



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

2016 - 2019



## 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

This Statement of Intent (SOI) sets out ATEED's strategic framework, activities and performance measures for the next three years in order to deliver on our role within the Auckland Council group, and contribute to Council's targets and priorities.

The content of this SOI for 2016-19 reflects the continuing evolution of ATEED's role and focus. From our inception, we have placed a strong focus on growing the visitor economy as a means of underwriting the amenity of the city. More recently, our focus has increased on developing Auckland's culture of innovation and entrepreneurship in recognition of the fact that innovation is a crucial driver of sustained income and business growth, and an area where we can make a significant contribution to delivering Auckland Council's economic priorities. This allows us to showcase Auckland's advantages and advanced industries. We will continue to raise our international profile, develop a stronger focus on improved international connectivity through trade, and drive the attraction of new business and talent into Auckland to fulfil our potential. In combination, these areas of focus will amplify Auckland's brand and identity, in turn generating customers for Auckland in the form of more visitors, entrepreneurs, businesses, talent and investment partners.

As a member of the Council family, we will continue to partner in Council's spatial initiatives, including Manukau, Onehunga, the Central City and The Southern Initiative - and in delivering against the transformational shifts in the Auckland Plan with a particular focus on:

- dramatically accelerate the prospects of Auckland's children and young people – through our work to encourage youth entrepreneurship and create pathways for youth employment
- substantially raise living standards for all Aucklanders and focus on those most in need – through facilitating new smart money and high value jobs for Auckland
- significantly lift Māori social and economic well-being – through delivery of transformational projects to enhance Māori business, tourism and major events

ATEED's specific activities against these shifts are articulated through this SOI.

Through the Annual Plan process and through his Letter of Expectation, the Mayor has clearly articulated an expectation that ATEED will also put increasing focus on growing alternate revenue streams to assist in reducing rates funding while continuing to deliver strong value for money. This will be a strong area of focus for ATEED over the coming year.

During 2016/17, we will undertake a range of diverse and dynamic projects in the collaborative spirit of kotahitanga with our broad range of partners including Auckland Council's governing body and local boards, other Council Controlled Organisations (CCOs), central government, iwi, industry organisations, education and training providers, private businesses and not for profit groups. Our focus will continue to be on fully leveraging our relationships with these partners to ensure maximum value for money from our activities for all Aucklanders.

We are committed to a single minded focus on significant interventions that will leave a lasting legacy for Auckland,, delivering world class or world leading outcomes. We have a highly motivated team at ATEED who have a passion for making Auckland great, fulfilling the potential that has always existed in Tāmaki Makaurau. We are pleased to present this document as our statement of this commitment.



**David McConnell**  
Chair



**Brett O'Riley**  
Chief Executive

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## 1. 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. It also serves as the SOI of World Masters Games 2017 Limited (WMG2017 Ltd), a wholly owned subsidiary of ATEED. This SOI takes shareholder comments into consideration and includes performance measures and targets as the basis of organisational accountability.

## 2. About ATEED

ATEED's role is to support the council's vision of creating the world's most liveable city and deliver great value for money by supporting the growth of a vibrant and competitive economy and generating customers for Auckland, with a particular focus on **facilitating new smart money<sup>1</sup> and high value jobs for Auckland**. The extent to which new opportunities deliver new smart money into Auckland and also increase the level of high value jobs within Auckland are two key pre-requisites upon which we prioritise and allocate our resources. This is our intervention logic for the investment of ratepayer funds.

### ATEED Priorities

In delivering on our role, ATEED will contribute to the priorities and growth goals contained in the Auckland Plan and the Auckland Council Economic Development Strategy to:

- Grow a business friendly and well-functioning city
- Develop an innovation hub of the Asia-Pacific rim
- Become internationally connected and export driven
- Enhance investment in people to grow skills and a local workforce
- Develop a vibrant, creative, international city

In particular there is a need to focus our efforts on those areas that offer the greatest opportunity for economic growth. This includes a stronger focus on supporting the growth of Auckland's 'advanced industries' - those sectors that invest in research and development and have a workforce with higher levels of Science, Technology, Engineering and Maths (STEM) skills. International evidence has shown that these advanced industries will typically grow faster, export more and pay better at all levels of employment.

In addition, Auckland is increasingly recognised globally as a 'new world city'<sup>2</sup>, characterised by an attractive quality of life, fewer environmental or economic externalities, and a smaller number of economic specialisms related to our comparative advantages. These locations play a role as knowledge, cultural or entertainment hubs, but many also possess hi-tech, innovation or research capabilities that make them important cities in the convention and higher education economies. New world cities such as Auckland are increasingly internationalised and their global connectivity provides a platform for increased levels of trade and collaboration and compete openly in contested global markets, including tourism, higher education, events, R&D, and summits.

In this context, ATEED believes there are a number of priorities that can significantly impact Auckland's economic growth. These priorities will drive growth and help differentiate Auckland internationally as a leading city. Over the period of this SOI, these will include:

- Continuing to grow Auckland's visitor economy through a refreshed strategic approach to major events that will see ATEED focus on achieving broader objectives across the events portfolio and growing homegrown unique events that reflect Auckland's identity.
- The delivery of World Masters Games 2017 and associated legacy activity as part of the continued expansion of Auckland as a world leading sports and events city.
- Ongoing focus on Auckland as an Innovation Hub of the Asia-Pacific rim offering a world leading eco-system for the establishment of innovation based entrepreneurs, including:
  - the ongoing development and expansion of GridAKL
  - facilitation of a significant Screen Innovation and Production Precinct
  - ongoing showcasing of Auckland's expanding innovation ecosystem
  - the creation of new opportunities for Māori and Pacific Island business start-ups

<sup>1</sup> ATEED defines 'smart money' as productive foreign direct investment.

<sup>2</sup> In February 2016, Auckland was recognised globally as a city on the move, being named for the first time in JLL's Top 20 City Momentum Index (CMI).

- Understanding and supporting the growth of Auckland's advanced industries and supporting the development of productive two way trading relationships.
- An increased focus on attracting new businesses, investment and talent into our key sectors of comparative advantage to improve Auckland's growth and competitiveness internationally.
- Developing the regional brand to position Auckland as a unique destination for the attraction of investors, entrepreneurs, innovators, tourists, events, students and skilled migrants.

## **ATEED Operating Principles**

ATEED has identified the following operating principles which we will adhere to in fulfilling our role:

### **Being Customer-centric**

ATEED acknowledges that the experience for the customer should be seamlessly integrated between the CCOs and the Council ensuring a consistent approach to service delivery. Responsive and seamless customer service is a priority for ATEED. ATEED's organisational structure ensures delivery is designed from the "outside-in", deploying customer-centric design techniques to ensure ATEED is accessible and transparent about its activities.

### **Partnering for Growth – Kotahitanga**

Partnering is a core principle through which ATEED designs and delivers its work and is essential to our future success. ATEED adopted the Māori principle of kotahitanga ("unity in purpose") in 2012 to define its approach to partnering. Incumbent in that approach is the notion of shared goals and objectives, joint funding and ATEED being willing to let partners lead where appropriate.

For example, ATEED will provide business training and R&D funding through its role as the Auckland delivery agent for the government's Regional Business Partner Network programme, and it will leverage funding for major events through the national Major Events Development Fund. ATEED collaborates with a range of agencies and organisations including the Ministry of Business Innovation and Employment, Callaghan Innovation, Tourism New Zealand, New Zealand Trade and Enterprise, Sport New Zealand, Immigration New Zealand, Te Puni Kokiri, Ministry of Pacific Island Affairs, Treasury, , NZ Film Commission, Ministry of Culture and Heritage, Ministry of Social Development and Education New Zealand. In addition ATEED partners with a range of private sector organisations across all elements of our portfolio, where there are common goals.

### **Delivering Value for Money**

ATEED recognises the ongoing pressures on public funding and the need to deliver ever improving value for money to ratepayers. ATEED will continue to focus on delivering enhanced levels of service without increasing rate funding requirements through:

- An ongoing focus on opportunities to partner with third parties to deliver additional and/or improved services within our current funding envelope.
- Continued pursuit of commercial partnerships to reduce reliance on ratepayer funding and allow Council funding to be channelled into enhanced service offerings.
- Specific investigation of a Visitor Levy for Auckland to generate an additional revenue stream for projects and activities designed to grow and support the visitor economy.
- Ongoing focus on reducing overhead costs including greater use of shared services.

### **Many Minds – One Team**

ATEED's goal is for Auckland to be number one, or world leading in its activities – as a liveable city, events city, innovation hub of Asia Pacific, diverse city, visitor destination, Māori city, Pacific Island city, and number one economic growth agency. We will get there by living our values, which permeate all the work we do. Our values are:

- It's all about people: great company
- Let's be clear: great communication
- Connect and collaborate: great relationships
- Bold actions, smart choices: great thinking
- Get it done and make it yours: great results



### 3. ATEED's Contribution to the World's Most Liveable City

The Auckland Plan is the roadmap to deliver on Auckland's vision to be the world's most liveable city. This is a thirty year plan that is under pinned by a set of outcomes and transformational shifts to achieve this vision which help ensure we focus on the right things.

AUCKLAND'S VISION						
THE WORLDS MOST LIVEABLE CITY						
OUTCOMES: WHAT THE VISION MEANS IN 2040						
A fair, safe and healthy Auckland	A green Auckland	An Auckland of prosperity and opportunity	A well connected and accessible Auckland	A beautiful Auckland that is loved by its people	A culturally rich and creative Auckland	A Māori identity that is Auckland's difference to the rest of the world
TRANSFORMATIONAL SHIFTS TO ACHIEVE THE OUTCOME						
Dramatically accelerate the prospects of Auckland's children and young people	Strongly commit to environmental action and green growth	Move to outstanding public transport within one network	Radically improve the quality of urban living	Substantially raise living standards for all Aucklanders and focus on those most in need	Significantly lift Māori social and economic well-being	

The transformational shifts in the Auckland Plan work together to achieve the transformations that are required to get there. ATEED plays a critical part in delivering on these shifts through both primary and secondary contributions. This is outlined in the table below:

Auckland Plan	Degree of contribution	How ATEED contributes
Children & young people	Secondary	Through our work in enhancing the visitor economy growing our target sectors and enabling skill development, education and talent, ATEED contributes directly to the following goals of I Am Auckland (council's strategic action plan on children and young people): <ul style="list-style-type: none"> <li>Given opportunities to succeed and being given a fair go</li> <li>Auckland is my playground</li> <li>Rangatahi tu rangatira (transforming from a young person into a leader)</li> </ul>
Environmental action & green growth	Secondary	Development of a sustainable visitor economy. Growth of service based low carbon emitting industries.
Outstanding public transport	Secondary	Facilitating the development of digital industries and solutions and clean technology industries including electric vehicles. Attraction of investment for significant infrastructure projects..

Auckland Plan	Degree of contribution	How ATEED contributes
Quality urban living	Secondary	Business attraction and investment activity including assisting high quality investors with a commitment to ethical and sustainable development. The visitor economy underpins the amenity of urban and rural living in Auckland.
Raised living standards	Primary	ATEED's focus on facilitating new smart money and high value jobs for Auckland through delivering on its five strategic priorities (innovation, investment, skills and talent, visitors, brand) will lead to a transformational uplift in income for all Aucklanders and help to improve socio-economic inequalities.
Māori social and economic wellbeing	Primary	Through our lead role in the Whai Rawa workstream of the Te Toa Takitini programme and through projects and programmes like, the Māori Economic Growth programme, the Major Events Strategy, the Tāmaki Herenga Waka Festival, Māori tourism development and iwi investment facilitation, ATEED will take every opportunity to incorporate Māori responsiveness – contributing to Māori wellbeing, and achieving better outcomes for and with Māori– into its activity.

## 4. ATEED's Strategic Objectives

ATEED has identified five key strategic objectives that collectively articulate ATEED's role in creating the world's most liveable city, delivering on a number of key strategies to bring new smart money and high value jobs into Auckland. The five strategic objectives are:

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

Through these objectives we can connect Auckland wide strategies (Auckland Plan, Economic Development Strategy) and ATEED's ongoing strategic interventions, growth programmes and projects. The framework below provides the organisation with focus on those areas of our role that will make a difference to Auckland. The key strategic objectives are supported by more detailed action plans, investment proposals and delivery partnerships.

**Figure 1: ATEED's Strategic Objectives**



## 5. Three Year Workplan to Deliver on Strategic Direction

The following are the key initiatives/projects to deliver on ATEED strategic objectives. Many of these initiatives/projects are delivered across the region including into council's key spatial priority areas, the Central City and the Southern Initiative.

Projects and programmes	Description
<b>Grow the Visitor Economy</b>	
<i>The benefits of an enhanced visitor economy extend beyond the direct economic impacts that increased visitor numbers bring. A city that is attractive 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's role is to partner, to market and promote Auckland as a unique destination to domestic and international tourists, the travel trade, business/institutions and students. We also partner with the visitor sector to identify and fill gaps in Auckland's visitor attraction offering – including major events.</i>	
International and Domestic Destination Marketing	Undertake international trade and consumer marketing and media activity in Australia, China, and the USA in partnership with Tourism NZ (TNZ), Auckland International Airport Limited (AIAL), Flight Centre, and other partners. Continue marketing Auckland domestically including through new and existing events and through specific campaigns.
Trade Marketing	Focus on increasing yield from markets through the high value "AKL GEMS" programme (Golf, Equine, Marine including super yachts, Screen) and trade partnerships with TNZ, AIAL, Virtuoso, AMEX, Air NZ, China Southern and others.
Destination Development	Work with partners to identify and address product gaps and ensure the region's strong Māori identity and contemporary culture are woven into the visitor offering. Projects include lighting the tupuna maunga and other Auckland landmarks, new developments like Skypath, Vector Wero Water Park, new attractions, cycling and walking trails, and Māori cultural attractions that align with the Auckland offering. Continue to partner with local tourism operators and regional cluster groups to facilitate connectivity and position and promote local areas as distinctive destinations within Auckland. Partner with the Cruise sector to ensure Auckland continues to rate highly as a cruise destination and that cruise infrastructure responds to the growth in the size of ships and the number of visits.
Business Event Attraction and Leverage	Grow the value and volume of business events in Auckland and focus on using business events to address seasonality in the visitor economy and support growth and investment into key Auckland sectors (through the Auckland Convention Bureau) in line with the Auckland Business Events Plan. Partner with TNZ and the New Zealand International Convention Centre to attract major business events to Auckland.
International Student Attraction and Retention	Partner with Education New Zealand and the education sector to tell the Auckland education story to attract international students to Auckland. Deliver interventions to enhance the international student experience, including workforce integration and create lifelong connections between the city and students, their friends and family.
Major Event Attraction and Development	Work in partnership to attract, develop and manage a portfolio of economic, social and brand anchor events which align with Auckland's Major Events Strategy and the priorities of ATEED and Auckland Council. Currently contracted events include the ITM 500 Auckland (V8 Supercars) and the NRL Auckland Nines.
Major Event Sponsorship and Leverage	Leverage the annual major events portfolio taking an integrated view across ATEED and focusing particularly on events having significant impact such as the ISAF World Junior Sailing Championships 2016, Lions Tour 2017, World Masters Games 2017, Rugby League World Cup 2017 and Volvo Ocean Race Auckland Stopover 2018.

Projects and programmes	Description
Major Event Delivery and Operational Support	Ensure the successful delivery in combination with partners of the Tāmaki Herenga Waka Festival, Auckland Lantern Festival, Auckland Pasifika Festival and the Auckland Diwali Festival of Lights. Offer city operations expertise and support of major events.
World Masters Games 2017	Through WMG2017 Ltd, deliver an operationally successful event that meets or exceeds KPIs while maintaining at least a balanced budget and in accordance with contractual obligations to the International Masters Games Association (IMGA) and the Ministry of Business Innovation and Employment (MBIE). ATEED will leverage WMG 2017 to maximise economic opportunities for Auckland and showcase Auckland's Māori identity.
Visitor Information Provision	Continue to improve the provision of visitor information services particularly through digital channels and i-SITES
<p><b>Build a Culture of Innovation and Entrepreneurship</b></p> <p><i>An entrepreneurial economy fuelled by innovative businesses in advanced industries will grow at an accelerated rate, and as such innovation and entrepreneurship are crucial for sustained and long-term economic growth. In building a culture of innovation and entrepreneurship, ATEED's primary role is to enable, facilitate and connect. In partnership with corporates, industry clusters, government, universities and businesses we will help build an environment which supports innovation and entrepreneurship to flourish. ATEED has a dedicated Innovation Programme, shaped by the Auckland Innovation Plan, which will support the growth of a culture of Innovation and Entrepreneurship in Auckland and build Auckland's position as an Innovation Hub of the Asia-Pacific rim.</i></p>	
Stimulating and Promoting Innovation & Entrepreneurship	<p>The ongoing development of GridAKL as the innovation hub at Wynyard Quarter for Auckland and a showcase of innovation in digital technology, including the nurturing of high-growth start-ups and a programme of events and activation. We will also partner with other existing and proposed precincts and co-working spaces to enhance linkages between these spaces and GridAKL, increasing collaboration and shared knowledge. These include Growth North, Grid Uptown, Grid Devonport and the proposed Screen Innovation Production Precinct.</p> <p>Delivery of our youth entrepreneurial programmes including Young Enterprise Scheme, Ideastarter and Dig my Idea which aim to inspire entrepreneurial ambitions among young people. Aligned to this, ATEED is partnering with the tertiary sector to support entrepreneurship catalyst programmes. This continuum of initiatives support the development of the next generation of entrepreneurs in Auckland.</p> <p>Showcasing innovation and entrepreneurship in the Asia-Pacific region through supporting the delivery of Auckland's showcase innovation event, Techweek which will:</p> <ul style="list-style-type: none"> <li>• support collaboration within the Auckland innovation ecosystem</li> <li>• attract entrepreneurs, businesses and investors from throughout the Asia-Pacific region, and</li> <li>• promote Auckland's performance and story as an Innovation Hub of the Asia-Pacific rim to domestic and international audiences.</li> </ul>
Supporting R&D and STEM Focused Industries	<p>Partner with industry associations and other key stakeholders to support the growth of Auckland's Advanced Industries (those which have a higher proportion of R&amp;D investment and STEM employment). These industries include High Value Foods and Beverages, ICT, Screen and Digital, Sports Tech, Advanced Materials and High Value Manufacturing.</p> <p>Aligned to our support for High Value Foods and Beverages, continue to support New Zealand Food Innovation Auckland (the Foodbowl – Te Ipu Kai) to achieve its vision for a motivated and internationally recognised F&amp;B industry including improving connectivity between the Foodbowl and F&amp;B firms.</p> <p>Support investment in R&amp;D including through delivery of the Regional Business Partner programme and increasing the awareness of the value of R&amp;D investment amongst Auckland businesses.</p>

Projects and programmes	Description
Supporting Local Economies & Local Businesses	<p>In partnership with the Auckland Chamber of Commerce, support local business through delivery of the Regional Business Partner programme in Auckland. Together, ATEED and Auckland Chamber of Commerce, also deliver the Westpac Auckland Business Awards to celebrate the success of local businesses.</p> <p>Through local partnerships, deliver initiatives and local business events which foster connectivity and collaboration both within and across industries.</p> <p>Partnering with the broader council family including local boards and the IMSB to support decision making on local economic growth and facilitate or coordinate the delivery of local economic development activity.</p>
Supporting the Growth and Diversification of the Māori Economy	<p>Working in partnership with Māori and champions of Māori business ATEED will deliver a range of interventions that will develop Māori capability and capacity to grow the Māori economy. Interventions include youth focused initiatives such as Dig My Idea and Emerging Leaders Programme, an SME focused programme supporting Māori small and medium businesses, and the development of a Māori corporate network.</p> <p>ATEED also leads Auckland Council's Maori economic wellbeing programme, Whai Rawa, as part of the overall Te Toa Takitini framework.</p>
<p><b>Attract Business and Investment</b></p> <p><i>The attraction of more businesses of scale, and a focus on productive inward investment, is crucial if Auckland's growth goals are to be achieved. ATEED's role is to work in partnership with central government agencies, the Auckland Council group and the private sector to proactively attract and respond to business and investment opportunities into sectors of focus for Auckland, and ensure that services are effectively leveraged and coordinated. ATEED also delivers post-investment aftercare services to ensure Auckland retains this investment and associated jobs and skills and actively encourage further investment.</i></p>	
Business Attraction	<p>Identify and facilitate business attraction opportunities in Auckland's key sectors and advanced industries. Understand barriers to business attraction and investment and work to ensure Auckland is an investment friendly destination that delivers appropriate investment opportunities and compelling reasons for businesses to establish in Auckland.</p>
Investment Promotion and Attraction	<p>Promote Auckland as an international business and investment destination. Continue to implement our targeting programme to attract productive FDI into key projects, initiatives and advanced industries including investment into the Auckland visitor economy such as new hotel infrastructure and major new attractions for Auckland. Partner with MFAT, NZTE and Immigration New Zealand to facilitate the attraction of investment.</p>
Post Investment Support	<p>Deliver post investment support (aftercare) services through the Aroha Auckland programme to companies and individuals to ensure the retention of existing multi-national businesses and investors and identify opportunities for further expansion.</p>
Event Leverage	<p>Leverage major and business event activity to ensure business growth, business attraction and investment opportunities are fully utilised (e.g. motorsport investment) and grow the amenity and liveability of the city.</p>
Screen and Digital	<p>Attract international screen and digital production and project activity to Auckland, develop local productions and sector capability and facilitate the permitting of screen activity (through Screen Auckland) to ensure a thriving Auckland screen sector.</p>
<p><b>Grow and Attract Skilled Talent</b></p> <p><i>Nurturing a talented workforce with a strong skills base is identified internationally as key to developing an innovation and knowledge based economy. People with the right skills and talent can give firms a competitive edge through increased innovation, use of new technologies, improved workplace practices and access to new markets. ATEED's role is to work with employers to better understand key skill challenges and workforce development needs and attract the right talent to fill them including the role that youth can play. We also partner</i></p>	

Projects and programmes	Description
<i>with government and training providers to develop pathways for students into the city's advanced and growing industries.</i>	
Talent Attraction and Retention	Work in partnership with Immigration New Zealand, Auckland Chamber of Commerce and key employers to support the attraction of migrant and expat talent into skills gaps in Auckland for key sectors through a range of channels including targeted marketing campaigns and interventions.
Workforce Planning	Work in partnership with government and tertiary education providers to identify and support training in areas of emerging shortages such as information and communications technology (ICT) and the science, technology, engineering and mathematics (STEM) skills needed for innovation and economic growth in advanced industries. With COMET, deliver the Science in Society pilot in South Auckland.
Employment Pathways	Support youth employment by delivering the Employers Pledge Programme and Jobfests in partnership with Council's Youth Connections programme. Partner with Education New Zealand to retain international students and develop pathways into employment in alignment with our key economic growth sectors.
<p><b>Build Auckland's global brand and identity</b></p> <p><i>Every great city has a great global brand and positioning. A brand is a complete value proposition that sets a city's identity apart. A clearly articulated global brand position for a city is important for attracting tourists, students, migrants, researchers, innovators, entrepreneurs, investors and events, and the associated measurable benefits they bring. ATEED's role is to develop Auckland's global brand proposition and work with Council and private sector partners to ensure it is promoted consistently across Auckland, nationally and internationally.</i></p>	
Global Auckland	Lead the development of a global brand proposition for Auckland that capitalises on Auckland's Māori identity as a point of difference in the world. Work with partners to promote the Auckland identity and brand story consistently and seamlessly across all activity in domestic and international markets in a way that leverages our distinct advantages. Benchmark and validate brand awareness and traction.
www.aucklandnz.com	Maintain www.aucklandnz.com and associated social media as key channels to promote the Auckland identity and brand story including ongoing investment in search engine marketing and optimisation to ensure traffic continues to grow in key markets and targeted users.

## Local Economic Development

ATEED is developing Local Board Engagement and Action Plans for all 21 Local Boards in the Auckland Region. These plans outline specific actions and projects that align both with ATEED's economic development goals for Auckland on behalf of Auckland Council and each board's objectives as specified in their Local Board Plans. ATEED will report on progress against these actions through regular reporting to Auckland Council and local boards.

## Achieving better outcomes for and with Māori

As Auckland's economic growth agency, ATEED is responsible for promoting and fostering economic development and opportunities for everyone across the region, including Tāmaki Makaurau's 19 recognised iwi groups (mana whenua) and the wider mataawaka Māori community.

We know the value of strong performing businesses within the economy, and the Māori economy contributes across Auckland's sectors at all levels. We recognise that the Māori economy is becoming a formidable force within Auckland and that it encompasses business, social and community dimensions, with both a domestic and international focus.

Through our lead role in the Whai Rawa workstream of the Te Toa Takitini<sup>3</sup> – Māori Responsive High Performance Council programme - ATEED has a strong vision about the role we can play to advance the business and economic well-being of mana whenua and mataawaka. This includes identifying appropriate investment partners, sector partners and growth initiatives.

Key projects that ATEED has identified that specifically contribute to achieve better outcomes for and with Māori are specified below.

Key projects and initiatives	Description	Contribution to Māori wellbeing/ opportunities
Tāmaki Herenga Waka Festival	Work with key partners (including mana whenua Panuku Development Auckland and the broader Auckland Council family) to continue to develop and ensure delivery of the Tāmaki Herenga Waka Festival.	Celebrates and showcases Māori culture and innovation and provides a vehicle to leverage Māori business and investment opportunities.
Māori Economic Growth Programme	Deliver a Māori Economic Growth programme including a range of interventions that will foster Māori entrepreneurship and develop capability and capacity to grow the businesses and the Māori economy, locally and internationally.	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.	Support for Māori tourism businesses from market intelligence and start-up advice through to assistance in connecting with export and funding opportunities.
Iwi Investment Support	Partner with Auckland iwi to identify opportunities to invest and/or co-invest in initiatives that have positive outcomes for Māori.	Maximise Māori business and investment opportunities, including targeting FDI and other potential investment partners.
Māori Cultural Showcasing	Take all opportunities to showcase Māori tikanga and culture and to develop programmes to support Māori visibility through key initiatives and regional events including major sporting and business events (e.g. NRL9s).  Develop connectivity internationally with other regions, cities and businesses based on Auckland's Maori culture and economy.	Celebrates and showcases Māori culture and the unique elements that amplify Auckland's global brand and economic opportunities.
Māori Cultural Centre	Work with partners to facilitate the development of a significant Māori cultural centre and attraction in Auckland.	The Centre will celebrate and showcase Māori culture to the world and provide employment and economic development opportunities.

In addition, we will also continue to look for one-off opportunities of significance for showcasing and developing the Māori economy, culture and capability, whether in Auckland or internationally. This programme of work and ATEED's initiatives to improve our organisational responsiveness to Māori are also reflected through ATEED's Māori Responsiveness Plan.

<sup>3</sup> Te Toa Takitini is a council led initiative designed to lead and influence better outcomes for Maori by enabling a top-down council family approach to significantly lift Maori social and economic well-being, strengthen the council's effectiveness for Maori and maximize post-Treaty settlement opportunities for the benefit of mana whenua, Auckland Council and Auckland public.



## 6. Performance Outlook

ATEED has an agreed set of performance measures and targets which form the basis for accountability to delivering on our strategic objectives. These will be reported on quarterly in accordance with the CCO Governance Manual and align to the measures agreed as part of the Long-term Plan 2015-2025.

Service Level Statement	Measure	2014/15	2015/16	2016/17	2017/18	2018/19
		Actual	Target	Targets		
<b>Grow the Visitor Economy</b>						
Promote and develop Auckland as a national and international visitor and business destination, including through the attraction, facilitation, funding and delivery of major events	Spend by visitors in Auckland	\$5,30m	\$5,412m	\$6,319m <sup>4</sup>	\$6,617	\$6,943
	Number of international business event bids submitted or supported	28	35	35	40	45
	Business event bid win/loss ratio <sup>5</sup> (based on results received in financial year)	na	60%	60%	60%	60%
	Value of business event bids won in financial year	na	New measure	\$19m	\$22m	\$24m
	Percentage of customers satisfied with visitor information centres and services (LTP measure)	93%	85%	85%	85%	85%
	Contribution to regional GDP from major events invested in (LTP measure)	\$73.1m	\$49m	\$86m <sup>6</sup>	\$49m	\$55m
	Percentage of Aucklanders who agree events make Auckland a great place to live (engender pride and sense of place)	79%	80%	80%	80%	80%
	Visitor nights generated by major events invested in <sup>7</sup>	390,000	170,000	415,000 <sup>8</sup>	165,000	180,000
	Percentage of customers satisfied with delivered major events (LTP measure)	92%	85%	85%	85%	85%
<b>Build a Culture of Innovation and Entrepreneurship</b>						
Deliver information, advice, programmes and	Number of businesses taking up tenancy at GridAKL (Wynyard Innovation Precinct)	15	25 (70%)	55 (70%)	75 (70%)	95 (70%)

<sup>4</sup> From 2016/17 targets have reset to align with latest Ministry of Business, Innovation and Employment Monthly Regional Tourism Estimates (MRTes)

<sup>5</sup> Calculated as wins divided by wins + losses. Does not account for bids pending, not proceeded with, cancelled or not submitted

<sup>6</sup> Target includes the impact of World Masters Games 2017

<sup>7</sup> Targets for visitor nights generated by major events reflect the targets originally endorsed by council through the Major Events Strategy. It has since become apparent that these targets are low and ATEED aims for significantly higher KPIs internally. Refreshed target will be developed for 2017/18. <sup>8</sup> Target includes the impact of World Masters Games 2017<sup>9</sup> Innovation-led is defined as businesses developing new or improved technologies or services

<sup>8</sup> Target includes the impact of World Masters Games 2017<sup>9</sup> Innovation-led is defined as businesses developing new or improved technologies or services

Service Level Statement	Measure	2014/15	2015/16	2016/17	2017/18	2018/19
		Actual	Target	Targets		
initiatives to attract and develop investment, businesses and a skilled workforce	(cumulative) and percentage 'innovation-led' <sup>9</sup>					
	Number of individual entrepreneurs supported through an ATEED delivered or funded entrepreneurship programme	na	New measure	1,500	1,500	1,500
	Percentage of stakeholders satisfied with provision of business advice start-up and training programmes (LTP measure)	94%	85%	85%	85%	85%
	Number of actively managed businesses through Regional Business Partner Programme.	884	360	720	720	720
	Number of businesses that have been through an ATEED programme or benefitted from an ATEED intervention (LTP measure)	New measure	1,500	1,500	1,500	1,500
	Number of Māori businesses that have been through an ATEED programme or benefitted from an ATEED intervention (LTP measure)	New measure	100	100	100	100
<b>Attract Business and Investment</b>						
Deliver information, advice, programmes and initiatives to attract and develop investment, businesses and a skilled workforce	Facilitation of the establishment or significant expansion of multinational and local companies in target sectors (LTP measure)	6	5	5	5	5
	Number of intensively account managed customers in ATEED aftercare programme (Aroha Auckland)	85	80	85	85	85
	Total GDP contribution of deals effected with ATEED involvement	\$604m	\$54m	\$56.7m	\$59.6m	\$62.5m
	Value of investment deals effected by ATEED within the financial year	\$265m	\$265m	\$278m	\$292m	\$307m
<b>Grow and Attract Skilled Talent</b>						
Deliver information,	Number of 'live' signatories to the Youth Employment Traction	13	50	50	50	50

<sup>9</sup> Innovation-led is defined as businesses developing new or improved technologies or services

Service Level Statement	Measure	2014/15	2015/16	2016/17	2017/18	2018/19
		Actual	Target	Targets		
advice, programmes and initiatives to attract and develop investment, businesses and a skilled workforce	Hub Employers Pledge (LTP measure)					
	Growth in value of international student spend to Auckland	\$1.75b	\$1.564b	\$1.888b	\$2.115b	\$2.276b
<b>Build Auckland's Brand and Identity</b>						
Promote and develop Auckland as a national and international visitor and business destination, including through the attraction, facilitation, funding and delivery of major events	Total visits to www.aucklandnz.com (LTP measure)	3.19m	3.0m	3.4m	3.8m	3.8m

**Note:** Measures related to major event activity may be subject to some volatility due to the type and size of major events held from year to year. For example, the resources required to deliver a significant major event may mean relatively less activity can be funded and/or delivered in the period leading up to it. As a result, RORI in the year of a significant major event should be considerable, but is likely to be significantly lower in the year preceding. A 'rolling average' approach to major event measurement may be more appropriate.

## Local Economic Development

Measure	2014/15	2015/16	2016/17	2017/18	2018/19
	Actual	Target	Targets		
Percentage of actions in ATEED Local Board Engagement and Action Plans completed.	na	New measure	80%	80%	80%

## Mana Whenua Engagement

Measure	2014/15	2015/16	2016/17	2017/18	2018/19
	Actual	Target	Targets		
Percentage Mana Whenua satisfaction with quality of engagement.	New measure	Establish baseline	Maintain/improve	Maintain/improve	Maintain/improve

## World Masters Games 2017

WMG2017 is a multi-year project which will be delivered in April 2017. The major KPIs are based on the outcome of the Games and are specified in the Terms of Reference between ATEED and WMG2017 Ltd. Achieving these KPIs will be the basis on which the performance of the organisation is judged. The below are a subset of the full set of KPIs specified in the Terms of Reference.

Measure	Target
Contribution to regional (Auckland) GDP of world Masters Games 2017	\$36.16m
Visitor nights generated in Auckland by World Masters Games 2017	250,810
Percentage of competitors/participants who agree that the Games were well organised	85%
Percentage of public attendees who agree that the Games were well delivered and enhanced their pride in the city	85%

## 7. Monitoring Indicators

In addition to our performance measures, ATEED has identified a further set of monitoring indicators. 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.

Measure	2011	2012	2013	2014	2015
<b>Auckland Economy</b>					
Auckland Real GDP growth (YE Mar)	3.1%	3.9%	2.5%	2.9%	3.7%
Auckland exports growth	3.0%	2.7%	2.1%	na	na
Auckland productivity growth	na	0.1%	0.2%	-0.3%	na
<b>Grow the Visitor Economy</b>					
Visitor arrivals through Auckland airport (YE Dec)	1.85m	1.82m	1.93m	2.03m	2.22m
Auckland commercial guest nights (YE Dec)	6.25m	6.43m	6.67m	6.99	7.12
Overall visitor satisfaction with Auckland experience (/10)	7.7	7.9	7.8	7.7	na
<b>Build a Culture of Innovation and Entrepreneurship</b>					
Percentage of Auckland businesses innovating	na	na	na	na	77%
Share of Auckland workforce employed in Advanced Industries	10.9%	10.9%	11.3%	11.5%	11.3%
<b>Attract Business and Investment</b>					
Number of top 200 business head offices in Auckland	na	123	na	124	na
Number of FDI deals occurring in Auckland	20	21	16	14	24
<b>Grow and Attract Skilled Talent</b>					
Auckland Vacancy Index (Annual average to YE Dec) <sup>10</sup>	72.3	73.3	81.2	93.8	102.5
Auckland youth (15-24yrs) NEET <sup>11</sup> rate (YE Dec)	12.1%	12.8%	9.6%	10.6%	9.8%
<b>Build Auckland's Global Brand and Identity</b>					
Auckland ranking on Mercer Quality of Living Index	na	3rd	na	3rd	3rd
Auckland ranking on JLL Top 20 City Momentum Index	na	na	Not in top 20	Not in top 20	20th

<sup>10</sup> May 2007=100. Increasing index indicates a tightening labour market

<sup>11</sup> NEET: Not in employment, education or training

## 8. Summary of Financials

The following summary of financials supports the delivery of the strategic deliverables and performance targets for ATEED.

\$000	Budget		
	2016/17	2017/18	2018/19
<b>Financial year ending 30 June</b>			
<b>Revenue</b>			
Operating funding from Auckland Council	56,200	50,300	55,612
Fees and user charges	13,207	11,745	11,964
Subsidies and grants (opex)	6,623	2,877	1,411
<b>Total revenue</b>	<b>76,030</b>	<b>64,922</b>	<b>68,988</b>
<b>Expenditure</b>			
Employee benefits	27,037	24,230	24,957
Depreciation and amortisation	1,198	1,933	1,923
Grants, contributions and sponsorship	10,044	11,840	13,711
Other operating expenses	39,052	28,876	30,346
<b>Total expenses</b>	<b>77,332</b>	<b>66,879</b>	<b>70,937</b>
Finance income	36	24	26
Finance expense	(67)	0	0
<b>Net operating income</b>	<b>(1,198)</b>	<b>(1,933)</b>	<b>(1,923)</b>

Capital expenditure	Budget		
	2016/17	2017/18	2018/19
<b>Total capital expenditure</b>	<b>7,865</b>	<b>187</b>	<b>193</b>
<b>Sources of capital funding:</b>			
Capital funding from Auckland Council	7,385	187	193
Subsidies and grants - capex	480	0	0
<b>Total capital funding</b>	<b>7,865</b>	<b>187</b>	<b>193</b>
<b>Capital funding surplus / (deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Shareholder equity ratio</b>	<b>67%</b>	<b>64%</b>	<b>61%</b>

## Specific expenditure towards Māori outcomes

Initiatives (\$000)	Budget
	2016/17
Tāmaki Herenga Waka Festival	500
Māori Tourism Development programme	150
Māori Economic Growth programme including:	
Māori Economic Forum	48
New sector development	48
Indigenous economic/innovation conference	48
Visitor and industry promotional video	24

## Other financial information

<b>Current value of assets</b>	The current value of ATEED's assets as 30 June 2015 was \$5.631 million based on the net asset value of the ATEED group as disclosed in the audited financial statements.	
<b>Accounting Policies</b>	ATEED accounting policies are consistent with those of the Auckland Council group policies.	
<b>Financial Reporting</b>	ATEED financial reporting to council will be in accordance with requirements of the CCO Governance Manual.	
<b>Asset sales (\$ million)</b>	2014/15 Actual	Nil
	2015/16 LTP	Nil
	2016/17 Annual Plan	Nil
	2017/18 Annual Plan	Nil
	2018/19 Annual Plan	Nil

## 9. Approach to Governance

### Working in Partnership with the Council Family

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.

ATEED commits to partnering with all members of the council family to ensure a joined up approach to all its economic development activity including event schedule clashes that would materially impact on the same audience.

### Building Aucklanders' Understanding of Assets and Services

ATEED acknowledges that building public understanding of the breadth of assets and services provided to them by the council group is important to increase overall democratic accountability and participation. Signage and other forms of communication assist in educating ratepayers on when ratepayer funds or council group assets are being used to support activity. ATEED commits to proactive and meaningful engagement with the council Brand Navigation Group on issues regarding signage, communications and branding to help improve public understanding of the use of ratepayer funds.

### Working with our Entities

In addition to governance relationship with council, ATEED also holds governance relationships with World Masters Games 2017 Ltd and New Zealand Food Innovation Auckland Ltd.

#### World Masters Games 2017 Ltd

World Masters Games 2017 Limited is a limited liability company that has been incorporated by ATEED as a subsidiary and consequently is a Council-Controlled Organisation for the purposes of the Local Government Act 2002. WMG2017 Ltd has its own board of directors, guided by the Constitution and Terms of Reference put in place by ATEED.

WMG2017 Ltd reports to the ATEED Board via monthly whole of programme reporting, and fortnightly to ATEED management via a Steering Group involving the WMG2017 Ltd Chief Executive and two members of ATEED's Leadership Team.

#### New Zealand Food Innovation Auckland Ltd (NZFIA) – trading as The Foodbowl (Te Ipu Kai)

NZFIA is a food and beverage new product development facility, 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

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

Purpose	Date	Form of Public Notification
Consider performance against SOI targets	August 2016	Public notice, New Zealand Herald
Consider shareholder comments on draft SOI	June 2017	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 who may be affected by ATEED's activities. We will do this by:

- Ensuring that best practice health and safety standards are consistently applied in every aspect of our business activities;
- Complying with all health and safety obligations under relevant legislation; and
- Having a safe, healthy and enjoyable environment for everyone within ATEED's area of control.