Capital expenditure relates mainly to fit-out costs for Madden Street and Mason Brothers GridAKL buildings.

### Actuals vs Budget

External revenue is \$0.6m lower than budget due to reduced rental revenue received for GridAKL buildings, offset by iSITE's revenue received, and additional revenue from the Kumeu Film Studios, Auckland Film Studios, and Major Events that was not included in the budget

The operational expenditure is \$0.1m higher than budget due to i-SITE's staffing budgeted for three months (actual 11 months), additional resource for APEC21 and America's Cup. A decrease in costs for GridAKL were offset by Local Board costs, and there was an increase in operating costs for Kumeu Film Studios, Auckland Film Studios and i-SITE's.

Operating Funding from Auckland Council was more than budget due to transfer of Local Board funding of \$1.3m from Auckland Council.

Depreciation is \$1.2m higher than budget due to GridAKL assets capitalised in 2017/18.

The capex full year actual has increased from budget due to the carry forward of \$7.2m underspent capex from FY17 for GridAKL. This does not increase ATEED's overall funding.

## Contribution to Māori outcomes

### Te Toa Takitini and Māori outcomes review (2015-17)

ATEED is supporting the development of a revised Council-wide approach to monitoring and delivering Māori outcomes across the Council group. Council's Executive Leadership Team is considering a proposal to develop a 10-year work programme to deliver Māori outcomes that will synthesise the various Council-wide Māori frameworks, strategies and plans into a single high-level work programme. If adopted, this programme will bring clarity to ATEED's obligations and the range of stakeholders ATEED is expected to work with on economic development outcomes.

### Whāriki Māori Business Network

Continued focus of the Whāriki Māori Business Network led by ATEED is to increase the proportion of business owners and young people in the network and increase capability support to businesses. Work is also underway to broaden the location of members which is currently heavily biased towards the central city with greater focus on south and west Auckland events.

About 45 Whāriki Māori Business Network members attended the first 2018 South Auckland network event on 7 June, in partnership with Poutama Trust.

A Matariki event took place at Bayleys on 18 July with about 120 participants, including DIGMYIDEA entrants.

At the end of June there were 363 business owners in the network out of a total membership of 845. A design session is planned over the next period to identify network priority areas.

### DIGMYIDEA Māori Innovation Challenge 2018

The DIGMYIDEA Māori Innovation Challenge 2018 ran between 17 April and 27 May with more than 200 entries across the two categories.

Ten finalists from around the country were chosen and mentored through June and finished with a DIGIwānanga, a mentoring workshop and *Dragon's Den* style pitch session, at Te Wānanga o Aotearoa in Mangere in early Q1 2018/19. Following the DIGIwānanga the winning ideas were announced, each receiving a business start-up and support package worth \$10,000.

DIGMYIDEA Māori Innovation Challenge 2018 winners were:

- Rerenga o te Kora: (15-24 year olds) – Jordon Messiter from Hamilton with 'Homely' - a digital market place that connects tenants with good landlords.
- Muranga o te Ahi (25 years and over) – Arena Williams from Auckland and Eric Goddard from Wellington with 'Kōwhiri', a digital election platform for iwi in Te Reo Māori and English.

Planning is underway for a programme of support offerings for all entrants and Māori with tech business aspirations.

A new bilingual website was launched as part of the challenge, targeting rangatahi and supporting competition entries. The challenge delivered and contributed to two Techweek'18 events: DIGMYIDEA Ideation Weekend (19-20 May, in partnership with Centrality and Māori Women Development Inc) and the XLR8 Techweek event delivered by TSI.

### Māori Tourism Development Programme

Key programme highlights over Q4 were:

- Māori culture and Gourmet Hāngi Master, Rewi Spraggon was profiled in one of six [videos](#) for the 'Made for Winter' domestic tourism campaign. Rewi worked alongside some of Auckland's finest restaurants – The

Tasting Shed, Augustus, Farina, and The Grounds to offer a contemporary spin on the ancient tradition during Matariki.

- Auckland's Māori cultural offering featured in a two-page advertisement in the Travel Leaders Network's (USA) *Active and Adventure* publication. The publication has a print distribution of 45,000 and digital reach of 1 million, targeting travellers with a median age of 41-65. Operators Tāmaki Hikoi and Auckland Museum have been featured in addition to the Matariki Festival, Tāmaki Herenga Waka Festival and Pasifika.
- ATEED partnered with Brisbane Marketing to facilitate a 'famil' for a group of Aboriginal Elders who were sponsored by Air New Zealand and Flight Centre to attend the World Indigenous Tourism Summit in the Bay of Islands. The group experienced Tamaki Hikoi's 'Ra Karakia' and virtual reality experience and shared indigenous knowledge and examples of best practice. Ten representatives from the South Auckland Marae Cluster were also invited to attend.
- The [Māori Culture site](#) on [aucklandnz.com](#) has been completed to more effectively highlight the diverse cultural offering in Tāmaki Makaurau.
- ATEED provided support to four new Māori tourism products and facilitated new connections, data/insights and communications support to a further four Māori tourism businesses.
- 45 buyers requested meetings with ATEED's Māori Tourism representative at TRENZ 2018.
- The first Auckland Journeys workshop was held with Ngā Maunga Whakahii o Kaipara, the Waitākere Tourism Group Chair, Matakana Tourism Group Chair and North West Country Manager to discuss the development of two new journeys along the Twin Coast Discovery, West and Eastern board of Auckland. This is part of a collaborative effort with Northland Inc. to extend their Northland Journeys campaign launched in 2017. The new journeys are intended to showcase significant cultural and historical points of interest connected by the Twin Coast Discovery Highway Route. Work is also underway with relevant mana whenua representatives to help shape the product.
- Support continues for the cross-council 'Te Kete Rukuruku' project, formerly known as 'Beneath our feet'. Meetings were also held with Papatuanuku Marae, Makaurau Marae, and Manurewa Marae to understand and support their tourism aspirations.

## Mana whenua engagement

A meeting was held with the co-chairs of the Mana Whenua Kaitiaki Forum<sup>7</sup> in June as part of ongoing engagement.

Iwi relations progressed during the quarter with a meeting between the chief executives of ATEED and Ngāti Manuhiri, and a member of the Independent Māori Statutory Board. Discussion included the impact of Auckland's growth on the role of Ngāti Manuhiri (Mangawhai, Omaha), future infrastructure needs and the iwi's long-term strategy. Relations with Ngāti Whatua Orakei were further strengthened through attendance at the Bastion Point 40<sup>th</sup> Anniversary commemoration and sponsorship of the Manu Korero Secondary Schools speech competition.

A meeting was also held with the IMSB Chief Executive to share ATEED's three-year plan. A future meeting will be planned for the two boards to meet once the new ATEED Board Chair is in place.

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<sup>7</sup> The forum is a collective of 19 iwi with a focus on five key priority areas: leadership and influence, natural environment (with a focus on water), culture and identity, economic development, and infrastructure and property.

## Key local board activity

The six-monthly local board reports summarising ATEED's local economic growth activity will be presented to boards in September and October. Quarter four highlights:

- The Whau and Franklin local economic development action plans were refreshed, and a contractor was appointed to develop the Whau business friendly charter.
- ATEED's local offices delivered four business networking events attracting 405 attendees across the region.
- Mangere-Otahuhu Local Board economic development forum was held on 18-19 June.
- Town centre work / research was finalised for Papakura and Glenfield. Contractors were appointed for the Glen Eden town centre research project.
- ATEED managed the delivery of the Albert-Eden business awards and gala dinner on 22 May, on behalf of the local board, including 370 award nominations.
- Provided support to the establishment of the Clendon Business Association on behalf of the Manurewa Local Board.
- Development of Wechat modules for Albert-Eden Community Connect project.
- Great Barrier Island visitor strategy presented to the Great Barrier Local Board. ATEED appointed a consultant to assist with the development of the Hibiscus and Bays Local Board tourism strategy.

# Risk management

## Health and Safety (H&S)

ATEED continues to promote and embed H&S best practise in all its activities. During quarter four:

- ATEED continued to progress H&S requirements, including screen permitting, AR/VR Garage and tourism familiarisation activity.
- Injuries were dealt with quickly and efficiently to ensure quick recovery and return to work. A formal investigation was completed following an incident at Kumeu Film Studios (KFS) involving a contractor and actions have since been implemented to ensure incidents of this kind do not reoccur.
- The asbestos management plan for KFS was progressed and H&S policies, procedures and processes were updated.
- ATEED's new workspace physical works contractor tender evaluation was completed.

## Risks and issues managed during the quarter

General open risks:

- A process for reviewing H&S plans relating to the issuing film permits has been implemented and Screen Auckland is recruiting a dedicated H&S staff member.
- The nature of ATEED's activity makes it difficult to accurately provide a clear link between outcomes and output measurement. A suite of revised KPIs has been developed in the *Statement of Intent 2018-21*.
- A judicial review of the Auckland Council Accommodation Provider Targeted Rate may have future impacts on ATEED's funding.
- The size, complexity and national significance of the Americas Cup (AC36) will ensure this remains a top risk for some time.
- The loss of the NZ Women's Open will impact New Zealand reputation as a premier golfing destination.
- The ongoing uncertainty due to organisational structural changes will result in lower staff engagement, increased turnover and performance dips.

Open risks related to facilities:

- ATEED is not subject to legal action, but is a related party to a legal dispute involving the KFS landlord regarding agency fees for introducing prospective tenants to KFS.
- Ongoing asbestos issues are continuing to be managed at KFS.
- The Studio Operator Request for Proposal for KFS and Auckland Film Studios (AFS) closed. ATEED will continue to manage the studios and is seeking a long-term solution.
- The multiple complex H&S hazards at KFS and AFS are an ongoing high priority.
- New Zealand International Convention Centre initially expected to 'soft launch' in late 2019, is expected to be delayed into 2020.