

**STATEMENT OF INTENT**

**REGIONAL FACILITIES AUCKLAND**

**1 JULY 2019 TO 30 JUNE 2022**

*This document is draft only and is subject to further discussion and detailed review by the RFA Board of Directors as part of the strategy workshop on 27 March 2019.*



**He mihi**

Ka tangi te manu kōrero!  
 Ka rongō te tangi kōrihi!  
 Ka wāwa mai rā ki roto i te  
 Wao-nui-a-Tāne! Tōturu whiti!  
 Whakamaua kia tina!  
 Haumie hui talki e!

E ngā mana, e ngā reo, e ngā  
 karangatanga maha o te motu,  
 taku hei itī nei, mā te hau e ripo hei  
 hari i ngā kupu whakamaanawa e.

Kel ngā mate tuatinitini o te motu  
 tangihia rā koutou. Haere ki te wā kāinga,  
 haere ki te kāinga tōturu.  
 Haere, haere, haere.

Tāmaki Makaurau Tāmaki Herenga  
 Waka, kel te mihi. Ngā Mana Whenua  
 me ngā waka o ngā tai e whā,  
 e mihi ana.

E tuku mihi maloha tēnei ki ngā  
 mataawaka o te motu ko koutou  
 te puhariki o te waka nei  
 Ki a koutou katoa ngā kaihoe  
 o te waka nei mo ngā tangata katoa.  
 Tēna koutou katoa.

Mā te mahi ngātahi e taea ai ngā taumata.  
 Nāku te rourou nāu te  
 rourou ka ora ai te iwi.  
 No reira noho ora mai,

Mauri ora.

The bird's cry shall flow endlessly.  
 Hear the melancholy song resonate,  
 Sourced from the Inner domain of Tāne.  
 A permanent melancholy form.  
 Fixed in alliance, yes fixed in alliance,  
 gathered and woven together!

To all authorities, all voices, the many  
 affiliations, greetings. Let the swirling  
 wind carry esteemed salutations.

We lament the passing of loved  
 ones throughout the land.  
 Return to the home of all time.  
 Farewell, farewell, farewell.

We acknowledge Mana Whenua and  
 their tribal authority in Tāmaki Makaurau  
 Auckland. We also mihi to Mataawaka  
 who have made Auckland their home.

Sincere greetings to all those who  
 decide which direction this waka  
 takes. To you who strive to achieve  
 the best results for all people.  
 Greetings to you all.

We can achieve more by working  
 together. With your basket and my  
 basket, the people will thrive.

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## INTRODUCTION FROM THE CHAIR AND CEO

Regional Facilities Auckland (RFA) presents exciting, engaging, and accessible experiences to those who live in and visit our city. We are a substantive council-controlled organisation of Auckland Council charged with delivering exciting and creative event programming, high-quality venues and facilities and exhibition of collections and wildlife.

### OUR PURPOSE

Enriching life in Auckland by engaging people in the arts, environment, sports and events.

### OUR AMBITION

To be the organisation that enhances Auckland's reputation for the depth, quality, and diversity of experiences it offers in art, live entertainment, the natural environment, sport and events.

### OUR APPROACH

To achieve our ambition, our divisions will work individually and collectively to generate and deliver exceptional programming, experiences and facilities.

This Statement of Intent represents the objectives, nature, and scope of activities undertaken and the performance metrics by which we are measured. It takes into account Auckland Council's expectations as noted in the Mayor's Letter of Expectations, revised CCO Accountability Policy and refreshed Auckland Plan.

Supporting this is our Strategic Plan, which will enable us to further the work of building a single organisation with six brands that deliver exceptional customer/visitor experiences, grow our commercial revenue base, maintain our assets, develop our people, create future opportunities and address challenges facing the business.

The priorities for 2019-2022 are:

### ENHANCE CUSTOMER EXPERIENCES

With over four million customers, visitors and fans to our venues every year, our customer experience initiatives are focused on delivering a better experience at all touchpoints of the customer journey. The expected outcomes of increased visitor satisfaction and visitation to our venues and events will help maximise commercial returns to reduce the overall financial burden on Auckland's ratepayers.

### OPTIMISE SECTOR NETWORKS

The industry sectors we operate in – performing arts, culture and heritage, natural environment, sports and leisure – contribute to Auckland's social, cultural and environmental wellbeing. As leaders across the sectors we operate in, we will continue to identify and leverage the strengths in these sectors and across the Council group will allow us to deliver greater opportunities for our customers, Māori and better returns and efficiencies for RFA and the community.

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## INVEST IN OUR VENUES AND SERVICES

RFA is the trusted steward of assets with a combined value of \$1.38 billion. The renewal and investments into these assets are outlined in our Asset Management Plan 2018-28. The key projects for the 2019/20 financial year include redevelopment of Auckland Zoo's infrastructure and precincts, completion of the Aotea Centre refurbishment, and strategic investments into the stadiums network. These projects are central to our vision to providing Aucklanders with fit-for-purpose venues and in creating economic growth.

## IMPROVE ORGANISATIONAL SUSTAINABILITY

The improved integration of our operations will contribute to efficiencies resulting in a more secure and viable future for RFA. We will progress the mayoral priority to generate sustainable long-term revenue growth through exploring strategic investment beyond 2020.

The Long Term Plan 2018-28 provides more sustainable long-term funding for operational and capital needs, however RFA will work with Council to investigate the merits of an alternative funding model which may be more appropriate for RFA.

The main challenges facing our business are:

1. Auckland growth
  - Increasing population and demands on infrastructure
  - Population diversification and inequality
  - Increased funding pressures
2. Aging infrastructure and legacy under-investment
  - Increasing costs to operate
  - Poor asset and network performance
  - Compromised customer experiences
  - Asset failure
3. Multiple mature businesses / brands becoming 'one' organisation
  - Segregated operating models
  - Integration of new businesses and venues
  - Under-investment in sustainable revenue growth
4. Increased competition in a highly volatile market
  - Significant investment by competitors into assets and services in Australasia
  - Increasing competition for events within Australasia
  - Changing and increasing customer expectations
5. Health, safety and security
  - Under-investment in a fragmented security infrastructure
  - A rapidly evolving security threat spectrum
  - Increasing number of patrons visiting RFA venues

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## BOARD GOVERNANCE

RFA has a strong governance structure in place that will oversee the delivery of this Statement of Intent and our strategy. The RFA Board has in place the following sub-committees:

- Risk
- Capital Projects
- Remuneration
- Board Appointments (Auckland War Memorial Museum and MOTAT)

We have a values-based culture that is focused on the delivery of public good and value for money for the Auckland community.

Through RFA's regional and collaborative approach, we will deliver on the commitments contained within this Statement of Intent.

Andrew Barnes  
Chair

Chris Brooks  
Chief Executive

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## 1. PURPOSE OF THE STATEMENT OF INTENT

In accordance with the Local Government Act 2002, this annual Statement of Intent (SOI) publicly states the activities and intentions of Regional Facilities Auckland Limited (RFAL) and Regional Facilities Auckland (RFA) for the next three years, and the objectives to which these activities will contribute.

This SOI includes information on key deliverables, financial information, and performance measures and targets to enable organisational accountability and transparency.

## 2. ABOUT RFA

Regional Facilities Auckland Limited's primary activity is to act as a corporate trustee for Regional Facilities Auckland, a charitable trust and a substantive Auckland Council Controlled Organisation.

RFA's role includes:

- Engaging communities in Auckland through cultural, educative and lifestyle opportunities
- Increasing appreciation of wildlife, natural environment, cultural and maritime heritage
- Development and management of our venues, collections and wildlife on a prudent and commercial basis.

RFA fulfils its role by:

- Delivering exciting, creative and memorable experiences through its exhibitions, programming and delivery of events
- Ensuring that its asset portfolio (valued at \$1.38 billion) including landmark venues, collections and assets, is maintained through the delivery of capital programmes.

The regional facilities owned and managed by RFA are:

- ANZ Viaduct Events Centre (leased to Emirates Team New Zealand)
- Aotea Centre
- Aotea Square (managed only)
- Auckland Town Hall (managed only)
- Auckland Art Gallery
- Auckland Zoo
- Bruce Mason Centre (unit titles) and Killarney Street car park
- Mt Smart Stadium
- North Harbour Stadium
- Queens Wharf (managed only)
- The Civic
- Western Springs Stadium
- MOTAT (landowner only)

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- The Trusts Arena (landowner only)
- New Zealand Maritime Museum
- Spark Arena (owned and leased to QPAM).

RFA advises Auckland Council on levy setting and governance for:

- MOTAT
- Auckland War Memorial Museum.

RFA provides operational and/or capital funding to:

- The Trusts Arena
- Vodafone Events Centre
- North Shore Events Centre
- Stardome Observatory and Planetarium.

While these entities do not have a direct operational connection to RFA, they may choose to collaborate with RFA for mutual benefit.

Under the terms of RFA's deed of trust, the regional focus of the trust does not preclude RFA from carrying out activities outside of Auckland, or might benefit any area outside of Auckland, if those activities advance the purposes of RFA. To this end, RFA forms partnerships and relationships with other government, community, business and industry organisations in New Zealand and overseas that support the achievement of RFA's objectives.

## BUSINESS BRANDS

RFA has six business brands supported by RFA corporate shared services, which includes finance, facilities management, people and culture, risk and assurance, information and communications technology, customer experience, visitor security and project delivery.

The external revenue generated by our brands funds approximately two-thirds of the cost of delivering all our products and services that help achieve the organisational objectives agreed with Auckland Council.

## AUCKLAND LIVE

Auckland Live seeks to create a vibrant city where Aucklanders and visitors alike have the opportunity to experience an exciting range of live arts and entertainment.

Auckland Live:

- Is a world-class arts and entertainment organisation
- Is an industry leader – recognised as a creative hub and catalyst for new ideas
- Contributes to a vibrant city where Aucklanders can choose from an exciting range of arts and entertainment options
- Energises the Aotea Arts Quarter, Bruce Mason Centre and Queens Wharf with events and activities

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- Grows Auckland's international reputation as a viable market and attracts the big shows to the city
- Is a centre for performing arts development, education, enrichment and high-performance professional training.

## AUCKLAND CONVENTIONS VENUES & EVENTS

Auckland Conventions Venues & Events (Auckland Conventions) offers New Zealand's largest portfolio of unique and versatile venues for a wide range of events, from large-scale exhibitions and conventions to business meetings and corporate functions.

Auckland Conventions:

- Secures and hosts conventions, meetings, commercial exhibitions, functions and dinners across suitable RFA venues
- Provides technical equipment hire for conventions, meetings, commercial exhibitions, functions and dinners
- Grows Auckland's international reputation as a viable market and attracts international conventions and commercial exhibitions to the city.

## AUCKLAND STADIUMS

Auckland Stadiums champions an integrated approach to developing the region's stadium network to enable greater financial sustainability and fit-for-purpose stadium facilities across the Auckland region.

Auckland Stadiums:

- Showcases sports events, concerts, and music festivals in our stadium venues
- Supports high-performance sport organisations through the provision of appropriate training and administration facilities
- Provides facilities for a significant community sport programme for schools, local and regional clubs.

## AUCKLAND ZOO

Auckland Zoo is a leading centre for wildlife conservation, with New Zealand's largest collection of native and exotic species. The Zoo is in a unique position to bring people together to keep wildlife safe from future extinction.

Auckland Zoo:

- Provides exemplary care for wildlife
- Inspires our community to value wildlife
- Directs efforts and resources to conserve wildlife in the wild
- Ensures all resources are managed efficiently, effectively and sustainably for these purposes.

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## AUCKLAND ART GALLERY TOI O TĀMAKI

Auckland Art Gallery was established in 1888. The Gallery holds New Zealand's most extensive collection of national and international art. Through the presentation of exhibitions, public programmes and thought leadership, the Gallery aims to be a catalyst for creative practices and ideas.

Auckland Art Gallery:

- Manages the building and its art collections including curating, research, conservation, external loans and an exhibition programme
- Delivers public access, education and outreach programmes
- Supplements its funding by attracting revenue through retail, advancement, admissions to paid exhibitions, cafe, events and other commercial services that complement the visitor experience.

## NEW ZEALAND MARITIME MUSEUM HUI TE ANANUI A TANGAROA

New Zealand Maritime Museum is a heritage institution first established as Auckland Maritime Museum on Hobson Wharf in 1993 and receiving its national title in 1996. It holds and exhibits the largest maritime collection in New Zealand and aspires to explore and unite the people with the sea.

NZ Maritime Museum:

- Aims to provide rewarding, enjoyable and unique discovery experiences to Aucklanders of all ages in the area of national, regional and local maritime heritage
- Preserves, presents, interprets and celebrates its collection of vessels, artefacts, documents and displays in a way that stimulates interest
- Is a place of learning and understanding, telling the story of our ocean, coastal and harbour seafaring from the earliest Polynesian explorers to the present day.

### 3. RFA'S CONTRIBUTION TO THE IMPLEMENTATION OF THE AUCKLAND PLAN 2050

The Auckland Plan 2050 was adopted by the Auckland Council Planning Committee on 5 June 2018.

The plan is the roadmap to how Auckland is expected to grow and change during the next 30 years as it tackles the three key challenges to address if the city is to achieve the Auckland wanted by 2050. These are:

- Population growth and its implications
- Sharing prosperity with all Aucklanders
- Reducing environmental degradation.

The Auckland Plan sets the direction for tackling these challenges. It outlines the values that will shape how the city works together and identifies key organisations that will play important roles in creating a shared future. It does this by setting out the following:

- Six outcomes – the aspirations for the future for Aucklanders and Auckland
- How to achieve the six outcomes – through 20 directions and 37 focus areas
- How to track progress – through 33 measures against the six outcomes
- How to change and grow – development strategy for the future of Auckland, including how we will sequence growth and development and the infrastructure needed.

## Outcomes

What the plan aims to achieve



RFA plays a critical part in delivering the Auckland Plan and is fully committed to working with Auckland Council to implement the final version of the Auckland Plan 2050. The table below sets out the Auckland Plan 2050 outcomes and how RFA contributes towards these.

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AUCKLAND PLAN OUTCOMES	DIRECTIONS	RFA FOCUS AREAS	HOW RFA CONTRIBUTES
 <p>Belonging and participation</p> <p>All Aucklanders will be part of and contribute to society, access opportunities, and have the chance to develop to their full potential.</p>	<p>Foster an inclusive Auckland where everyone belongs.</p> <p>Improve health and well-being for all Aucklanders by reducing harm and disparities in opportunities.</p>	<p>Create safe opportunities for people to meet, connect participate in and enjoy community and civic life.</p> <p>Provide accessible services, social and cultural infrastructure that are responsive in meeting peoples' evolving needs.</p> <p>Recognise, value and celebrate Aucklanders' differences as a strength.</p> <p>Recognise the value of arts, culture, sport and recreation to quality of life.</p>	<p>RFA offers venues and services that invite all Aucklanders to engage and enjoy arts, leisure, sports and entertainment events and activities.</p> <p>RFA recognises the importance of accessibility to its venues, including by public transport. Where development of venues is planned, transport interfaces are a priority. When major events are staged at RFA venues, our management works with Auckland Transport to ensure efficient transport options are available to patrons, often as part of their ticketing. RFA has also planned for the impact of the City Rail Link on its CBD venues.</p> <p>Ensuring RFA's venues enable access to all Aucklanders, significant refurbishments, such as to the Aotea Centre and Auckland Zoo, have remits to ensure the facilities are improved and updated both externally and internally.</p> <p>Auckland Live's website provides information to Aucklanders on venue accessibility including wheelchair access points, hearing aid loop information, and guide dogs are welcome at all venues. Sign language interpretation performances and audio-described performance are also offered to Aucklanders.</p> <p>RFA recognises the diversity of Aucklanders and incorporates this into its event programming developed by Auckland Live and Auckland Stadiums, as well as in Auckland Art Gallery's and New Zealand Maritime Museum's exhibitions.</p> <p>Education and school programmes are offered by Auckland Art Gallery, Auckland Live, Auckland Zoo and New Zealand</p>

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			<p>Maritime Museum, with community events provided by Auckland Live, Auckland Art Gallery and Auckland Stadiums.</p> <p>The organisation continues to provide free and/or subsidised use of our venues to the Auckland community.</p>
 <p><b>Māori identity and wellbeing</b></p> <p>A thriving Māori identity is Auckland's point of difference in the world - it advances prosperity for Māori and benefits all Aucklanders.</p>	<p>Advance Māori wellbeing.</p> <p>Promote Māori success, innovation and enterprise.</p> <p>Recognise and provide for Te Tiriti o Waitangi outcomes.</p> <p>Showcase Auckland's Māori identity and vibrant Māori culture.</p>	<p>Meet the need and support the aspirations of tamariki and their whānau.</p> <p>Strengthen rangatahi leadership, education and employment outcomes.</p> <p>Celebrate Māori culture and support te reo Māori to flourish.</p> <p>Reflect mana whenua mātauranga and Māori design principles throughout Auckland.</p>	<p>RFA implemented a Māori Responsiveness Plan 2018-2021 (MRP) which aligns with the Auckland Council Group Māori Responsiveness Framework. The MRP provides RFA's shared approach across our six business divisions towards advancing the organisation's success in being more responsive and effective in delivering Māori outcomes. RFA adopted the following strategic statement to steer the development of the RFA MRP:</p> <p><i>RFA will showcase Auckland's Māori identity and talent by celebrating Māori culture and supporting te reo Māori to flourish.</i></p> <p>Refer to section 7 for more information.</p>
 <p><b>Homes and places</b></p> <p>Aucklanders live in secure, healthy, and affordable homes, and have access to a range of inclusive public places.</p>	<p>Provide sufficient public places and spaces that are inclusive, accessible and contribute to urban living.</p>	<p>Create urban places for the future.</p>	<p>RFA is developing, with a regional perspective, a range of fit-for-purpose event venues that are attractive and readily accessible to the residents and businesses of the region and its visitors.</p> <p>RFA's venues are considered public spaces and continue to be inclusive and accessible for all Aucklanders.</p>

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 <p><b>Environment and cultural heritage</b></p> <p>Aucklanders preserve, protect and care for the natural environment as our shared cultural heritage for its intrinsic value and for the benefit of present and future generations.</p>	<p>Ensure Auckland's natural environment and cultural heritage is valued and cared for.</p> <p>Apply a Māori world view to treasure and protect our natural environment (taonga tuku iho).</p> <p>Use growth and development to protect and enhance Auckland's natural environment.</p> <p>Ensure Auckland's infrastructure is future-proofed.</p>	<p>Encourage all Aucklanders to be stewards of the natural environment and to make sustainable choices.</p> <p>Focus on restoring environments as Auckland grows.</p> <p>Protect Auckland's significant natural environments and cultural heritage from further loss.</p> <p>Use green infrastructure to delivery greater resilience, long-term cost savings and quality environmental outcomes.</p>	<p>Auckland Zoo contributes to local and international breeding, conservation and educational programmes to build an understanding of wildlife and conservation.</p> <p>RFA's businesses are committed to minimising the use of water, electricity and associated waste across our venues.</p> <p>Auckland Art Gallery and New Zealand Maritime Museum are committed to preserving Auckland's cultural and art history for future generations.</p> <p>Refer to section 6 for more information on environmental sustainability and climate change.</p>
 <p><b>Opportunity and prosperity</b></p> <p>Auckland is prosperous with many opportunities and</p>	<p>Create the conditions for a resilient economy through innovation, employment growth and raised productivity.</p> <p>Attract and retain skills, talent and investment.</p>	<p>Harness emerging technologies and ensure equitable access to high quality digital data and services.</p> <p>Ensure regulatory, planning and other mechanisms support business, innovation and productivity growth.</p> <p>Advance Māori employment and enable Māori business and iwi</p>	<p>Digital advancement is a key initiative for RFA in improving its customer experience.</p> <p>Auckland Art Gallery, Auckland Zoo, New Zealand Maritime Museum, and Auckland Live offer educational programmes and professional training programmes for young people and young professionals.</p>

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<p>delivers a better standard of living for everyone.</p>	<p>Develop skills and talent for the changing nature of work and lifelong achievement.</p>	<p>organisations to be significant drivers of Auckland's economy.</p> <p>Increase educational achievements, lifelong learning and training, with a focus on those most in need.</p>	
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## 4. RFA'S STRATEGIC OBJECTIVES

RFA has four transformation priorities for 2019-2022 that address the challenges facing our business and support our journey from transition to transformation. In accordance with the accountability policy, RFA will continue to work closely with Council on key strategic investments.

These strategic priorities will ensure RFA meets its objectives and delivers public good outcomes and value for money for the Auckland community.

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## 5. THREE-YEAR WORKPLAN TO DELIVER ON STRATEGIC PRIORITIES

OPTIMISE SECTOR NETWORKS	
<p>RFA's purpose is to advance the social and cultural wellbeing of Aucklanders and our visitors. We do this by engaging people in the arts, environment, sports and events. In doing so, RFA seeks to work with partners and stakeholders wherever this will benefit the organisation's purpose.</p>	
<p>Collaboration across the Council group</p>	<p>RFA will continue to collaborate with Council as the largest users of the shared services provided by Council. RFA seeks to optimise efficiency and value, remove unnecessary duplication and different approaches to core systems and business processes, to pursue shared back-office delivery where appropriate and to better align our respective investment in information and communications technology. RFA will also continue to retain services in-house which are both operational and strategically important.</p> <p>RFA will continue to work with numerous partners within the broader Council family. RFA, ATEED and Auckland Council work together to develop and deliver significant events for the region and where possible reduce ratepayer funded events and venues competing with each other. RFA will continue to work with Auckland Transport on transportation opportunities for major events to add value to the visitor experience and reduce congestion on Auckland's roads.</p>
<p>Cultural Heritage Sector Review</p>	<p>RFA will continue to work with Council and other cultural heritage sector stakeholders (including MOTAT, Stardome Observatory and Planetarium and Auckland War Memorial Museum) in the co-design of a sector strategy to provide greater value for money for ratepayers and better outcomes for stakeholders.</p> <p>Specifically, RFA will show leadership in providing input and advice to the Cultural Heritage Sector Review, ensuring Council is kept informed on the progress of the review as well as working with Council to assist with implementation of any recommendations subsequently adopted.</p>
<p>Sector opportunities</p>	<p>Since amalgamation, RFA's focus has largely been focused on consolidation of its core operations. RFA will continue to offer support and leadership within the sectors it operates to provide better value for ratepayers and to assist in improving Council's investment.</p>

INVEST IN OUR VENUES AND SERVICES
<p>RFA will work closely with Council on the future needs of Auckland for regional venues and facilities including collaboration on proposals for redevelopment of its assets, as well as having conversations about national needs and how national bodies will contribute to investments in Auckland.</p> <p>For 2019-2022, in addition to the delivery of essential renewals work to ensure RFA venues are fit-for-purpose for hirers and the Auckland community, there are three priority areas for capital investment in RFA assets, as follows:</p>

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Auckland Stadiums – Venue Development Strategy	<p>RFA's Venue Development Strategy outlines strategic investment in Auckland's stadium network to ensure it is fit-for-purpose and able to provide the full range of opportunities demanded of a city the size of Auckland.</p> <p>The LTP 2018-28 includes investment into essential renewals at Western Springs, QBE North Harbour and Mt Smart stadiums, with the aim of increasing utilisation and financial sustainability.</p> <p>At the time of writing, Auckland Council were considering the future of Eden Park and Council's role in its financial sustainability. RFA has indicated that integrated management of the four large outdoor stadiums will improve financial sustainability of the stadium network. The outcome of this will be considered in the upcoming months.</p>
Aotea Quarter	<p>Renewal of the exterior and interior of the Aotea Centre commenced in February 2018 and is due for completion in 2019. This will address the Centre's weather-tightness issues, meet compliance requirements and significantly improve the patron experience. This is the most significant upgrade to the Centre since its opening in 1989.</p> <p>The LTP 2018-28 also includes preliminary funding for the proposed expansion of the Centre, with the addition of new studio, convention and administrative spaces. It will address the requirement for high-quality, centrally located, flexible and multi-purpose spaces designed to meet the needs of top professionals and emerging artists. The remainder of the funding required will be sought as part of future Annual Plan or LTP processes after the completion of the detailed planning process.</p>
Auckland Zoo	<p>Auckland Zoo infrastructure is aging and, in a number of areas, falls short of community and international standards. A significant renewals programme spanning over 10 years is currently underway to address these issues across the site in response to increasing international standards of animal care, health and safety and improved visitor experiences.</p> <p>The current capital programme at the Zoo, the largest in its history, involves a significant upgrade of the South East Asia precinct and restaurant area. Construction for this project commenced in February 2018 and is due for completion in 2020.</p>

### ENHANCE CUSTOMER EXPERIENCES

RFA will increase the depth, breadth and quality of the participation and engagement of our customers and clients. At the time of writing, RFA's strategic initiatives for 2019/2020 are currently being considered and revised by the RFA Board and further information on the key initiatives and priorities will be provided in the next version of this document.

### IMPROVE ORGANISATIONAL SUSTAINABILITY

Auckland Council has set Council group efficiency targets for the triennium to seek further business efficiencies and value for money.

Determine a more appropriate funding model

RFA will continue to work with the CCO Governance and External Partnerships Unit and the Financial Strategy and Planning team to

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	<p>explore more appropriate funding models for RFA Board and Auckland Council consideration.</p>
Grow our revenue	<p>RFA's external commercial revenue continues to be cyclical and subject to a high degree of market volatility. RFA will continue to identify, develop and implement opportunities to increase external revenue in order to minimise the cost to ratepayers of delivering activities that enhance New Zealand's cultural capital. These include:</p> <ul style="list-style-type: none"> <li>• RFA business divisions collaborating to investigate additional revenue streams and opportunities</li> <li>• Exploring other revenue opportunities through closer collaboration across the sectors we operate in, partnering with private sector businesses, and leveraging Council group initiatives</li> <li>• Enriching events programming and driving revenue growth through pursuing investment opportunities</li> <li>• Working with various sectors and our business partners to develop philanthropic and sponsorship activities</li> <li>• Enhancing the customer experience by gaining further customer market intelligence and market insight to engage new audiences</li> <li>• Carrying out essential renewals to meet increasing customer expectations</li> <li>• Strategic capital investment in existing facilities</li> <li>• Growing the depth and breadth of our revenue base</li> <li>• Investigating further opportunities to leverage Council shared services</li> <li>• Contributing to Council's section 17A value for money reviews and working with Council on the recommendations arising from the reviews.</li> </ul>
Invest in our people	<p>Our people are our champions, our heart, our unique point of difference. We will continue to engage and empower our employees to realise our shared ambition for Auckland.</p> <p>There are three key areas of importance within our people agenda:</p> <p>1) People Experience – giving our people memorable experiences that support and build on their passion</p> <p>2) Operational Enablement – building leadership abilities, providing enabling resources and strengthening collaboration across RFA and Auckland Council</p> <p>3) Organisational Agility – building the RFA of the future. These activities include:</p> <ul style="list-style-type: none"> <li>• Aligning our people experience journey to that of our customer experience journey (attract, engage, grow and retain), specifically around the employee voice, innovation, leadership development and employee wellbeing</li> <li>• Leveraging technology to enable our leaders and employees to take ownership of their development and operational management</li> </ul>

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	<ul style="list-style-type: none"> <li>• Providing tiered leadership development strategy, from essential leadership skills to executive team development</li> <li>• Optimising our employee relations landscape to support our customer and people experience aspirations</li> <li>• Continuing to optimise our shared services offering with Auckland Council to ensure we provide value for money.</li> </ul>
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## 6. ENVIRONMENTAL SUSTAINABILITY AND CLIMATE CHANGE

RFA is uniquely positioned to showcase sustainability leadership to a large and diverse group of Aucklanders. RFA has a strong record of leading sustainability initiatives on its sites, in particular Auckland Zoo and Auckland Stadiums, and incorporating more sustainable operations through its renewals programme.

Initiatives include:

CarboNZero	<p>Auckland Zoo is a CarboNZero (Enviro Mark Solutions) accredited organisation.</p> <p>The intent is for this to be delivered across all RFA venues.</p>
Conservation	<p>Conservation is at the heart of Auckland Zoo. The Zoo and its partners will continue to work to build a brighter future for wildlife and wild places. We are driven by our desire to make a positive difference and inspire others to care about wildlife and wild places as much as we do.</p> <p><i>The International Union for the Conservation of Nature (IUCN) has forecast that 30% of the world's species of wildlife will disappear over the next 50 years - zoos around the world are playing a critical role in helping prevent this.</i></p>
Waste management and recycling	<p>RFA will continue to roll out waste management and recycling initiatives at all its facilities.</p> <p>Auckland Zoo has an ambitious goal to reduce its carbon emissions from waste to landfill by 70% by 2021.</p>
Eco-friendly products	<p>RFA will continue to launch new initiatives such as eco-friendly branded products, and re-useable tote bags and globelet cups at events.</p> <p>Auckland Zoo eliminated single-use plastic bags seven years ago and uses compostable food packaging/utensils. Other initiatives Zoo include chilled water stations, re-useable water bottles and coffee cups, and purpose-designed outdoor water bottle filling stations.</p>
Community education	<p>A new sustainability-themed family room has been installed at the New Zealand Maritime Museum to communicate the importance of looking after our oceans and encourage responsible consumption and disposal of waste.</p>
Palm oil	<p>If grown sustainably, palm oil is fine. The problem is the illegal destruction of rainforest and peatland habitat, and subsequently the</p>

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	<p>loss of wildlife species, to produce it. The predominant countries that produce palm oil, Indonesia and Malaysia, are regions that house great biodiversity.</p> <p>Auckland Zoo has become a member of the Australasian Responsible Palm Oil Network (incorporating ZAA, Unmask Palm Oil, New Zealand and Australian zoos, the Jane Goodall Institute Australia, and various other NGOs) whose vision is that 100% of products in Australia and New Zealand are deforestation-free.</p> <p>Auckland Zoo works to raise awareness with the public about the palm oil issue, as well as working with suppliers and partners about changes to products.</p>
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## 7. CONTRIBUTIONS TO MĀORI OUTCOMES

RFA implemented a Māori Responsiveness Plan 2018-2021 (MRP), which aligns with the Auckland Council Group Māori Responsiveness Framework. The MRP provides RFA's shared approach across our six business divisions towards advancing the organisation's success in being more responsive and effective in delivering Māori outcomes. RFA adopted the following strategic statement to steer the development of the RFA MRP:

*RFA will showcase Auckland's Māori identity and talent by celebrating Māori culture and supporting te reo Māori to flourish.*

This strategic direction is aligned to Council's Long Term Plan 2018-2028.

Four values frame the organisation's approach to achieving the goals and objectives of the MRP. These are:

- Mahi tahi – Collaboration  
RFA businesses work together to achieve shared outcomes
- Kaitiakitanga – Stewards of Auckland's Regional Facilities  
Te reo Māori and tikanga Māori are an integral part of our business culture
- Whanaungatanga – Relationships and Engagement  
Develop and sustain our relationships with Māori to enhance innovation and culture
- Manaakitanga – Enhance Customer Experiences  
Provide excellent service where customers, visitors and fans of our venues experience dimensions of Māori culture.

RFA is committed to promoting "Auckland's Māori identity as Auckland's point of difference in the world and lifting Māori social and economic well-being by developing new economic opportunities with Māori business interests". RFA recognises the value of being responsive to Māori and over time each business has established and developed fit-for-purpose initiatives and programmes.

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RFA is committed to continuing to develop programmes and initiatives to support Māori visibility at regional facilities, support Māori businesses to engage with RFA, and support tikanga Māori cultural expression. These include Auckland Zoo's Māori science programme, Auckland Art Gallery's Māori Advisory Group, and Auckland Live's collaborations and co-presentations with Māori writers, producers and performers. Hui Te Ananui A Tangaroa New Zealand Maritime Museum is committed to weaving Māori perspectives and stories into the kete of the Museum. The Museum works with its Pae Arahai, Dr Haare Williams and iwi to develop understanding and connection to Te Ao Māori throughout the Museum's programme and operations.

As part of RFA's overall renewals and capital works programme, bi-lingual signage and Māori identity and Te Aranga design principals are being incorporated where appropriate in accordance with Auckland Council's Te Reo Māori Framework.

The increased visibility of iwi in terms of a business, tourism and reputational perspective is consistent with the focus of the Independent Māori Statutory Board and Council's Te Toa Takitini programme.

The RFA MRP contains a detailed action plan for 2018 – 2021.

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## 8. PERFORMANCE OUTLOOK

RFA has an agreed set of performance measures and targets which form the basis for accountability in delivering our key strategic objectives and priorities. These will be reported on quarterly and will align to the measures agreed as part of the Long Term Plan 2018-2028.

RFA will continue to work internally and with Council on the development of meaningful performance metrics that measure our performance in alignment with the outcomes and focus areas in the Auckland Plan.

SERVICE LEVEL STATEMENT	MEASURE	2017/18 ACTUAL	2018/19 LTP	2019/20 LTP	2020/21 LTP	2021/22 LTP	
RFA engages people in the arts, environment, sports and events in Auckland	How many people are experiencing RFA's arts, environment and sports venues and events	3.2 million	3.5 million	3.7 million	3.9 million	4 million	
	<b>This includes the following specific targets:</b>						
	Total number of visitors to Auckland Zoo	698,045	680,000	730,000	760,000	TBC	
	Total number of visitors to Auckland Art Gallery	545,782	500,000	515,000	530,000	TBC	
	Total number of visitors to NZ Maritime Museum	TBC	165,000	170,000	185,000	TBC	
How well is RFA engaging audiences and participants	Net promoter score for RFA's audiences and participants <sup>(1)</sup>	-	18	19	20	TBC	
RFA delivers arts, environment, sports and event experiences efficiently	Contributing to the growth of the Auckland region	Percentage of operating costs funded through non-rates revenues	60%	65%	65%	65%	65%

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SERVICE LEVEL STATEMENT	MEASURE	2017/18 ACTUAL	2018/19 LTP	2019/20 LTP	2020/21 LTP	2021/22 LTP	
Through RFA's arts, environment, sports and events experiences, Auckland's environmental and cultural heritage is embraced by Aucklanders	Embracing environmental and cultural heritage	Percentage of Auckland residents surveyed who value RFA venues and events	Not measured	Baseline to be set	Maintain or improve	Maintain or improve	Maintain or improve
		Number of programmes contributing to the visibility and presence of Māori in Auckland, Tamaki Makaurau	27	14	16	18	18

(1) Net promoter score is an index ranging from -100 to 100 that measures the willingness of customers to recommend a product or service to others.

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## SUMMARY OF FINANCIALS

### HOW WE FUND OUR OPERATIONS

The financial information in this report will be updated once the 2019/20 Annual Plan has been agreed with Council.

	2011/2012 Actual	2017/2018 Actual	2018/2019 Budget	2019/2020 Budget
<b>External revenue</b>	\$45.8m	\$59.4m	\$62.5m	TBC
<b>Operational funding*</b>	\$29.8m	\$27.5m	\$35.6m	TBC

\* Excludes Master Services Agreement (2012: \$6.0m, 2018: 0.7m 2019: \$0.7m, 2020: \$0.7m)

RFA operates a commercial business model. The budgeted external revenue (amount yet to be finalised) in 2019/2020 includes revenue earned from commercial activities such as admission charges, venue hire and event-related services, food and beverage, commissions and exclusivity fees, sponsorship, and property rental.

The external revenue amounts to 65% of our total income, with the balance coming from the Auckland Council operational grant.

### OUR COST DRIVERS

RFA will continue to demonstrate value for money across all expenditure, provide transparency on operating expenditure and a strong focus on managing sensitive expenditure.

The following summary of financials supports the delivery of RFA's strategic objectives and performance targets.

*[To be inserted when Annual Plan and funding confirmed]*

The financial information provided in this Statement of Intent for 2019-2022 has been adjusted for CPI. This will be updated each year to reflect the cyclical and volatile nature of RFA's external revenue to balance to the operational funding received from Auckland Council.

### OPERATING BUDGETS

The financial information in this report will be updated once the 2019/20 Annual Plan has been agreed with Council.

### CAPITAL EXPENDITURE

The financial information in this report will be updated once the 2019/20 Annual Plan has been agreed with Council.

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## OTHER FINANCIAL INFORMATION

<b>Current value of assets</b>	The current value of RFA's assets as 30 June 2018 was \$1.35b based on the net asset value of the RFA group as disclosed in the audited financial statements.				
<b>Accounting policies</b>	RFA's accounting policies are consistent with Auckland Council group policies.				
<b>Financial reporting</b>	RFA's financial reporting to Council will be in accordance with the requirements of the COO Manual.				
		<b>Budget 2018/19</b>	<b>LTP 2019/20</b>	<b>LTP 2020/21</b>	<b>LTP 2021/22</b>
<b>Asset sales (\$million)</b>		N/A	N/A	N/A	N/A
<b>Shareholder equity ratio</b>		95%	95%	95%	95%

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## 9. APPROACH TO GOVERNANCE

Auckland Council works in partnership with its CCOs, and the agreed approach to governance, including risk management, is outlined within the CCO Governance Manual which sits alongside this SOI.

RFA will act in accordance with guidance provided within the CCO Governance Manual.

### PUBLIC MEETINGS

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

PURPOSE	Consider shareholder comments on draft SOI	Consider performance against SOI targets
DATE	May 2019	October 2019
FORM OF PUBLIC NOTIFICATION	Auckland Council website, NZ Herald	Auckland Council website, NZ Herald

### RFA OBJECTIVES

The objectives of Regional Facilities Auckland Limited are:

- To ensure that RFA is administered, and its property held, for the purposes set out in RFA's deed of trust
- To undertake any activities, in accordance with the deed of trust, that further those purposes
- To collaborate with Auckland Council, Government, and the governing bodies of entities that hold or own facilities and amenities of regional significance (for which RFA is not responsible), with an aim to improve their financial sustainability and community contribution.

### AUCKLAND COUNCIL BRANDING

RFA will ensure that Council group branding is used appropriately at its venues and facilities to build Aucklanders' understanding of the value of Auckland Council's rates funding.

### LOCAL BOARDS

RFA will continue to work on its already strong engagement and partnership with local boards, and we will participate in the development of local board plans where appropriate and as requested.

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