

AUCKLAND TOURISM, EVENTS
AND ECONOMIC DEVELOPMENT

Statement of Intent

2018 – 2021

aucklandnz.com



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

Auckland is growing rapidly, as is investment to meet this growth. Auckland Council has committed to spending \$26.5 billion on infrastructure over the next decade, in addition to central government and private sector investment. At the same time, technological disruption will change the structure of industries and the jobs they create profoundly: Some estimate that forty percent of the tasks and activities that make up the jobs we do today will disappear in the next 10 years, replaced by new and different job families.

These rapidly changing market dynamics present tremendous opportunities – if managed well – for Auckland to develop further as a world-class, globally competitive city that attracts and retains talented and skilled people. There is a real need to focus on creating the right environment for Auckland to be ready for this monumental change in our working lives.

Many exciting companies based in Auckland are leading the region's transformation. ATEED is committed to working with these companies, their leaders and talent, and Auckland's 'anchor institutions' - enterprises that spur economic growth and innovation such as universities and hospitals - to speed up the shift towards an Auckland economy that's more heavily weighted towards advanced industries and tradeable sectors.

Auckland needs to work together to drive greater international flows of products and services, ideas, people and capital; increase the competitiveness of our markets; and aggressively promote a culture of innovation. Of equal importance is the need to ensure economic growth creates prosperity for all Aucklanders. Parts of Auckland, and groups of Aucklanders, are not sharing in the economic opportunities our region offers. It is a priority for ATEED that Auckland pioneers city-led solutions that enable inclusive growth.

The Mayor, in his letter of expectation to ATEED, outlined three strategic priorities for us to focus on. This Statement of Intent details how we will respond to these priorities. First, ATEED will continue to narrow our focus during the term of this Statement of Intent towards those activities and industry sectors that will have the greatest impact on increasing investment in quality jobs – particularly where Auckland's south and west can benefit.

Second, ATEED will actively support identified urban regeneration areas, and leverage Council's investment in them. We will initially concentrate our efforts on Manukau and Onehunga, looking for opportunities to attract investment and grow business and employment in these areas, working with the Council family, community leaders, business and government agencies.

Third, ATEED will make the most of large-scale events coming to Auckland, including APEC and the 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 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.

Work on our sharper focus is already underway. The recently launched *Destination AKL 2025* – a new strategy that encourages the sustainable growth of Auckland's visitor economy by focusing on destination management alongside destination marketing – exemplifies ATEED's focus on partnering with industry to create a new, better way of doing things, for the benefit of Auckland.

The next year will be a period of transition for ATEED. We will continue to re-prioritise our resources. We will also focus on quantifying the impact our interventions have and develop new capabilities to deliver on our purpose to create quality jobs for all of Aucklanders.



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.

About ATEED

ATEED is Auckland's economic development agency. Our purpose is to support the growth of:

"Quality jobs¹ for all Aucklanders."

Our vision is that Auckland's firms and workers are increasingly productive. Productivity is the key driver of prosperity and rising standards of living.

ATEED has recently completed a First Principles Review of its activities. This review confirmed the key ways in which ATEED creates value for Auckland. We do this by:

- promoting and advocating for Auckland nationally and globally as a place to work, invest, study and visit
- facilitating collaboration between the City, business and Government – particularly in key sectors (e.g. the visitor sector)
- sharing data, intelligence, information and analysis to improve understanding of economic development opportunities
- developing and delivering specific economic development projects with partners where there is market failure and Auckland leadership and support is required
- transferring mature and established activities to capable owners where this is feasible.

This Statement of Intent signals some changes to the way that ATEED will operate over the next three years. These changes include:

- Undertaking a smaller number of more impactful interventions
- Adopting a stronger spatial focus working alongside Panuku Development Auckland and Auckland Transport
- Placing a greater focus on Auckland businesses as our customers
- Partnering with industry sectors and key economic institutions to coordinate action, based on a systemic view of how industry eco-systems operate
- Making more use of economic intelligence, data and market analysis.

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.

¹ Quality jobs are defined by the Southern Initiative as jobs that offer potential for transformation through paying a living wage, presenting prospects for progression and providing access to training and skill development.

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

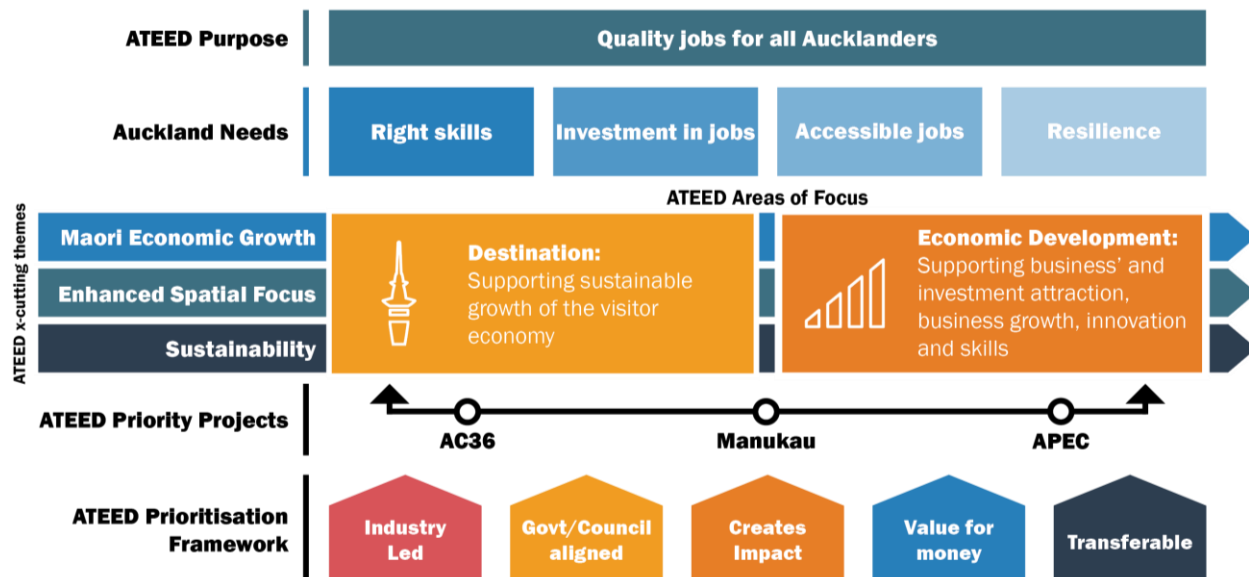
- We are courageous;
- We welcome fresh ideas, try new things and embrace change;
- We ask how we can do it differently and do it better.

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 Strategic Framework

Figure 1: ATEED Strategic Framework



Four conditions need to be satisfied to achieve our purpose of quality jobs for all Aucklanders:

1. Auckland must have workers who have the **right skills** to fill the quality jobs
2. Auckland needs **more investment in quality jobs**, either attracted from offshore or grown from within the region
3. These jobs need to be **accessible** to those who need them – both because they are aware of them, and/or because they can reach them
4. Auckland’s economy needs to be **resilient** and sustainable over the long term in the face of technological disruption, environmental constraints and cultural diversity.

ATEED has two areas of focus:

Economic Development – supporting business and investment attraction, business growth, innovation and skills

Firstly is 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 a new ATEED **Economic Development Plan**.

Destination - supporting sustainable growth of the visitor economy

Secondly is the work ATEED undertakes to support Auckland’s visitor economy, a critical lever for economic development. This work including our focus on destination marketing and management, major events, business events (meetings and conventions) and international student attraction and retention, which is outlined in more detail in our three-year work programme and will be driven through implementation of the new **Destination AKL 2025 Strategy** and the underlying ATEED implementation plans.

These two focus areas 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 employment opportunities for Aucklanders, 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.

Theme	Description
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 meeting our current needs without compromising those of future generations. For ATEED this means we focus on economic growth that can be sustained in the long term and benefits both current and future generations. This focus on sustainability intrinsically links to Auckland Council's priorities to reduce carbon emissions and achieve a climate resilient future and as such ATEED will work with Auckland council in the review and update of Low Carbon Auckland.

ATEED will work to effectively integrate these themes in the design, implementation, monitoring and evaluation of all current and future activities. The process of integrating these themes will require ATEED to be innovative, flexible, and willing to experiment and establish new operational norms.

Prioritisation

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

- **Industry led:**
 - Does the activity complement and support the operation of markets?
 - Does the activity reflect and address the concerns of industry?
 - Has the activity been developed in partnership/collaboration with industry?
- **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?
- **Creates impact:**
 - 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?
- **Transferable:**
 - Has the activity been developed with a transfer or exit strategy under a range of scenarios? Does the activity create dependence?

Māori Responsiveness at ATEED

ATEED's Māori Responsiveness Plan outlines how we will build and grow our Māori cultural capability across the organisation to enhance the way we engage with Māori communities and deliver Māori outcomes. It specifies the capability ATEED will need to deliver on the Māori economic growth cross-cutting theme of our strategic framework and connects ATEED's Māori economic development activities with broader ATEED initiatives as captured in our Māori Economic Growth Strategy.

ATEED will build Māori cultural capability through activities such as focusing on opportunities to incorporate Auckland Council's Te Reo Māori Policy in such things as signage, use in daily situations and in communications and promoting Te Reo Māori as part of the unique identity of the city.

ATEED will foster strong and positive relationships with the Mana Whenua both through the Mana Whenua Kaitiaki Forum and recognising the autonomous authority of individual iwi. We will develop and implement a schedule of one on one meetings and enable opportunities for consulting and engaging with Mana Whenua in decision making and the development of programmes.

ATEED will continue to strengthen our relationships with Mana Whenua in order to support iwi to progress their own development aspirations and to contribute to enabling positive outcomes for Māori across ATEED's work programme. Through collaboration with CCOs and participation in cross-Council initiatives, ATEED is committed to improving the effectiveness of Māori engagement processes.

ATEED Three Year Work Programme

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

Reprioritising resources

Through our First Principles Review, ATEED has identified a number of activities included in our previous Statement of Intent that have or will be transferred or exited. Examples of activities that have already been transferred include the sale of the visitor information centres (i-Sites) to a private operator and transfer of the management of the Auckland Young Enterprise Scheme (YES) to the Auckland Chamber of Commerce.

In addition, other initiatives will be reviewed over the coming year in accordance with our prioritisation framework. These may include but will not be limited to:

- Operational management of facilities
- Delivery of employment and entrepreneurship programmes
- Delivery of business networking events.

Through this prioritisation and review process, resources will be freed up to deliver on our re-aligned work programme below.

Work Programme

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

FOCUS AREA 1: SUPPORTING BUSINESS AND INVESTMENT ATTRACTION, BUSINESS GROWTH, INNOVATION AND SKILLS

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 quality 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
Business and Investment Attraction	<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, through attracting high value business and investment to the city will lead to enhanced long term impacts at a local and regional level.</p> <p>Key activities over the next three years will include:</p> <ul style="list-style-type: none"> • Develop a shared <i>Auckland Investment Story</i> (action from s17A Review) • Continue focused business and investment attraction to Auckland working in partnership with NZTE • Leverage America's Cup (AC) 36, APEC 2021 and other key events to maximise business and investment attraction opportunities

- Work with multinational corporations and investors to retain and expand their presence in Auckland
- Support the Auckland screen sector through film attraction and facilitation and embedding an appropriate operating model for Auckland Film Studios and Kumeu Film Studios
- Build sustainable connections with key cities in the Asia Pacific region working with the Auckland Council Global Partnerships and Strategy team.

Local Economic Regeneration

There is a need to focus future activity and investment on enhancing economic outcomes 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.

Key activities over the next three years will include:

- Work with Panuku Development Auckland (with a focus on *Transform* and *Unlock* areas), Auckland Transport and Auckland Council to integrate economic outcomes into place-based initiatives delivered across the Council group
- Leverage economic opportunities from housing and transport investment including actions to improve access to key skills
- Partner with Local Boards, The Southern Initiative, Comet and relevant Business Improvement Districts to support and promote initiatives in skills matching, skills training and small business start-ups and support.

Innovation

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.

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.

Key activities over the next three years will include:

- Transition the leadership and management of GridAKL to a broader-based governance model to provide visible and active hub for investment
- Support cross council innovation to address Auckland’s urban and economic challenges
- Partner with Callaghan Innovation, tertiary institutions and others to promote Auckland’s innovation eco-system
- Build business technology capability to support growth and innovation
- Partner to drive social innovation for economic outcomes and skills development.

Support Small and Medium Enterprise Growth

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.

Key activities over the next three years will include:

- Continue support for small business growth and capability building through the Regional Business Partner programme working with NZTE and Callaghan Innovation
- Promote low carbon and circular economy opportunities
- Support skills and job matching in growth sectors working with business, Business Improvement Districts and Business Associations
- Support the growth of Māori businesses and entrepreneurs
- Support the growth of Pasifika businesses and entrepreneurs
- Support enhanced employment and training outcomes for rangatahi.

FOCUS AREA 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.

Through our role as the guardian and driver of the Destination AKL 2025 Strategy, ATEED will work closely with the accommodation sector governance mechanism and the broader Auckland visitor sector to deliver on the strategy's vision for Auckland to be sustainable – economically, socially, culturally and environmentally, as a place to live and work and as a place to visit. Specifically, ATEED's role in implementation of Destination AKL 2025 through our Tourism Major Events, Business Events and International Education teams is as outlined below.

PROGRAMMES	DESCRIPTION
Tourism	<p>Aligned to the Destination AKL 2025 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 business opportunities lie. However, the visitor 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"> • Leading the development of Auckland stories, creating a narrative and a unified positioning, incorporating the stories and cultural heritage of iwi • Leading data-centric digital marketing campaigns targeting high value holiday visitors with a focus off peak

- Leading the creation of world-class destination content for distribution on owned and third party digital platforms
- Maintaining a focus on domestic, Australia, China and U.S. markets
- Partnering with TNZ, Auckland Airport and others to leverage marketing spend and reach.

Destination Management

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.

Key activities over the next three years will include:

- 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 Development Auckland to advocate for more visitor-friendly way finding
- Working 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
- Coordinating 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

Business events deliver a range of highly desirable benefits to the cities that host them including tourism expenditure benefits, building business relationships through the exchange of knowledge and ideas and enhancing investment and talent flows. The Auckland Convention Bureau 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 and initiatives.

Key activities over the next three years will include:

- Developing Auckland's global business events messaging tailored to the business events community
- Partnering to attract business events to Auckland through research and tailoring marketing programmes into international and Australian corporate, association and incentive markets
- Creating platforms that provide members with opportunities to market their services in a collective manner
- Working across ATEED to leverage the broader benefits of business events across key focus sectors
- Advocating for the Auckland business events sector through ongoing growth of the Auckland Advocate Alliance programme and continuing to leverage the expertise of the Auckland International Business Events Advisory Group.

Major Events

Major Events are one of the core pillars of the visitor economy. Events not only attract visitors from beyond our borders, helping to grow the visitor economy, they also enhance and shape public perceptions of Auckland as an exciting and vibrant place to live and work as well as enhancing the quality of peoples lives. Major Events also help us tell the story of our city and strengthen our brand. They raise awareness of Auckland as a potential destination through international media and digital coverage.

Key activities over the next three years will include:

- Continuing to work with central government and the wider Council family to maximize the economic development leverage opportunities that APEC 2021 and the 36th Americas Cup will bring to Auckland
- Working with event partners at the Auckland, national and international level to ensure their approaches are aligned, coordinated and delivering against outcomes for Auckland
- Working with partners on event propositions and investing in a portfolio of events that seek a balance between cultural, sporting and arts events to create a range of benefits for Auckland, including addressing seasonality
- Taking responsibility for the delivery of events that are important to the city
- Providing facilitation support to identified events to enhance the client and customer experience
- Identifying ways to leverage greater value around events through targeted marketing, activation or specific communications to ensure the messages from events fit the Auckland brand.

International student attraction and retention

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 and 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.

Key activities over the next three years will include:

- Targeting high value international students (and their families) who create value for Auckland and position Auckland as a premium study destination
- Working with partners to provide international students with meaningful life experiences that enable personal development and stronger employability prospects
- Enabling international graduate employability pathways into high-value Auckland jobs requiring global talent
- Growing NZ Inc networks with domestic and international graduates to keep Auckland top of mind with influencers and advocates.

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, to meet our obligations under the Treaty of Waitangi as well as leveraging the significant positive contribution Māori make to Auckland.

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.

Commitment to 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. As a sponsor of the Te Toa Takitini programme ATEED will work with the council family to implement responses to the findings of the 2017 report commissioned by the Independent Māori Statutory Board (IMSB), 'Assessment of expenditure incurred by Auckland Council to deliver Māori outcomes'. ATEED will also continue to work with council to input into and implement the findings of the 2018 Treaty of Waitangi Audit.

ATEED Māori Economic Growth Strategy

ATEED has developed the first draft of our Māori Economic Growth Strategy which gives a high-level overview of how we intend to deliver on the Māori economic growth cross-cutting theme of our strategic framework. The Māori Economic Growth Strategy embeds outcomes across the key strategies in ATEED such as Destination AKL 2025 and our commitments as a sponsor of Te Toa Takitini.

The Māori Economic Growth Strategy is in draft and has been developed as part of the First Principles review undertaken by ATEED and the development of ATEED's strategic framework. It is ATEED's strategy and not intended to be Auckland's strategy or replace the Māori Outcomes Framework in development through Te Toa Takitini. To date the Māori Economic Growth Strategy has been informed by the IMSB business cases and Issues of Significance, Te Toa Takitini, and the refreshed Auckland Plan.

ATEED's draft Māori Economic Growth Strategy identifies three levels of activity on which ATEED will lead, deliver and partner as outlined below.

ACTIVITY TYPE	DESCRIPTION
Tier 1 Te Toa Takitini Projects	In addition to the delivery and development of the Tamaki Herenga Waka Festival, ATEED is proposing an enhanced programme of Tier 1, transformational Te Toa Takitini projects. These include a programme focussed on leveraging key 2021 activity (Americas Cup, APEC, Te Matatini) for enhanced Māori outcomes and the incorporation of Auckland's Māori identity into the development of our destination narrative.
Embedded ATEED programmes	In addition to the Te Toa Takitini transformational projects, ATEED will continue to facilitate opportunities and deliver programmes that support Māori SMEs, entrepreneurs and rangitahi employment. This includes our work with Māori tourism operators, continuing to support and build the Whariki Māori Business Network, and a strong focus on Māori outcomes through our Jobs and Skills Hub programme.

**Working with
Partners**

ATEED will continue to build and lead stronger collaborations across the range of agencies and organisations that deliver Māori economic development such as TPK, MBIE and non-government organisations that work in Māori communities.

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. Aligned to this, ATEED will work with council in the review and update of Low Carbon Auckland to contribute to an integrated approach to climate change.

Further, 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.

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 be 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 TARGETS	2020/21
KPI 1: Contribution to regional GDP from ATEED interventions. ^{1,2}	NA	NA	Benchmark	Grow	Grow
<i>Contributory measure: Contribution to regional GDP from major and business events attracted or supported (LTP measure)</i>	\$75m	\$49m	\$49m	\$52.5m	\$66.5m
KPI 2: Number of businesses that have been through an ATEED programme or benefited from an ATEED intervention (LTP measure). ^{1,2}	4,178	3,000	3,000	3,000	3,000
<i>Contributory measure: Number of Māori businesses that have been through an ATEED programme or benefitted from an ATEED intervention (LTP measure)</i>	183	120	120	120	120
KPI 3: Number of new jobs created, safeguarded or retained in Auckland as a result of an ATEED intervention. ^{1,2}	NA	NA	Benchmark	Grow	Grow
KPI 4: Number of visitor nights resulting from an ATEED intervention. (LTP measure) ^{2,4,5}	NA	NA	340,000	370,000	435,000
KPI 5: Customer satisfaction of customers, partners and stakeholders who have interacted with ATEED	NA	NA	Benchmark	Maintain or grow	Maintain or grow

1. Also able to be analysed and reported by target sectors

2. Also able to be analysed and reported by target locations

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

Developing our Indicator Framework

A key priority over 2018/19 is the development of a comprehensive measurement framework based on the KPIs above, that clearly show the impact of ATEED's investments and interventions. The table below outlines in more detail the proposed development. ATEED will work with Auckland Council over 2018/19 to test and share these developments.

KEY PERFORMANCE INDICATOR	DEVELOPMENT OVER 2018/19
KPI 1: Contribution to regional GDP from ATEED interventions.	ATEED has historically measured the GDP impact of major events and business attraction activity. Over the next 12 months this focus will be broadened and a consistent approach to attribution will be developed to capture the wider impact of ATEED activity on Auckland's GDP.
KPI 2: Number of businesses that have been through an ATEED programme or benefited from an ATEED intervention (LTP measure).	Over the last three years, ATEED has measured the number of businesses that have been through an ATEED programme or benefited from an ATEED intervention. Over the next 12 months ATEED will refine this measure to ensure more timely reporting over the year and the ability to report by business type and location.
KPI 3: Number of new jobs created, safeguarded or retained in Auckland as a result of an ATEED intervention.	ATEED interventions can result in new jobs in a number of ways. These include the attraction of new businesses and new investment that creates jobs, interventions that retain jobs in Auckland, and supporting the generation of new economic activity (through major events for example) that generate new employment. Jobs is a new measure for ATEED and will require the development of a new methodology to capture across the business.
KPI 4: Number of visitor nights resulting from an ATEED intervention. (LTP measure)	ATEED has always captured visitor nights resulting from major and business event activity. Advancements in digital technology now present the opportunity to capture the impact of digital marketing activity on visitation. ATEED will explore the potential to capture the impact of a broader range of its activities on visitor nights in the city.
KPI 5: Customer satisfaction of customers, partners and stakeholders who have interacted with ATEED.	Measurement of customer satisfaction is important not only to gauge the quality of interactions with customers but also to develop and refine activities and interventions to meet customer needs. ATEED is in the process of developing a Voice of the Customer programme which will allow the timely reporting of customer satisfaction across the business over the year.







Monitoring Indicators

In addition to our performance measures, ATEED has identified a range of monitoring indicators which we report regularly through the AKL Index (www.aucklandnz.com/auckland-index). These indicators reflect outcomes at the regional level which are impacted by a range of factors outside of our direct control (e.g. exchange rates, natural disasters, government policy) but which we aim to influence through our activity. As the city's economic 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.

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.

A TEED 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 economic growth 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 awareness of the benefits of operating in an environmentally sustainable way through supporting operators who lead in this space and providing preferential profile to organisations that embrace sustainability throughout their business.
 <p>Opportunity & prosperity</p>	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.

Alignment with Development Strategy

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

Summary of Financial Information

The following summary of financial information supports the delivery of the strategic deliverables and performance targets for ATEED. 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	0.9	0.6	0.5	0.5
Subsidies and grants (opex)	2.6	1.5	1.5	1.5
Other direct revenue	11.9	17.0	17.2	17.3
TOTAL REVENUE	15.4	19.1	19.2	19.3
Expenditure				
Employee benefits	21.0	22.5	22.9	23.2
Grants, contributions and sponsorship	11.9	9.1	11.1	11.2
Other operating expenses	33.8	37.4	35.1	35.8
TOTAL EXPENDITURE	66.7	69.0	69.1	70.2
NET DIRECT EXPENDITURE / (INCOME)	51.3	49.9	49.9	50.9
Funding from Auckland Council	(52.0)	(49.9)	(49.9)	(50.9)
Depreciation and amortisation	2.4	2.8	2.9	2.9
NET EXPENDITURE / (INCOME)	1.7	2.8	2.9	2.9

Specific Expenditure towards Māori Outcomes:

Initiatives (\$m)	2017-18	2018-2019	2019-2020	2020-2021
Tāmaki Herenga Waka Festival	0.5	0.5	0.5	0.5
Maori Economic Development	0.6	0.7	0.7	0.7
Total	1.1	1.2	1.2	1.2

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

Capital Expenditure

CAPITAL EXPENDITURE	2017-18	2018-2019	2019-2020	2020-2021
TOTAL CAPITAL EXPENDITURE	6.4	3.4	0.2	0.2
Sources of capital expenditure				
Capital funding from Auckland Council	6.4	3.4	0.2	0.2
Subsidies and grants - capex	-	-	-	-
TOTAL CAPITAL FUNDING	6.4	3.4	0.2	0.2
CAPITAL FUNDING SURPLUS/DEFICIT	0.0	0.0	0.0	0.0

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 was 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	\$7.1m	Supports the delivery of the <i>Destination AKL 2025 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	\$14.9m	Build and deliver a portfolio of world class major events that are aligned with the <i>Destination AKL 2025 Strategy</i> and contribute to the regional economy. Major Events are also designed to improve the visitor experience and grow visitor numbers
Business events	\$2.8m	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	\$1.2m	Partnering with Education New Zealand and the education sector to attract international students
Other	\$1.8m	Other Destination initiatives including Americas Cup and APEC
Total	\$27.8m	

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 sits alongside this SOI and also forms part of the annual binding agreement between Council and ATEED. ATEED will adhere to the common expectations for CCOs contribution to the council's objectives and priorities, outlined in the CCO Accountability Policy as they relate to:

- 1) Building public trust and confidence in the council group
- 2) Providing value for money
- 3) Building a group approach to achieve outcomes for Aucklanders
- 4) Improving outcomes for Māori
- 5) Health and Safety
- 6) Managing risk appropriately
- 7) Understanding and giving effect to Auckland's shared governance
- 8) Climate change and reducing carbon emissions.

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

Further, ATEED will continue to work with local boards to progress local board economic development initiatives and to proactively build and maintain relationships.

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 (The 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 and Crown agency Callaghan Innovation. 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
- The operation of Grid AKL.
- The operation of the Auckland Film Studio, Kumeu Film Studio and the AR/VR Garage.