

Draft Statement of Intent for Auckland Tourism, Events and Economic Development

2018 - 2021

He Mihi

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

E whakaruruhau ana i ngā ahikaa mai tawhiti.

E maumahara ana i te nguha a Mataoho

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

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

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

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

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

Foreword

These are exciting and challenging times for Auckland Tourism, Events and Economic Development (ATEED) as the region's economic development agency.

In 2021, Auckland will host a number of significant events during the APEC conference, which will put a potentially unprecedented global spotlight on our city and region. Add the likely hosting of the next America's Cup, and that means two massive economic development opportunities intersecting in 2021.

This Statement of Intent reflects a strategic map of the next three years through to 2021 which will allow us to work with a range of private and public sector partners to seize these and other opportunities, while having a high level of financial accountability to Auckland's ratepayers, collaborating effectively with the rest of the Council group, and prioritising help to transform Māori economic outcomes in our region.

Through our plan for the next three years, ATEED's role has two main components: to create more high value jobs, businesses and investment and to support the sustainable growth of the visitor economy. These will be achieved through telling a cohesive story for Auckland as a place to visit, study, work and invest.

Despite strong recent economic performance, it is well known that Auckland has some key challenges which are limiting its economic potential – they include a lack of infrastructure, inequality in terms of access to good jobs, a lack of housing affordability and a lack of real productivity growth.

The Mayor, in his letter of expectation to ATEED, outlined three strategic priorities for us to focus on to help him achieve his vision of Auckland being a world class city and a globally competitive city that attracts and retains talented and skilled people. This Statement of Intent details how we will respond to those priorities.

First, we will prioritise programmes what will help ATEED respond to the region's economic challenges. Foremost is a refreshed strategy to support the creation of more higher value jobs that are accessible and more equally distributed across the region – particularly in west and south Auckland.

Second, ATEED will be part of the integrated governance of priority urban regeneration areas – such as west and south Auckland – and leverage Council's investment in them. ATEED will have a key role in identifying opportunities and challenges to grow business and employment to assist in targeted urban regeneration.

Third, ATEED will make the most of large scale events coming to Auckland, including APEC and most likely America's Cup in 2021. Globally important events present an opportunity to showcase Auckland, and help to transform our region – bringing enduring benefits to all Aucklanders and helping to make Auckland the place where talent wants to live, where entrepreneurs and businesses want to invest, and where innovation and skills drive economic growth for all.

To achieve this, ATEED will work with the Council family to implement the relevant findings of the ongoing Section 17a review programme and will continue to focus on a proactive partnership approach with the wider Council group, government agencies and the private sector to bring excellent economic, environmental and cultural outcomes for Auckland.

David McConnell
Chair

Nick Hill
Chief Executive

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Purpose of Statement of Intent

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

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About ATEED

ATEED is Auckland's economic development agency. Our purpose is:

“To support the creation of more, higher value jobs¹ for all Aucklanders.”

This purpose reflects the need to ensure that as Auckland's economy continues to grow, the outcomes of that growth support increased productivity, greater prosperity and a more balanced distribution of higher value employment opportunities across the city.

This is a shared purpose which we will strive for in partnership with the broader Auckland Council family, central government, public sector organisations and Auckland businesses.

Ultimately, Auckland businesses are our customers and our work will be driven by the growth aspirations of Auckland's business community

Our priorities are to create more higher value jobs, businesses and investment and to support the sustainable growth of the visitor economy. We will achieve this by promoting Auckland internationally and domestically as a destination for visitors, investors and businesses, to enhance Auckland's global reputation as a place to visit, study, work and invest.

Strategic Review

At the request of the Mayor, ATEED has recently undertaken a first principles strategic review of its activities. This review has reinforced the key ways in which ATEED is uniquely positioned to create value for Auckland in a way that no other organisation can. These are by:

- promoting and advocating for Auckland nationally and globally as a place to visit, study, work and invest
- facilitating collaboration between the city, government and business - including key sectors (e.g. the visitor sector), to increase higher value employment
- commissioning and delivering specific projects with partners over the long term that create higher value employment outcomes

The review has also highlighted that for Auckland to compete as a world class city, in alignment with the Mayor's aspiration, relying on central government or the market is insufficient and that Auckland needs ATEED to be an economic development agency that can support the city to achieve better outcomes faster through:

- being respected by Auckland's businesses community and by ratepayers
- understanding Auckland's areas of competitive advantage
- taking a holistic and pragmatic view of the long-term economic growth options for the city
- collating, analysing and sharing economic knowledge and intelligence freely
- facilitating conditions for growth by developing collaboration
- leveraging Auckland's unique story
- working closely with mana whenua and Māori business
- providing connections with key markets

¹ Higher value jobs are defined as jobs in ATEED target sectors. These include:

- 'Advanced' industries that trade in innovation, technology and knowledge-intensive services. These industries have above average growth and strong export growth.
- 'Tradeable' industries in which the goods or services produced are considered tradeable and where the majority of the industry's output faces international competition. These industries have marginally above average growth and strong export performance.
- 'Enabling' industries which are employment-intensive and are key to providing basic economic infrastructure and supporting a city's brand, image and global positioning.

The review signals a new and refreshed approach to our work on behalf of Auckland Council including a refreshed strategic framework (see ATEED Strategic Objectives) that will guide us in the achievement of our purpose. This Statement of Intent reflects this refreshed approach and signals a number of changes to the way that ATEED will operate over the next three years. These changes include:

- Undertaking a smaller number of more significant interventions
- Placing a greater focus on Auckland businesses as core customer and stronger partnerships with industry and sectors of focus
- Increasing our focus on the additionality of investments
- Focus on identifying, developing and promoting investable opportunities across Auckland
- Proactive approach to attracting business and investment into spatial priority areas

These changes will be achieved through an enhanced operational model that focuses on:

- Enhanced use of economic intelligence, data and market analysis
- A stronger prioritisation framework and business case process
- Enhanced collaboration across council to deliver economic regeneration
- A stronger commissioning approach and increased use of partners to deliver projects
- A clear process to ensure project completion and exit.

Our Values

Core to the achievement of our refreshed purpose are our values which drive our ways of working both internally and externally with partners. ATEED's values are:

It's all about people: great company

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

Let's be clear: great communication

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

Connect and collaborate: great relationships

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

Bold actions, smart choices: great thinking

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

Get it done and make it yours: great results

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

ATEED Alignment with the Auckland Plan

The Auckland Plan is Auckland Council's roadmap to deliver on Auckland's vision of a world class city where talent wants to live. The Auckland Plan is a thirty year plan that is underpinned by a set of outcomes to achieve this vision.

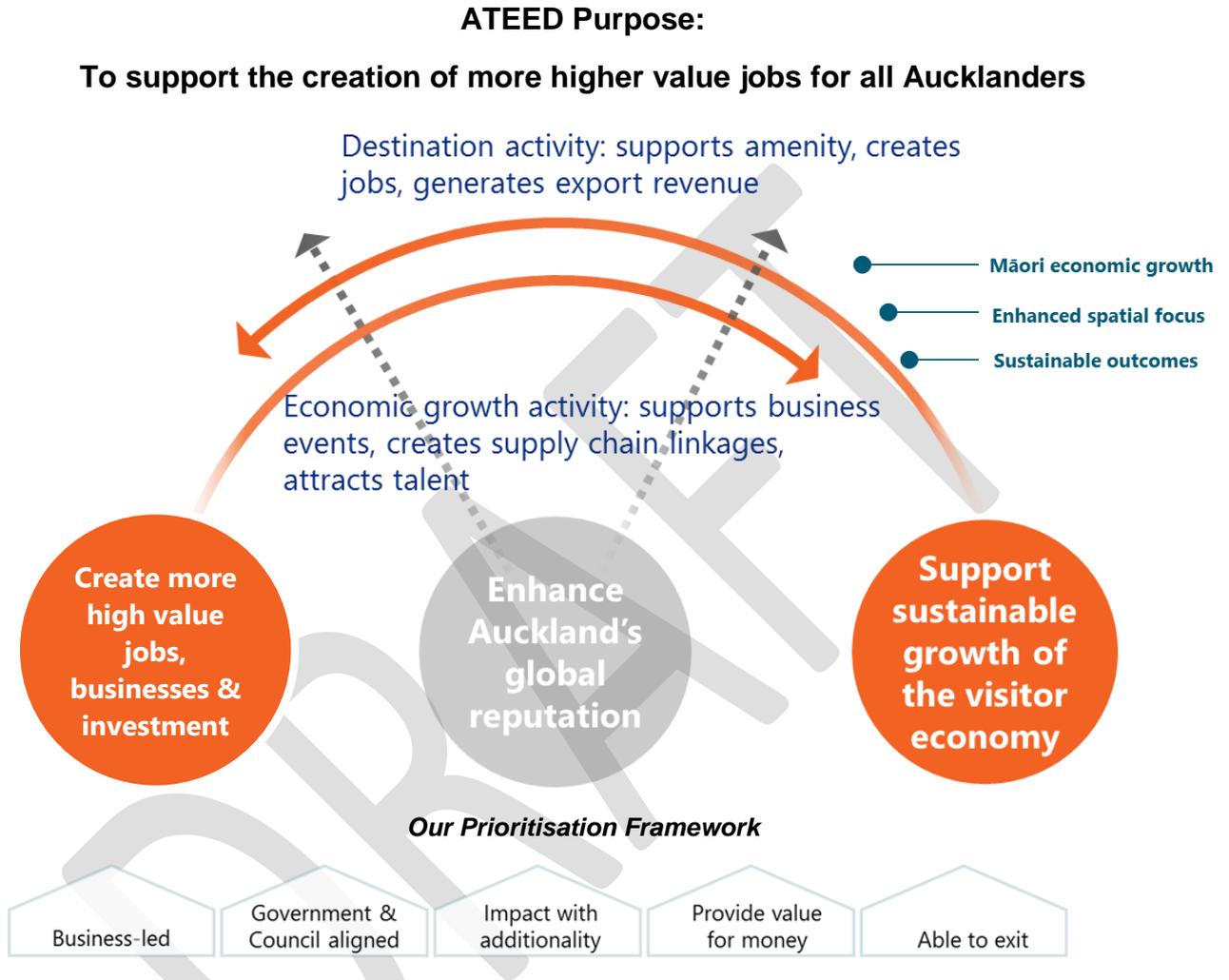
ATEED plays a critical part in delivering on outcomes, actions and targets in the Auckland Plan as outlined in the table below.

AUCKLAND PLAN OUTCOMES	DEGREE OF CONTRIBUTION	HOW ATEED CONTRIBUTES
 <p>Belonging & participation</p>	Primary	<ul style="list-style-type: none"> Working with key local employers and institutions in less prosperous places, to facilitate local recruitment, workforce development training and progression Ensuring that events support the creation of a shared sense of belonging for Aucklanders and recognise, value and celebrate Auckland's diversity. Promoting Auckland to Aucklanders as a place to meet, connect and enjoy participation in the community.
 <p>Māori identity & wellbeing</p>	Primary	<ul style="list-style-type: none"> Strengthening employment outcomes by connecting rangatahi to employment and training and entrepreneurship opportunities in growth sectors. Showcasing Māori culture to the world including exploration of Māori cultural expression as the unique competitive advantage that Auckland has in the international tourism landscape and delivery of the Tāmaki Herenga Waka Festival. Supporting Māori enterprise and economic wellbeing through the Māori tourism development programme.
 <p>Homes & places</p>	Secondary	<ul style="list-style-type: none"> Partnering with Panuku Development Auckland, Auckland Transport and Auckland Council to integrate economic outcomes into place based and transport initiatives delivered across the Council group.
 <p>Transport and access</p>	Secondary	<ul style="list-style-type: none"> Partnering with Panuku Development Auckland, Auckland Transport and Auckland Council to integrate economic outcomes into place based and transport initiatives delivered across the Council group.
 <p>Environment and cultural heritage</p>	Secondary	<ul style="list-style-type: none"> Focus on economic growth that can be sustained in the long term and benefits both current and future generations including support of inclusive growth, technological adoption and the growth of the circular economy. Raising the awareness of the benefits of operating in an environmentally sustainable way through private sector operators, supporting operators who lead in this space, and providing preferential profile to organisations that embrace sustainability throughout their business.
 <p>Opportunity & prosperity</p>	Primary	<ul style="list-style-type: none"> Building a pipeline of opportunities that create higher value employment across Auckland Enhancing Auckland's innovation ecosystem and delivering new responses to the city's urban and economic challenges Growing more dynamic, connected and export focused businesses across Auckland

ATEED Strategic Objectives

Figure 1 sets out ATEED’s refreshed strategic framework

Figure 1: ATEED Strategic Framework



In delivering on our purpose to support the creation of more higher value jobs for all Aucklanders, ATEED has prioritised two strategic objectives that articulate ATEED’s role in delivering the outcomes of the Auckland Plan.

STRATEGIC OBJECTIVE 1: Create more higher value jobs, businesses and investment

STRATEGIC OBJECTIVE 2: Support sustainable growth of the visitor economy

In practical terms, these objectives are translated into two distinct areas of activity.

Firstly, our wider set of economic development activities, including business support, business attraction and investment, local economic development, trade and industry development, skills employment and talent and innovation and entrepreneurship. This work is outlined in more detail in our three year work programme and will be driven through implementation of the new ATEED **Economic Growth Plan**

Secondly is the work ATEED undertakes to support Auckland's visitor economy, including our focus on destination marketing and management, major events, business events (meetings and conventions) and international student attraction and retention. This work is outlined in more detail in our three year work programme and will be driven through implementation of the new **Destination AKL Strategy** and the underlying ATEED implementation plans.

These two activities are not mutually exclusive. The economic growth of the wider economy reinforces Auckland as a destination by creating supply chain opportunities, international linkages, talent and student attraction, and by making the city attractive to international business events and conventions. Similarly, Auckland's visitor economy is an important part of the city's wider economy that underwrites the amenity of the city, making it more attractive to residents and visitors alike, it provides significant jobs and employment opportunities for Aucklanders, it supports other sectors including food and beverage and arts and culture, and it generates significant export revenues for the city.

These two portfolios also share a common platform relating to the promotion of the city globally to ensure that Auckland competes effectively with other mid-tier high quality of life cities.

Cross cutting themes

In support of the two strategic focus areas, ATEED focuses on the following cross cutting priorities

Māori economic growth	ATEED will take an opportunities and obligations approach to working with Māori in Auckland. We will work with Māori communities directly and through partners to identify economic potential and focus our resources on unlocking that potential.
Enhance spatial focus	While Auckland has a concentration of highly skilled and talented workers, the city also has many people with poor education outcomes and low incomes. There is clear evidence of regional disparity, with South and West Auckland lagging behind the rest of the region in terms of household prosperity. ATEED will work with Panuku Development Auckland, The Southern Initiative and other area-based initiatives to ensure a stronger spatial focus for economic development activities.
Sustainability	Sustainability is about ensuring that the decisions we make today do not hinder the future generation's ability to benefit. For ATEED this means we focus on economic growth that can be sustained in the long term and benefits both current and future generations.

Prioritisation Framework

To support decision making, ATEED will implement a refreshed prioritisation framework that ensures that all work undertaken is:

- **Business led:**
 - Does the activity complement and support the operation of markets?
 - Does the activity reflect and address the concerns of business?
 - Has the activity been developed in partnership/collaboration with business?
- **Government and Council aligned:**
 - Does the activity support government and council policy, and can it be leveraged both to benefit national objectives and for Auckland?
- **Provides impact with additionality:**
 - Does the activity deliver sufficient impacts to warrant it being undertaken?

- Would the activity happen without ATEED's investment, without displacing existing activities; and is there evidence that the level of public sector investment is appropriate vis-à-vis other funders?
- **Provides value for money:**
 - Can value for money be clearly demonstrated from the investment?
- **Presents a clear ability to exit:**
 - Has the activity been developed with an exit strategy under a range of scenarios?
Does the activity create dependence?

Investment Framework

In determining the appropriate level of investment to commit to initiatives we will apply an investment framework that addresses the following questions:

- What factors influence the desired outcome?
- For each factor what activities contribute to achieving the outcome?
- Who else is investing in the same desired outcomes?
- Of these activities, where can ATEED play a meaningful role?
- How much investment should therefore be allocated?
- What is the expected return on investment?
- What opportunities exist to leverage investment?
- How are those benefitting contributing to the initiative?

ATEED Three Year Work Programme

This section outlines our strategic programmes over the next three years to support Auckland Council priorities and our purpose to support the creation of more higher value jobs for all Aucklanders.

The following are the key initiatives/projects to deliver on ATEED's two strategic objectives.

STRATEGIC OBJECTIVE 1: CREATE MORE HIGHER VALUE JOBS, BUSINESSES AND INVESTMENT

Auckland's current economic circumstances, namely overall positive growth masking significant spatial and socio-economic disparities, signals a need to reconsider how traditional economic development activities can be reshaped to deliver continuous growth, prosperity and inclusion.

From an economic development perspective ATEED needs to place increased emphasis on stimulating higher value jobs, more businesses and more investment across Auckland, with a particular focus on enhancing the economic outcomes of South and West Auckland. Consequently, there are four programme areas that should be the focus for ATEED's economic development activities. These programme areas are also informed by global good practice, analysis of what works and established practice on the role of economic development agencies.

PROGRAMMES	DESCRIPTION
Build an Opportunity Pipeline	<p>Given Auckland's continued growth and recognised infrastructure deficit, significant investment is being made across the city in new and enhanced physical infrastructure. Ensuring that the associated opportunities to maximise economic outcomes aligned to this infrastructure investment are realised, will lead to enhanced long term impacts at a local and regional level. Auckland also needs to grow higher value jobs, particularly in the advanced industry sectors that command a wage premium. Access to quality employment opportunities is of particular importance in less prosperous places across the city.</p> <p>Key activities over the next three years will include:</p> <ul style="list-style-type: none"> • Promote Auckland as a global destination for business, skilled talent and investment • Co-ordinate the development of an Auckland Investment Prospectus with a focus on key locations and sectors of interest • Prepare a series of place based investment propositions that support the creation of higher value employment opportunities across Auckland • Attract businesses and investment to Auckland in target places and sectors of interest
Deliver Economic Regeneration	<p>There is a need to focus future activity and investment on enhancing economic outcomes for our Māori and Pacifica populations, for young people, and from a spatial perspective for South and West Auckland. These communities have experienced worse outcomes than other parts of the city and Auckland's recent growth has failed to deliver prosperity evenly across the city. In these locations there are opportunities to work with anchor institutions and to support skills and jobs matching to create more high value employment outcomes.</p> <p>Key activities over the next three years will include:</p> <ul style="list-style-type: none"> • Work with Panuku Development Auckland, Auckland Transport and Auckland Council to integrate economic outcomes into place based initiatives delivered across the Council group • Collaborate with Iwi and the private sector to maximise the economic potential of investments that are being made in housing and transport infrastructure across Auckland • Promote the development of key precincts across Auckland that support smart specialisation and clustering

<p>Drive Innovation</p>	<p>Innovation is the most significant driver of productivity and ultimately prosperity and is a key feature of building a resilient economy. Businesses need to be connected to innovate and Auckland businesses need to increase their investment in research and development, and to ensure they are effectively adopting new digital technologies and making conscious efforts to prepare for current and future technological disruptions.</p> <p>Auckland also needs to grow and attract a workforce that has greater skills in the fields of science, technology, engineering, arts and maths (STEAM) which are critical to the advanced industry sectors. In addition, there is an opportunity to support innovation across the Council group by leveraging our role in Auckland's innovation ecosystem and investment in GridAKL to address Auckland's urban and economic challenges and support improvements to Council service delivery through disruption and technological adoption.</p> <p>Key activities over the next three years will include:</p> <ul style="list-style-type: none"> • Support the development and activation of Auckland's innovation ecosystem and leverage council's investment in the Wynyard Quarter Innovation Precinct (GridAKL) • Build business capability and management skills to support growth, innovation, trade and export • Support networking, collaboration and connectivity between businesses, research institutions and the tertiary sector • Promote eco-innovation, the adoption of sustainable business practices and the development of the circular economy • Facilitate cross council innovation to address specific urban and economic challenges
<p>Support Business Growth</p>	<p>The small business sector is the bedrock of any economy and the growth of small businesses nationally has been concentrated in Auckland. While there is still a need to attract and retain larger employers to the city, helping local economies to grow requires an enhanced focus on existing small businesses, raising their capability, encouraging business networking, connecting them to talent and facilitating access to export markets. There is also a need to continue to support entrepreneurship and business start-ups in less prosperous places.</p> <p>Key activities over the next three years will include:</p> <ul style="list-style-type: none"> • Extend Aroha Auckland to become a wider business attraction, retention and expansion programme for Auckland • Build business capability and management skills to support employment, innovation and export growth e.g. through delivery of the Regional Business Partner Programme • Support businesses to take advantage of opportunities to increase trade and exports

STRATEGIC OBJECTIVE 2: SUPPORT SUSTAINABLE GROWTH OF THE VISITOR ECONOMY

The benefits of an enhanced visitor economy extend beyond the direct economic impacts that increased visitor numbers bring. A city that is attractive and offers a high quality experience to visitors also attracts residents, students, migrants and investment, in turn providing jobs and an improved standard of living. In this way, the visitor economy underwrites much of the amenity of Auckland that benefits visitors and residents alike.

ATEED will work closely with the accommodation sector through the Accommodation Provider Targeted Rate (APTR) governance mechanism to inspire and encourage visitation by promoting Auckland as a unique destination to domestic and international tourists, the travel trade, key influencers, business/institutions and international students. By partnering with the visitor sector ATEED will identify and fill gaps in Auckland's visitor attraction offering, in the four key programme areas below.

PROGRAMMES	DESCRIPTION
Tourism	<p>Aligned to the Destination AKL strategy, ATEED's Tourism team has two key areas of focus; leading and partnering in Destination Marketing and advocating or coordinating in Destination Management</p> <p><i>Destination Marketing</i></p> <p>ATEED has an ongoing role to lead in destination marketing activity. Industry operators do not have a mandate or a desire to perform a broader destination marketing role beyond where their product opportunities lie. However, industry has indicated a strong desire to work alongside ATEED to deliver a concise Auckland message, where a broad range of beneficiaries exist and where greater benefits can be generated from collaboration</p> <p>Key activities over the next three years will include:</p> <ul style="list-style-type: none"> • Increase content creation and digital marketing capability • Maintain focus on domestic, Australia, China and U.S. markets • Partner with TNZ, Auckland Airport and others to leverage marketing spend and reach • Focus on marketing strategies to reduce seasonality and increase regional spread • Tell the stories of Tamaki Makaurau • Develop a new data dashboard for destination management and marketing decisions <p><i>Destination Management</i></p> <p>Destination management is complex as ATEED does not hold tourism-related assets or supporting infrastructure in which it can manage and direct visitor flows. It relies on government agencies and council organisations to achieve the destination management outcomes which have been identified.</p> <p>Key activities over the next three years will include:</p> <ul style="list-style-type: none"> • Working across the industry to advocate for higher standards of sustainable practice. ATEED is already a signatory to the Tourism Industry Aotearoa Sustainability Commitment focused on sustainable growth. • Working with Auckland Transport and Panuku Auckland to advocate for more visitor-friendly way finding. • Work closely with Māori tourism operators and other key stakeholders to introduce a capability programme and lift awareness of Māori tourism as an important component of Auckland's unique destination proposition • Coordinate activity across agencies and cluster groups to increase regional dispersal and spread economic and social benefits to the regions as well as supporting new product investment.

Business events	<p>The Auckland Convention Bureau (ACB) is a business unit within ATEED that undertakes sales and marketing activity to grow the value and volume of business events in Auckland and position Auckland as a premium business events destination. Business events also support growth across Auckland's key priority sectors/advanced industries and initiatives.</p> <p>Key activities over the next three years will include:</p> <ul style="list-style-type: none"> • Focus on domestic and Australian markets, with potential to get a greater share of events from trans-Tasman corporates • Develop a highly focused plan approach playing to Auckland's strengths as a destination able to offer pre- and post-event leisure activities for attendees and family members • Leverage cross industry support and expertise to attract and win new conference bids
Major Events	<p>Major events are recognized as a key mechanism for realising Auckland's economic prosperity through growth in the visitor economy, regional transformation and social and cultural legacies. ATEED is responsible for major event delivery and operational facilitation, major event investment and leverage and major event industry capability development.</p> <p>Key activities over the next three years will include:</p> <ul style="list-style-type: none"> • Continuing to work with central government and the wider Council family to maximize the economic development opportunities that APEC and the 2021 Americas Cup will bring to Auckland • A stronger focus on events that attract visitation to Auckland in non-peak periods • Focus on supporting fewer, more significant events to ensure sustainability • Develop a major New Year's event, noting Auckland is the first city in the world to welcome in the new year • Seek a balance of cultural, sporting and arts events
International student attraction and retention	<p>ATEED aims to grow the reputation of Auckland as an innovative international education hub through the delivery of interventions that attract international students and ensure international students in Auckland (and their visiting friends & relatives) can access high value tourism services and experiences. In addition, ATEED connects students into high value sectors that require skilled international graduate talent and build alumni networks.</p> <p>Key activities over the next three years will include:</p> <ul style="list-style-type: none"> • Target student segments which will enhance tourism connections and related networks • Enable the development of products and experiences which can be packaged and promoted to international students and visiting family and friends • More effectivity use digital platforms (including social media) to access international students and their family and friends to encourage multiple visits • Investigate mechanisms to encourage host education providers to promote the visitor economy as an enhancement to the unique experiences they offer

ATEED Cross Cutting Themes

Cross Cutting Theme 1: Māori Economic Growth

ATEED is responsible for promoting and fostering economic development and opportunities for all Aucklanders, including the 19 recognised mana whenua (local tribal groups) and mataawaka (the wider Māori community). We will take an obligations and opportunities approach to working with Māori, this is to meet our obligations under the Treaty of Waitangi as well as leveraging the significant positive contribution Māori make to Auckland.

In this SOI period, ATEED has a focus on using market analysis to target resources into communities who are less prosperous. ATEED will work to build and lead stronger collaborations across the range of agencies and organisations that deliver Māori economic development such as Te Puni Kokiri (TPK), Ministry of Business and Enterprise (MBIE) and non-government organisations that work in Māori communities.

The Māori economy continues to show strong performance through enterprise and in particular SMEs as the engine room of the Māori economy in Auckland. Māori culture provides a distinctive and unique competitive advantage that can inform identity and lead to the creation of new opportunities particularly in the creative sector and in tourism. We will work in partnership with Māori and champions of Māori business to deliver a range of initiatives that explore those growth opportunities and place Māori in a position to take advantage of them.

PROGRAMMES	DESCRIPTION	CONTRIBUTION TO MĀORI WELLBEING/
Māori Economic Growth Programme	Deliver a Māori Economic Growth programme including a range of activities that foster Māori entrepreneurship and develop capability and capacity to grow the businesses and the Māori economy, locally and internationally. E Tipu, E Rea – Māori Business Growth Workshops will focus on the tech sector/digital, food and beverage, creative sectors.	Provides networking opportunities, advice and channels to support the ongoing growth of Māori business, including the re-establishment of a formal Māori business network.
Māori Tourism Development Programme	Advocate for greater Māori presence in Auckland's attractions, public spaces and visitor services, and support new and existing Māori tourism businesses. Continue to support the development of the Māori tourism sector and connect Māori tourism operators to international trade marketing agents and their marketing channels.	Support for Māori tourism businesses from market intelligence and start-up advice through to assistance in connecting with export and funding opportunities.
Māori cultural showcasing	Identify opportunities to lift the visibility of distinctive Māori culture in Tāmaki Makaurau through major sporting, business and regional events, te reo Māori and visitor information provision. Develop connectivity internationally with other regions, cities and businesses and indigenous cultures.	Celebrates and showcases Māori culture and the unique elements that amplify Auckland's global brand and economic opportunities.

ATEED's Māori Responsiveness Plan connects ATEED's Māori economic development activity with broader ATEED initiatives and with other parts of Auckland Council to improve our organisational responsiveness to Māori. This includes opportunities for Auckland Council's Te Reo Māori Policy to be actioned across a range of platforms and internal activities.

In addition, ATEED will continue to foster a strong relationship with the Mana Whenua Kaitiaki Forum as a key iwi collective governance forum, with a particular focus on shared aspirations for Māori Economic Development.

Te Toa Takitini

ATEED is a sponsor of Auckland Council's Te Toa Takitini – Māori Wellbeing Strategy and leads the Whai Rawa (economic development) work stream. Te Toa Takitini is a Council wide work programme specifically designed to deliver 'transformational' outcomes for Māori. In addition to our ATEED Māori economic development programmes above we will deliver the following Te Toa Takitini project.

PROJECT	DESCRIPTION	CONTRIBUTION TO MĀORI WELLBEING
Tāmaki Herenga Waka Festival (part of the Te Toa Takitini Programme)	Work with key partners to deliver the Tamaki Herenga Waka Festival as a significant Māori inspired event that attracts diverse audiences to Auckland. Tāmaki The Festival has a particular focus on tangible and sustainable economic development outcomes for Māori.	Celebrates and showcases Māori culture and innovation and provides a vehicle to leverage Māori business and investment opportunities.

Cross Cutting Theme 2: Enhanced Spatial Focus

While Auckland has a concentration of highly skilled and talented workers, the city also has many people with poor education outcomes and low incomes. There is clear evidence of regional disparity, with South and West Auckland lagging behind the rest of the region in terms of household prosperity. ATEED will work with Panuku Development Auckland, TSI and other area-based initiatives to ensure a stronger spatial focus for economic development activities.

Cross Cutting Theme 3: Sustainable Development

Sustainable development is about ensuring that the decisions we make today do not hinder the future generation's ability to benefit. For ATEED this means there is a need to focus on economic growth that can be sustained in the long term and benefits both current and future generations.

Sustainable development and economic growth should not be seen as trade-offs and there are clear opportunities for an approach to sustainable development that can unlock new forms of value that support inclusive growth, technological adoption and the growth of the circular economy.

ATEED has recently joined the NZ Tourism Sustainability Commitment launched in November 2017, and will work with other council organisations and agencies to develop a set of sustainability measures and a framework for measuring and reporting these within the first year. Once confirmed, a base year for this measurement will be 2019.

Other initiatives will include raising the awareness of the benefits of operating in an environmentally sustainable way through private sector operators, supporting operators who lead in this space, and providing preferential profile to organisations that embrace sustainability throughout their business.

The purpose of a coherent sustainability strategy for Auckland is to protect the destination for the prosperity of future Aucklanders.

Performance Outlook

Key Performance Indicators

As part of ATEEDs strategic review, a significant revision of key performance indicators (KPIs) has been undertaken to ensure performance is measured against:

1. A smaller number of more easily understood KPIs that provide **clarity** on the city's return on its investment in ATEED.
2. KPIs focussed on measuring the achievement of key **outcomes** that Council is aiming to achieve through its investment in ATEED
3. KPIs that reflect **aggregated** activity across all ATEED activities
4. KPIs that can be directly **attributed** to ATEED's activity and interventions

A key feature of the measurement framework below is the use of aggregated contributory measures that express outcomes from across the business in 'common currencies' (e.g. \$, jobs). Previous KPI frameworks have focussed at this contributory measure level. While results will still be available at this level, our focus is now on measuring our performance based on the more holistic outcomes we are aiming to achieve in alignment with our purpose.

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

KEY PERFORMANCE INDICATOR	2016/17 ACTUAL	2017/18 FORECAST	2018/19	2019/20	2020/21	CONTRIBUTORY MEASURES
			TARGETS			
Value of investment into the Auckland's economy as a result of ATEED interventions. ^{1,2}	NA	Benchmark TBC	Grow	Grow	Grow	Value of investment generated through: <ul style="list-style-type: none"> • Major events • Business events • Tourism activity • Investment attraction • Film attraction • Business support • Innovation activity
Number of businesses that have been through an ATEED programme or benefited from an ATEED intervention (LTP measure). ^{1,2,3}	4,178	3,000	3,000	3,000	3,000	Including no. of businesses that have benefitted through: <ul style="list-style-type: none"> • Event facilitation. • Business event support • Destination management • Business support • Investment attraction • Film facilitation • Innovation activity • Youth employment
Number of new jobs created, safeguarded or retained in Auckland as a result of an ATEED intervention. ^{1,2}	NA	NA	Benchmark	Grow	Grow	Focussed on new jobs created via <ul style="list-style-type: none"> • Major events • Investment attraction • Film attraction • Innovation activity • Youth employment/ skills activity
Number of visitor nights resulting from an ATEED intervention. ^{2,4,5}	NA	Benchmark TBC	Grow	Grow	Grow	Visitor nights generated through: <ul style="list-style-type: none"> • Major events • Business events • Tourism campaigns • International education

Customer satisfaction (NPS) of customers, partners and stakeholders who have interacted with ATEED	NA	ATEED Benchmark TBC	Maintain or grow	Maintain or grow	Maintain or grow	Based on customer satisfaction surveys undertaken across all ATEED business units
1. Also able to be analysed and reported by target sectors						
2. Also able to be analysed and reported by target locations						
3. Also able to be analysed and reported by Māori businesses						
			4. Also able to be analysed and reported by commercial and non-commercial nights			
			5. Also able to be analysed and reported by peak, shoulder and off-peak season nights			

Monitoring Indicators

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

Creating Mores High Value Jobs, Business and Investment

There is still a need for ATEED to be monitoring how Auckland’s economy is performing and for this to reflect the key economic challenges that the city is currently facing. In this regard, there is an opportunity to look at a framework that considers long term outcomes at the Auckland level. Such a framework could include the measures below, some of which are also proposed Auckland Plan (AP) measures, and will be further developed.

INDICATOR OF	MEASURE	2014	2015	2016	2017
Economic Growth	Auckland real GDP growth				
	Auckland exports growth				
	Annual employment growth rate Auckland				
Prosperity	Auckland labour productivity (AP measure)				
	Aucklanders average wages (AP measure)				
	Employment in advanced industries (AP measure)				
Inclusive Growth	Access to jobs (AP measure)				
	Decline in poverty				
	Labour force participation				

Supporting Sustainable Growth of the Visitor Economy

Destination AKL 2025 is a strategy for the Auckland visitor industry. It will be delivered by a wide range of partners collaborating to deliver on aspirations for Auckland as a destination. Each of the partners has a role to play and work programmes to deliver. Ultimately, the strategy's success will be measured by the growth of Auckland's visitor economy, the health of the visitor industry, and the views of visitors and our local community. Key indicators identified to measure the strategy's successful implementation are identified below.

INDICATOR OF	MEASURE	2014	2015	2016	2017
Growth of Volume	Visitor arrivals through Auckland Airport				
	Auckland commercial guest nights				
	Number of cruise ship visits				
Growth of Value	Visitor expenditure				
	Average length of stay				
	Value of international students				
Sector Growth	Auckland tourism employment growth				
	Outlook of the Auckland visitor industry				

Summary of Financial Information

The following summary of financial information supports the delivery of the strategic deliverables and performance targets for ATEED. Financial data is based on the published annual plan for financial year 2017-2018. Financial years 2018-21 are based on the LTP 2018-2028,

Financial Position:

Financial year ending 30 June	2017-18	2018-2019	2019-2020	2020-2021
Revenue				
Fees and user charges	12.8	17.7	17.8	17.9
Subsidies and grants (opex)	2.6	1.4	1.4	1.4
TOTAL REVENUE	15.4	19.2	19.2	19.3
Expenditure				
Employee benefits	20.9	22.4	22.7	23.1
Grants, contributions and sponsorship	10.8	9.1	11.1	11.2
Other operating expenses	31.5	37.4	36.1	36.8
TOTAL EXPENDITURE	63.2	68.9	69.9	71.0
NET DIRECT EXPENDITURE / (INCOME)	47.8	49.7	50.7	51.7
Funding from Auckland Council	(47.8)	(49.7)	(50.7)	(51.7)
Depreciation and amortisation	1.4	2.8	2.9	2.9
NET EXPENDITURE / (INCOME)	1.4	2.8	2.9	2.9

Specific Expenditure towards Māori Outcomes:

Initiatives (\$m)	2017-18	2018-19	2019-20	2020-21
Tāmaki Herenga Waka Festival (Te Toa Takitini)	0.5	0.5	0.5	0.5
Māori Tourism Development programme	0.2	0.2	0.2	0.2
Māori Economic Development	0.3	0.3	0.5	0.5
Total	0.9	1.0	1.2	1.2

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

Capital Expenditure

CAPITAL EXPENDITURE (\$m)	2017-18*	2018-2019	2019-2020	2020-2021
TOTAL CAPITAL EXPENDITURE	0.7	3,428	198	204
Sources of capital expenditure				
Capital funding from Auckland Council	0.7	3,428	198	204
Subsidies and grants - capex	-	-	-	-
TOTAL CAPITAL FUNDING	0.7	3,428	198	204
CAPITAL FUNDING SURPLUS/DEFICIT	0	0	0	0

* Excluding deferrals from FY2016/17 to FY 2017/18 of \$6,299

Targeted Rate on Commercial Accommodation Providers

In 2017, the Council Governing Body adopted a targeted rate on commercial accommodation providers to fund a proportion of the visitor attraction and major events expenditure of ATEED. The amount of the targeted rate is set at 50 percent of ATEED's budgeted expenditure on visitor attraction and major events, being \$13.45 million.

As consulted on, the 50 percent of the targeted rate covers expenditure on the following activities, noting the numbers include staff costs and corporate overhead costs:

Category	Expenditure 2018-19	Description
Tourism	\$6.7m	Supports the delivery of the <i>Destination AKL Strategy</i> , with an emphasis on international and domestic marketing joint ventures, attracting high-yielding visitors, facilitating product development and enhancing the tourism offering
Major events	\$13.9m	Build and deliver a portfolio of world class major events that are aligned with Auckland's Major Events Strategy and contribute to the regional economy. Major Events are also designed to improve the visitor experience and grow visitor numbers
Business events	\$2.4m	Auckland Convention Bureau is a specialist unit which provides services to a sector membership base, and drives the growth of Auckland as a premium destination for business events such as conferences, meetings, seminars, trade shows and exhibitions
International education	\$1.0m	Partnering with Education New Zealand and the education sector to attract international students
Brand	\$1.4m	Promotes and develops Auckland as a national and international visitor and business destination
Other	\$1.4m	Other Destination initiatives including APEC
Total	\$26.8m	

Other Financial Information

Current value of assets	The value of ATEED's group current assets as at 30 June 2017 was \$35.1 million, total assets \$50.2 million based on the net asset value of the ATEED group as disclosed in the audited financial statements.	
Accounting Policies	ATEED accounting policies are consistent with those of the Auckland Council group policies.	
Financial Reporting	ATEED financial reporting to Council will be in accordance with requirements of the CCO Governance Manual.	
Asset sales (\$ million)	2016/17 Actual	Nil
	2017/18 Annual Plan	Nil
	2018/19 LTP	Nil
	2019/20 LTP	Nil
	2020/21 LTP	Nil

Approach to Governance

Working in Partnership with the Council Group

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

- 1) Building public trust and confidence in the council group
- 2) Providing value for money
- 3) Working together to achieve outcomes for Aucklanders
- 4) Improving outcomes for Māori
- 5) Health and Safety
- 6) Managing risk appropriately
- 7) Recognising and giving effect to the shared governance of Auckland Council

Governance of the Accommodation Provider Targeted Rate

In December 2017, the Governing Body approved governance arrangements for the accommodation provider targeted rate. Through these arrangements:

- Auckland Council will appoint a director with accommodation sector expertise to fill a future ATEED board vacancy
- ATEED has established a subcommittee of the ATEED Board (Destination Committee) to make recommendations on visitor attraction and major events activities. The Destination Committee includes three representatives of accommodation provider targeted ratepayers and three representatives of the ATEED Board. The Destination Committee operates in accordance with its own Terms of Reference.

New Zealand Food Innovation Auckland Ltd - trading as The FoodBowl (Te Ipu Kai)

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

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

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

Public Meetings

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

PURPOSE	DATE	FORM OF PUBLIC NOTIFICATION
Consider prior year performance against SOI targets	August 2018	Public notice, New Zealand Herald
Consider shareholder comments on draft SOI	June 2019	Public notice, New Zealand Herald

Health and Safety

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

- Ensuring that best practice health and safety standards are consistently applied in every aspect of our business activities
- Developing staff to take individual responsibility for the identification, reporting, resolving of issues and risks;
- Introducing improved processes to ensure key health and safety information is both captured and used to enable clear decision making at an operational level
- Complying with all health and safety obligations under relevant legislation
- Having a safe, healthy and enjoyable environment for everyone within ATEED's area of control

Collaboration across the wider Council group is essential to deliver the health and safety goals set by ATEED. We use Auckland Council group capability to maintain and refresh our framework and systems including policies and processes. In addition to complying with Council group policies and systems ATEED also has additional bespoke health and safety policies and processes in place in respect to:

- The delivery of regional cultural events (Lantern, Pasifika, Diwali and Tamaki Herenga Waka Festivals).
- The operation of Grid AKL.
- The operation of the Auckland Film Studio and Kumeu Film Studio.