

Second Quarter Report 2015-16

FOR THE QUARTER ENDED 31 DECEMBER 2015



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EXECUTIVE SUMMARY

Working for Auckland in partnership with key stakeholders, Regional Facilities Auckland (RFA) is at the heart of creating exciting, engaging and accessible experiences by bringing to life the arts, the natural environment, sports and events for those who live in and visit the city.

RFA continued to attract new audiences and make a significant contribution to the region's economy during the second quarter of the 2015/16 financial year.

Operational highlights of the quarter include the highly successful Summer in the Square at Aotea Square, Taste of Auckland at Western Springs, sell-out performances by Fleetwood Mac and Ed Sheeran at Mt Smart Stadium, AC/DC at Western Springs Stadium, Dylan Moran at Aotea Centre, Stephen Fry at The Civic and the annual Auckland City Mission charity Christmas lunch at the ANZ Viaduct Events Centre.

On the industry front, the Bruce Mason Centre won a top national award for Medium Venue of the Year at the prestigious EVANZ (Entertainment Venues Association NZ) awards. The industry award is a real achievement for both the Auckland Live and Auckland Conventions team as it acknowledges their hard work in turning the venue around in the 18 months since RFA took over its management.

RFA finished the second quarter with an accounting deficit of \$3.6m which is \$2.1m unfavourable to a budgeted total deficit of \$1.5m. This includes abnormal or non-cash items such as donated assets, asset write offs and depreciation. While the operational result is in line with budget overall, our businesses are subject to a significant degree of market volatility, and the challenging revenue targets are in the second half of the financial year.

STRATEGIC ISSUES AND FOCUS AREAS

DELIVERY OF CAPITAL PROGRAMME

RFA has \$31m of capital programmed for the 2015-16 financial year. In addition to essential renewals, there are three key areas for strategic capital investment – Auckland Zoo, Auckland Stadiums and Aotea Centre.

The investment to address the Zoo's aging infrastructure is progressing in accordance to plan, with two projects due for completion in 2016: Pridelands and the Australia Precinct.

The key investment projects relating to Auckland Stadiums and Aotea Centre have been delayed pending further design and consultation with relevant stakeholders.

The delivery of the capital programme remains a key area of focus for the organisation.

AUCKLAND STADIUMS

As requested by Council, new RFA CEO Chris Brooks has taken the opportunity to meet with key stakeholders and review the existing stadiums strategy. As a result of this consultation some changes to the strategy are contemplated. It is anticipated that this will be finalised in the third quarter of this financial year.

EXTERNAL REVENUE AND CUSTOMER ENGAGEMENT

Operating in a highly competitive environment, 64% of RFA's revenue is generated through external trading. In order to remain relevant and competitive in the market place, RFA continually reviews its revenue sources, customer and client expectations, and service delivery mechanisms with a view to implementing new initiatives to meet its revenue growth strategies.

HIGHLIGHTS FOR THE LAST QUARTER

AUCKLAND ART GALLERY TOI O TĀMAKI

The Gallery launched a number of exciting initiatives this quarter including *Reading Room*, a journal of art and culture, with support from the Marylyn Mayo Foundation, and a new enhanced interactive website.

As part of Auckland Artweek, *Late Night Art*, an evening of live performances and viewings, was a sell-out success, generating interest in the recently opened *Yang Fudong: Filmscapes* exhibition. This was the Shanghai-based Chinese moving image artist's first-ever survey exhibition in New Zealand.

Other highlights include the welcoming of the Gottfried Lindauer Māori portraits back to the Gallery after successful exhibitions in Berlin and Pilsen; the launch of *Hardly Held Light*, a trio of sculptures by John Ward Knox on the North Terrace and in Albert Park; and the opening of *Necessary Distraction*, an exhibition of 19 influential New Zealand artists.

The Gallery also welcomed new Curator of Māori Art, Nigel Borrell, who brings a wealth of experience, insight and connections with Māori cultural practise, artworks and artists. In addition, Gallery director Rhana Devenport was appointed curator for New Zealand's presentation at the 57th Venice Biennale in 2017 – the world's largest and most prestigious international contemporary art exhibition.

AUCKLAND CONVENTIONS

This has been a successful quarter for Auckland Conventions, staging 210 events during the period. The team hosted the Auckland City Mission Christmas lunch for the fifth consecutive year at the ANZ Viaduct Events Centre which received positive media coverage.

Other event highlights at the ANZ Viaduct Events Centre include the Auckland Marathon, which attracted 16,000 entrants, as well as major Christmas functions held by ANZ and Datacom. Graduation season also fell into the second quarter. Auckland Town Hall successfully hosted three graduation ceremonies by Whitecliffe, ACG Senior College and Otago Polytechnic, while AUT University held its ceremonies over two days at Aotea Centre.

Visitor satisfaction for Auckland Conventions is tracking very well, with over 92% of people satisfied with the venue experience. Attendance numbers at the ANZ Viaduct Event Centre were up 19% compared to the previous year due to major events such as New Zealand Fashion Week.

AUCKLAND LIVE

Summer in the Square kicked off in Auckland's CBD in the final month of the second quarter, marking the first year this annual programme will run through the entire three months of summer. The free, family-friendly programming features performances by more than 60 high-

calibre music acts as well as dancers, artists, a vegetable garden, gardening workshops, performance theatre, street food, a buskers festival, and a vintage weekend. The colourful bean bags and deckchairs scattered around the square provide the opportunity for visitors to the square to relax and enjoy the buzz of this vibrant city space.

Notable event highlights during the quarter include *Luminarium Arboria*, part of Auckland Live's school holiday programming which attracted 18,500 people to Aotea Square, the Auckland Primary Principals' Association Music Festival, Black Grace's 20th anniversary show *Siva*, Fat Freddy's Drop, as well as the annual Diwali Festival of Lights and Farmers Santa Parade – both of which drew large crowds to Aotea Square. *Le Noir: The Dark Side of Cirque* concluded a hugely successful season at The Civic this quarter with overwhelmingly positive media coverage and close to 15,000 attendees.

AUCKLAND STADIUMS

Auckland Stadiums kicked off its highly anticipated outdoor summer concert season in the second quarter with an outstanding line-up of festivals and performances. Around 70,000 fans attended Fleetwood Mac over two nights at Mt Smart Stadium in November, with 50% of ticket sales coming from outside Auckland. Ticket sales for all summer concerts have exceeded expectations, including the sell-out *Our:House* dance festival which drew 12,000 fans. Community attendance at Mt Smart continued to track ahead of expectations, with strong support from school athletics events.

At Western Springs Stadium, a new speedway season launched in October and in December the highly successful Taste of Auckland food festival showcased Auckland's best cuisine. QBE Stadium hosted the ASB Premiership, AFL games and the ITM Cup.

AUCKLAND ZOO

Auckland Zoo continued its vitally important conservation efforts, sending giraffe Shira south to join Christchurch's Orana Park and three Bornean orangutan to America to help with breeding programmes worldwide. More than 300 Zoo-bred wetapunga were released onto Motuora and Tiritiri Matangi islands, and the Zoo also celebrated the 300th kiwi chick released onto Rotoroa Island as part of Operation Nest Egg.

Auckland Zoo visitor numbers exceeded target this quarter despite adverse weather over the period. Redevelopment of the Zoo's new Pridelands precinct, expected to open by Easter, continued with the horticulture team moving a variety of native and exotic plants into the area.

The outlook for Auckland Zoo is strong going into the third quarter. Its family-friendly summer programme includes four concerts featuring popular local artists, late night openings, an art and photography exhibition, and the hugely popular Wriggle & Rhyme dance and music sessions for pre-schoolers run in partnership with Auckland Libraries.

FUTURE OUTLOOK

An exciting and diverse number of events and activities are confirmed for the remainder of the financial year across all RFA venues.

RFA's summer season has kicked off with an outstanding line-up of entertainment. The three-month *Summer in the Square* programme in Aotea Square is proving a major drawcard for visitors to the CBD; the popular Seafood Festival returns to the ANZ Viaduct Event Centre in January; and Auckland Zoo will host four outdoor concerts in February following the success of its first summer concert series in 2015.

Events later in the year include the return to The Civic of the classical musical *Phantom of the Opera* in February and *Flashdance* in May. North Shore's Bruce Mason Centre will stage the Auckland Theatre Company's production of *Evita* in May. International artists include Dawn French, Jackson Browne, The Proclaimers, and comedian Sarah Millican. The Auckland Arts Festival in March, The NZ International Comedy Festival in April/May, the Auckland Writers Festival and New Zealand Opera's season of *The Magic Flute* in May also form part of an exciting six-month line-up. Auckland Art Gallery programming includes the *Iwi Rangatira* exhibition of Maori chief portraits by 19th century artists Charles Goldie and Gottfried Lindauer and the Big Day Art holiday school programme in April. In addition, the Aotea Centre will host 5,000 delegates for the Australian and New Zealand College of Anaesthetists Conference in May.

The Auckland Zoo redeveloped Prideland's precinct is scheduled to open by Easter 2016. The development includes new boardwalks across the Giraffe enclosure which will enhance visitor experiences. Development works on the final section of the Australia precinct is also due for completion in June 2016. These capital works form part of the 10-year renewal programme to address Auckland Zoo's aging infrastructure and animal welfare requirements.

RFA's extensive and diverse programming of activities for 2015/16 further cements Auckland's reputation as one of the world's most liveable cities, supporting both social good and economic growth by attracting domestic and international visitors to the region.

KEY DELIVERABLES

PROJECT	DELIVERABLE	STATUS	PROGRESS
INFLUENCING SECTOR CHANGE	<p>MUSEUMS SECTOR</p> <p>Close collaboration with the Auckland museums sector and Auckland Council to improve the financial sustainability, standards of service delivery, and cultural and economic benefits to the Auckland community.</p>	Ongoing	RFA continues to work closely with Auckland Council and the museums sector. Two main areas of focus during this quarter is the development of the museums respective annual plans and a long term strategy for enhanced delivery of cultural and economic benefits.
	<p>STADIUMS SECTOR</p> <p>Close collaboration with the Auckland stadiums sector and Auckland Council to improve the financial sustainability, standards of service delivery, and cultural and economic benefits to the Auckland community.</p>	Ongoing	Discussions with stadium stakeholders have been ongoing through this quarter in accordance with Council's resolution during the adoption of the Long Term Plan. The progress will be reported to Council in the next quarter.
	<p>ARTS AND CULTURAL SECTOR</p> <p>Close collaboration with the Auckland arts and cultural sector and Auckland Council to improve the financial sustainability, standards of service delivery, and cultural and economic benefits to the Auckland community.</p> <p>RFA has planned strategic capital investment into the Aotea Precinct with external parties to enliven and grow the cultural activity of Auckland.</p> <p>An arts and cultural hub seeks synergies in clustering and generates new retail and commercial investment.</p>	Ongoing	<p>RFA continues to work closely with Auckland Council and related parties. A detailed Business Case for the expansion of the Aotea Centre to accommodate performing arts partners such as APO, NZO and Ballet is due to be presented to the RFA's Board for consideration in late 2015.</p> <p>At Council's direction, RFA are contributing to the Request for Development Proposal process for the Civic Administration Building being managed by Panuku Development Auckland, to ensure the needs of RFA in relation to Aotea Square, the Aotea Centre and the wider arts and cultural sector are represented in the RFDP process.</p>
DELIVERY OF KEY CAPITAL PROJECTS	<p>THE CIVIC</p> <p>Completion of renewals to The Civic parapet to maintain the structural integrity of the building FY16 and FY17.</p>	Ongoing	Construction proceeding as per contract programme. Work is of high standard, within budget and expected to be complete by August 2016.
	<p>AOTEA CENTRE</p> <ul style="list-style-type: none"> • Planning and scoping of the Aotea Precinct and Cultural Hub • Weather-tightness and foyer upgrades FY17 to FY19 <p>This will generate new retail and commercial investment.</p>	Ongoing	<p>The outline scope has been agreed and design work underway. The project will be at Consent lodgement stage by mid-2016, pending Board approval. The design will allow for future integration with the Aotea Centre Expansion being developed as separate project.</p> <p>Further work is required on the business case for the expansion of the Aotea Centre to accommodate performing arts partners such as APO, NZO and the Royal NZ Ballet. Concept designs will be prepared to allow for a detailed proposal to be presented to RFA's Board for consideration in mid-2016.</p>

PROJECT	DELIVERABLE	STATUS	PROGRESS
DELIVERY OF KEY CAPITAL PROJECTS <i>continued</i>	AUCKLAND ZOO Upgrade infrastructure to international best practice standards at Auckland Zoo including planning for replacement exhibits. <ul style="list-style-type: none"> • Pridelands FY16 and FY17 • SE Asia Orang-utan FY17 and FY18 • Upgrade visitor facilities FY16 through to FY19 This will generate new retail and commercial investment.	Ongoing	Pridelands precinct redevelopment now in progress. Construction is scheduled for completion in early 2016. Construction of new housing for the zoo's Galapagos Tortoises is complete, providing them with significantly improved welfare conditions. Construction of one of two new off-exhibit bird and mammal breeding facilities is complete. A second facility will be constructed during FY16. These off-exhibit facilities will begin to address long-running animal collection sustainability issues. Detailed design is complete for phase II of the Australian precinct development, with construction due to be completed by June 2016. Concept design work for a new S.E. Asian precinct is well underway. This will significantly upgrade facilities for a range of SE Asian species at the zoo, including orangutans and tigers.
	WESTERN SPRINGS STADIUM Commence strategic capital investment (including external party funding) to increase financial sustainability and activity at the stadium.	FY17	No strategic capital investment expenditure programmed until FY17 as per the LTP. Only essential renewals are currently being undertaken.
	QBE STADIUM Commence strategic capital investment into QBE Stadium to enhance the capability and capacity of the stadium to attract more events FY16 and FY17.	Ongoing	Design work on the proposed West Stand canopy roof has been ongoing through the Q1 and Q2. This development is currently being reviewed as part of the overall Stadiums strategy.
	MT SMART STADIUM Commence strategic capital investment (including external party funding) to increase financial sustainability and activity at the stadium.	Ongoing	Planning is underway for a program of strategic capital expenditure.
	RENEWALS Deliver essential renewals work in accordance to prescribed asset management plans to ensure RFA venues are fit-for- purpose for hirers and the Auckland community.	Ongoing	Essential renewals are being delivered in accordance to adopted Asset Management Plans.
ALTERNATIVE REVENUE STREAMS ACROSS RFA'S BUSINESS TO MINIMISE RATES FUNDING	Continued focus on exploring and growing alternative revenue streams across the business.	Ongoing	RFA continues to use its Production Investment Fund and the Auckland Art Gallery Exhibition Working Capital Fund to support shows and exhibitions which otherwise would not come to Auckland. The implementation of RFA's capital strategy approved in the LTP is expected to generate new revenue streams.
CCO REVIEW	Continue to support the work undertaken by Council's CCO Review.	Ongoing	There are no other changes affecting RFA from the overall CCO review.

FINANCIAL PERFORMANCE

UNAUDITED RESULTS

OPERATIONAL	DEC YTD ACTUAL 2015/16	DEC YTD BUDGET 2015/16	VARIANCE		FULL YEAR BUDGET 2015/16
	\$000s	\$000s	\$000s	%	\$000s
INCOME					
Opex funding from Auckland Council	14,838	14,838	0	0%	29,675
Capex funding from Auckland Council*	9,893	15,358	(5,465)	(36%)	30,716*
Revenue from services	28,506	26,783	1,724	6%	48,427
Grants and subsidy revenue	568	691	(123)	(18%)	898
Finance income	790	497	293	59%	981
TOTAL INCOME	54,596	58,166	(3,571)	(6%)	110,697
EXPENDITURE					
Personnel costs	17,117	16,954	(163)	(1%)	33,504
Cost of sales	11,322	9,622	(1,700)	(18%)	16,380
Occupancy and utilities	3,472	2,985	(487)	(16%)	6,236
Grants and sponsorship	696	8,826	8,130	92%	9,666
Shared services charges	2,836	2,833	(3)	(0%)	5,667
Depreciation and amortisation	11,476	9,958	(1,518)	(15%)	19,916
Finance costs	7	0	(7)	(0%)	0
Other expenditure	11,278	8,479	(2,799)	(33%)	16,529
TOTAL OPERATING EXPENDITURE	58,205	59,658	1,453	2%	107,897
SURPLUS / (DEFICIT) BEFORE TAX	(3,609)	(1,492)	(2,118)	(142%)	2,800
GAINS / (LOSSES) RECOGNISED DIRECTLY IN EQUITY					
TOTAL SURPLUS / (DEFICIT)	(3,609)	(1,492)	(2,118)	(142%)	2,800

CAPITAL	DEC YTD ACTUAL 2015/16	DEC YTD BUDGET 2015/16	VARIANCE		FULL YEAR BUDGET 2015/16	PROGRESS
	\$000s	\$000s	\$000s	%	\$000s	
EXPENDITURE	10,005	15,358	5,353	35%	30,716*	■
AC FUNDING	9,893	15,358	5,465	36%	30,716*	■
EXTERNAL FUNDING						

*Include approved deferrals

Favourable ■
Unfavourable ■

RFA OPERATIONAL

RFA finished the second quarter with an “accounting” deficit of \$3.6m which is \$2.1m unfavourable to a budgeted total deficit of \$1.5m. This does not reflect the core operations of the organisation as it includes abnormal or non-cash items such as donated assets, asset write offs, funding for capital works and depreciation.

Of these, the most significant items contributing to the variance is the lower than budgeted capital funding revenue of \$5.5m (due to the delay in delivery of the capital programme) and higher than budgeted depreciation. These have been offset by favourable variances relating to budgeted grants to be paid to the Counties Manukau Pacific Trust (Wero) which were accounted for in the 2014/15 financial year.

The operational trading result is \$0.1m unfavourable to budget. Items of note:

- Total external revenue YTD from services is favourable to budget (+\$1.5m). Auckland Zoo, Auckland Live and Auckland Stadiums have exceeded budgeted revenue, while the Gallery has achieved revenue budget. However, this has been partially offset by Auckland Conventions revenue being behind budget. This reflects the market volatility that which RFA’s business operates in.
- Total operational expenditure is unfavourable to budget primarily due to higher than budgeted cost of sales expenses to drive revenue. YTD staff costs are over budget due to a timing issue with the recognition of annual leave.

While this financial operational result for the half year is marginally unfavourable to budget, RFA’s external revenue continues to be subject to a significant degree of market volatility. External revenue continues to meet over 64% of the organisation’s total operating expenses.

RFA CAPITAL

The capital programme is currently behind budget by \$5.5m due to delays in the delivery of aspects of renewals relating to stadiums and the Aotea Centre.

The key capital projects in progress are the Pridelands development at Auckland Zoo, which is scheduled for completion by Easter 2016, and The Civic parapet which is progressing to schedule and is due for completion in August 2016.

PERFORMANCE MEASURES

RFA is on track to achieve the majority of the non-financial performance targets by the end of the financial year. The framework for measuring key outcomes has undergone review in conjunction with the Auckland Council Group to ensure that they are appropriate, measureable and relevant for the 2015-25 Long-term Plan.

Progress on these performance measures are as follows:

- On target
- Behind target due to timing and will be achieved by year end
- Behind target and an area of focus for management
- Unlikely to meet yearend target and requires intervention

WHAT WE DO (LEVEL OF SERVICE)	HOW WE WILL MEASURE SUCCESS (PERFORMANCE MEASURE)	HOW WE KNOW IF WE ARE SUCCESSFUL				
		TARGET 2015/16	DEC YTD ACTUAL 2015	SEP YTD ACTUAL 2015	MEASURE CYCLE	PROGRESS
We provide live arts and entertainment experiences for Aucklanders and visitors to our city. Leader of arts and entertainment events in New Zealand	Number of publically available performing arts performances programmed by Auckland Live Venues include: Aotea Centre, Auckland Town Hall, The Civic, Aotea Square, Bruce Mason Centre	820	686	377	Mthly	■
	Visitor satisfaction with experiences at Auckland Live venues Venues include: Aotea Centre, Auckland Town Hall, The Civic, Aotea Square, Bruce Mason Centre	90%	91%	93%	Qtrly	■
	Percentage of patrons who believe Auckland Live provides them with a rich choice of arts and entertainment options	75%	68%	65%	Qtrly	■
	Number of free or low cost (\$5 or less) performances available to Aucklanders programmed by Auckland Live	240	122	52	Mthly	■
	Number of events exclusive to Auckland Live venues	50	37	24	Mthly	■
We bring people together and help provide identity through memorable stadium events	Number of commercial event days at stadiums Venues include: Mt Smart Stadium, QBE North Harbour Stadium, Western Springs Stadium	779	222	128	Mthly	■
	Number of community event days at stadiums Venues include: Mt Smart Stadium, QBE North Harbour Stadium, Western Springs Stadium	960	317	173	Mthly	■

WHAT WE DO (LEVEL OF SERVICE)	HOW WE WILL MEASURE SUCCESS (PERFORMANCE MEASURE)	HOW WE KNOW IF WE ARE SUCCESSFUL				
		TARGET 2015/16	DEC YTD ACTUAL 2015	SEP YTD ACTUAL 2015	MEASURE CYCLE	PROGRESS
	Visitor satisfaction with experiences at Auckland Stadium venues	88%	83%	83%	Qtrly	
We care for our collections for current and future generations to enjoy and to bring cultural awareness of art and wildlife to Auckland and its visitors	Total number of visitors to Auckland Zoo	720,000	340,758	160,563	Mthly	
	Total number of visitors to Auckland Art Gallery	450,000	211,284	114,401	Mthly	
	Visitor satisfaction with experiences at Auckland Zoo	95%	94%	93%	Qtrly	
	Visitor satisfaction with experiences at Auckland Art Gallery	90%	90%	91%	Qtrly	
	Number of volunteer hours at Auckland Zoo	42,000	19,899	9,863	Mthly	
	Number of volunteer hours at Auckland Art Gallery	1,840	952	463	Mthly	
	Number of visitors to educational programmes at Auckland Zoo	50,000	31,829	16,678	Mthly	
	Number of visitors to educational programmes at Auckland Art Gallery	40,000	19,632	10,897	Mthly	
	Number of Maori collaborations annually at Auckland Art Gallery	10	9	1	Annual	
	Percentage of visitors reporting an enhanced appreciation of wildlife	80%	84%	80%	Qtrly	
We manage our physical building assets in a way that ensures their long-term existences as a valued part of Auckland's social infrastructure	Visitor satisfaction on the condition our facilities	90%	86%	88%	Qtrly	
	Percentage of our assets assessed as in good / very good condition grading (NAMMs)	84%	Annual	Annual	Annual	
Minimising the financial burden on Auckland ratepayers	Percentage of operating costs met through external revenue (excluding Council funding and depreciation)	63%	Annual	Annual	Annual	

CONTRIBUTION TO MĀORI OUTCOMES

RFA's Māori Engagement Strategy aims to enhance existing relationships with iwi and enter into business relationships in order to create meaningful engagement. This may create employment, and be either cost neutral or generate a profit, while positively increasing the visibility of iwi and enhancing the RFA brand.

The increased visibility of iwi in terms of a business, tourism and reputational perspective is consistent with the focus of the Independent Māori Statutory Board. RFA remains committed to continuing to develop programmes to support Māori visibility at regional facilities, support Māori businesses to engage with RFA and support Māori cultural expression.

In addition to the iwi reference and Maori advisory groups operating at Auckland Zoo and Auckland Art Gallery, the following are examples of specific projects for the 2015/16 financial year which align with the goals of RFA's approved Māori Engagement Framework:

INITIATIVE	CONTRIBUTION TO MĀORI OUTCOMES	PROGRESS	SPEND TO DATE	FORECAST TOTAL SPEND
<p>Auckland Zoo has an established iwi reference group, comprising representatives from Ngati Whatua, Te Kawerau a Maki, and Te Wai Ohua. This group meets two to four times a year as consultants to the Zoo, with representation at the kaumatua level.</p> <p>Te Wao Nui has developed Māori stories and is continuing to enhance this significant component of the experience which is also being actively promoted to international visitors.</p> <p>Bi-cultural signage has been implemented at Auckland Zoo in accordance to its regular renewals programme.</p>	<p>The reference group provides advice and is involved in the planning and delivery of powhiri for significant events such as openings.</p> <p>Celebration of Auckland's Māori identity as its point of difference in the world for its visitors.</p>	Ongoing	N/A	N/A
<p>The Auckland Art Gallery Māori advisory group, Haerewa, was established in 1994 to assist with the implementation of those aspects of the gallery strategic plan relevant to Māori and to be an advisory and support group to gallery management.</p> <p>For the first time, Auckland Art Gallery Toi o Tāmaki toured Māori portraits by late 19th-century painter Gottfried Lindauer to exhibitions in Berlin, Germany and Pilsen, Czech Republic from November 2014 - August 2015. The exhibition marked the first departure of these works from New Zealand's shores since they were painted over 100 years ago.</p>	<p>Lindauer is renowned for his life-like portraits of Māori and depictions of typical Māori scenes.</p> <p>The Lindauer paintings are among the most loved and admired works in the Gallery's collection with local and international visitors gravitating to the space permanently dedicated to showing Māori portraits.</p> <p>As New Zealand's leading visual art institution, it is Auckland Art Gallery's role to showcase New Zealand' art and culture. These precious taonga give insight to our indigenous history, and by sharing these works we hope to expand understanding and knowledge of New Zealand's unique culture worldwide.</p>	Ongoing	N/A	N/A

INITIATIVE	CONTRIBUTION TO MĀORI OUTCOMES	PROGRESS	SPEND TO DATE	FORECAST TOTAL SPEND
<p>In total, 44 portraits from Auckland Art Gallery Toi o Tāmaki's Partridge Collection were presented in both Berlin and Pilsen, along with four portraits from Museum of New Zealand Te Papa Tongarewa's collection, and historic photographs of Māori from the Auckland Art Gallery, Te Papa and Alexander Turnbull collections.</p> <p>This project was undertaken in partnership with Toi Māori Aotearoa - Māori Arts New Zealand.</p> <p>The exhibition at the National Art Gallery (Altegalarie) in Berlin closed on 12th April 2015 with a total visitation of 145,000 - a record visitation for a temporary exhibition there. In addition two reprints of the exhibition catalogue were required to meet demand. The exhibition also attracted extensive media coverage throughout Germany. It was also displayed in Pilsen in the Czech Republic (The European Cultural capital for 2015) from June to August attracting record crowds.</p> <p>The Lindauer portraits were welcomed back to the Auckland Art Gallery at a ceremony in October. This event was attended by iwi representatives, extended Lindauer family and Art Gallery Staff.</p> <p>A separate ceremony to welcome back the Hauraki portraits was also held in October and attended by seven Hauraki iwi and Art Gallery staff.</p> <p>Lisa Reihana's In Pursuit of Venus closed on 30 August with a total visitation of 48,845 making it the most visited exhibition at the Art Gallery of a single NZ artist since the 1997 Goldie exhibition. It also produced a significant increase in Maori and Pacific Island visitation. In Pursuit of Venus has now been selected to represent New Zealand at the next 'Olympics' of the international art world - the very prestigious 2017 Venice Biennale.</p>	<p>These extraordinary paintings also highlight the complex and particular cultural exchanges between Europe and Māori taking place in New Zealand a century ago.</p>			
<p>Auckland Stadiums provides Māori cultural experiences at major events and continues to actively seek iwi events.</p>	<p>Celebration of Auckland's Māori identity as its point of difference in the world for its visitors.</p>	Ongoing	N/A	N/A
<p>Auckland Live engages with the Matariki Festival each year through public programmes, and has an ongoing relationship with Ngati Whatua including powhiri for incoming companies. It is also developing significant programmes of Māori public performance in Aotea Square and elsewhere to commence in early 2016.</p>	<p>Celebration of Auckland's Māori identity as its point of difference in the world for its visitors.</p> <p>Understanding and recognition of Te Ao Māori.</p>	Ongoing	N/A	N/A

INITIATIVE	CONTRIBUTION TO MĀORI OUTCOMES	PROGRESS	SPEND TO DATE	FORECAST TOTAL SPEND
Auckland Conventions has worked with Ngati Whatua o Orakei and Auckland Museum to develop authentic Māori welcome/powhiri experiences as added value to conventions and event packages.	<p>Celebration of Auckland's Māori identity as its point of difference in the world for its visitors.</p> <p>RFA embracing the benefits arising from economic partnerships with Māori.</p>	Ongoing	N/A	N/A
Ngati Whatua o Orakei, Tainui, and RFA have had initial meetings to explore opportunities to collaborate on initiatives to further Maori economic, cultural and social outcomes across the Auckland region.	<p>Celebration of Auckland's Māori identity as its point of difference in the world for its visitors.</p> <p>RFA embracing the benefits arising from economic, social and cultural partnerships with Māori.</p>	Ongoing	NA	NA
The IMSB and local Iwi are recognised as key stakeholders in RFA's Aotea Arts and Cultural Precinct and will be consulted with as part of the overall development.	<p>Celebration of Auckland's Māori identity as its point of difference in the world for its visitors.</p>	Ongoing	NA	NA

LOCAL BOARD ENGAGEMENT

The second quarter has been a pleasing one for positive and productive engagement with many local boards. Highlights:

- September and October were important months for building and maintaining our relationships with local boards. Most boards placed the first quarter report on meeting agendas and RFA was represented at several board meetings. Queries mainly focused on the stadiums strategy and the outreach programmes of the Gallery and museum.
- The Director of Strategic Partnerships presented to the Kaipatiki Local Board, providing an update of RFA's work with the North Shore Events Centre. These updates are generally given on a six-monthly basis.
- The Chief Executive, the Director Auckland Stadiums and the Engagement Manager discussed the stadiums strategy at meetings of the Otara-Papatoetoe, Maungakiekie-Tamaki, Papakura and Waitemata boards.
- At the October forum of the local board chairs a presentation by the Director of Auckland Art Gallery was well received. A follow up presentation was made to the Waitemata Board in November. The Directors of Auckland Zoo and Auckland Live also presented to the Waitemata Board.

RISK MANAGEMENT

RFA's Enterprise Risk Management Policy Framework sets out the principles and process for risk management. Quarterly risk workshops are undertaken with each of RFA's business units, recorded in RFA's risk database and reported through to the RFA Board and the Health, Safety and Risk Committee on a quarterly basis. Any risks assessed as high are required to have mitigations identified and these are reported to the Board.

Given the significant capital investment planned across RFA's venues over the next 10 years, a Board Capital Projects Sub-Committee has been established. The sub-committee provides the Board with appropriate oversight of projects considered high public interest or risk.

No changes have been made in the last quarter to RFA's risk management, internal audit and external audit approaches. No new risks assessed as high have been identified since the last quarter.

RFA management is currently addressing improvements identified in internal and external audit findings, and progress is reported to RFA's Audit Committee. The current audit issues do not impose any significant financial implications on the Auckland Council Group. Further, in accordance to the continuous disclosure requirement, there are no material items in this period that would require disclosure.