

# First Quarter Report 2016-17

FOR THE QUARTER ENDED 30 SEPTEMBER 2016



# TABLE OF CONTENTS

EXECUTIVE SUMMARY .....	1
STRATEGIC THEMES AND FOCUS AREAS .....	2
HIGHLIGHTS FOR THE LAST QUARTER .....	2
AUCKLAND ART GALLERY TOI O TĀMAKI .....	2
AUCKLAND CONVENTIONS.....	3
AUCKLAND LIVE .....	3
AUCKLAND STADIUMS .....	4
AUCKLAND ZOO.....	5
FUTURE OUTLOOK .....	5
KEY DELIVERABLES .....	7
UNAUDITED FINANCIAL PERFORMANCE .....	10
RFA OPERATIONAL .....	11
RFA CAPITAL.....	11
PERFORMANCE MEASURES .....	12
CONTRIBUTION TO MĀORI OUTCOMES .....	14
LOCAL BOARD ENGAGEMENT .....	16
RISK MANAGEMENT .....	16

## EXECUTIVE SUMMARY

Regional Facilities Auckland (RFA) works in partnership with key stakeholders to present exciting, engaging and accessible experiences to those who live in and visit our city. Our innovative and imaginative programming delights people – every single day – and our collections and venues are some of the best in New Zealand.

The 2016/17 financial year kicked off with an array of exhibitions, shows and entertainment as people flocked to experience and enjoy RFA's exciting events programme across Auckland.

Highlights of the first quarter include the announcement of major summer concerts by *Bruce Springsteen* and *Guns N' Roses* in the upcoming months, the return of *New Zealand Fashion Week* to the ANZ Viaduct Events Centre, Auckland Art Gallery Toi o Tamaki announcing its largest-ever Gottfried Lindauer exhibition *The Maori Portraits: Gottfried Lindauer's New Zealand*, highly acclaimed performances by international contemporary dance company *Nederlands Dans Theater* at The Civic, comedian *Billy Crystal* at Aotea Centre, Silo's *MEDEA* at the Herald Theatre, and Auckland Symphony Orchestra's *Last Night of the Proms* at Auckland Town Hall and Bruce Mason Centre.

RFA's school holiday programming attracted thousands of participants from across the city in July, with children and families enjoying a diverse line-up designed to entertain, engage and educate Auckland's young people. The programmes ranged from Auckland Live's popular *Pick & Mix* series, which this year expanded to Mangere Art Centre, the Aotea Square ice rink, slide and snow dome, a series of creative workshops inspired by exhibitions at Auckland Art Gallery, and Auckland Zoo's *Ranger Academy* series.

Auckland Zoo's conservation efforts continued to thrive, with the Zoo sending male rhino Mtoto to a wildlife park in Sydney as part of the Australasian zoos' breeding programme. During the quarter, the Zoo also welcomed New Zealand tīeke (saddleback) to its Te Wao Nui aviary as part of Conservation Week, contributed to kākāpō recovery, and successfully treated and released injured takahē Kuini and his mate to Rotoroa Island.

Venue highlights for the quarter include North Shore's Bruce Mason Centre turning 20, the Vodafone Warriors playing their 250<sup>th</sup> home game at Mt Smart Stadium, and the announcement that Mt Smart will host two matches of the 2017 Rugby League World Cup.

RFA finished the first quarter with an "accounting" deficit of \$1m which is \$1.8m unfavourable to a budgeted surplus of \$0.8m. 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. The operational results are marginally unfavourable to budget due to external revenue at the Auckland Zoo being adversely affected by poor weather and challenging revenue targets in Auckland Conventions.

RFA's diverse and exciting range of activities support Auckland Council's goal as one of the world's most liveable cities, supporting social outcomes and economic growth by attracting domestic and international visitors to Auckland.

## STRATEGIC THEMES AND FOCUS AREAS

RFA focuses its work around five key themes:

- Engaging our community
- Developing our people
- Building a financially sustainable future
- Enhancing our operations
- Growing our reach and influence

Key initiatives include: delivery of RFA's capital programme including Auckland Zoo's major redevelopment and improvements to stadium infrastructure to support the Auckland Stadiums Strategy; development and implementation of a customer experience strategy and associated service delivery mechanisms; and initiatives to meet our revenue growth goals.

## HIGHLIGHTS FOR THE LAST QUARTER

### AUCKLAND ART GALLERY TOI O TĀMAKI

*Space to Dream: Recent Art from South America* closed in September after a critically-acclaimed exhibition season that attracted 18,741 visitors and art enthusiasts. Following the success of this exhibition, the Gallery announced its largest ever Gottfried Lindauer exhibition – *The Maori Portraits: Gottfried Lindauer's New Zealand*. Featuring 150 portraits of Māori and Pākehā, including nine newly-discovered works, this much-anticipated exhibition will open in late October.

The Gallery announced the November opening of a series of interlinked participatory art exhibitions by renowned New York and Paris-based Taiwanese-American artist Lee Mingwei. Entitled *His Relations: The Art of Participation*, the series, which includes sleeping, mending, letter writing and receiving the gift of song, aims to move the viewer from spectator to participant and is a unique addition to the Gallery's summer programming.

*The Hole of Yellow Archipelago* Creative Learning Centre installation for families was selected as a finalist in the 2016 Interior Awards, Installation category. The installation, created in collaboration with Kiwi artist Judy Darragh, has been incredibly successful – drawing more than 110,000 young participants since September 2015. More than 2,400 children also

participated in a series of July school holiday workshops inspired by current artworks in the Gallery.

The Gallery expanded its digital footprint in August through an exciting collaboration with Google, bringing its artworks to a global online audience through the Google Arts & Culture programme. The Gallery is only one of two New Zealand museums to be involved in this significant digital project, which features artworks from more than 1,000 leading museums and archives worldwide. Google is currently discussing the potential of creating a museum / street view within the Gallery's walls to allow visitors to digitally explore its exhibition spaces.

The Gallery wrapped up the first quarter with the announcement of Wellington-based artist Shannon Te Ao as the winner of the prestigious Walters Prize 2016, New Zealand's largest contemporary art prize. Te Ao won with his work *Two shoots that stretch far out, 2013–14*, currently on display as part of a special Walters Prize exhibition in the Gallery.

## AUCKLAND CONVENTIONS

Auckland Conventions had a flying start to the first quarter, staging 181 events during this period. A highlight for Conventions was the return of *New Zealand Fashion Week*, held for the sixth year running at the ANZ Viaduct Events Centre. This annual fashion calendar event attracted a mix of industry, media and the public to catwalk shows and trade events over five days.

In September, *Festival for the Future*, a social innovation event for youth entrepreneurs, was held in Aotea Centre. More than 750 people attended a series of motivational talks, workshops and a panel series over three days.

The annual *Semi Permanent Auckland 2016* symposium was also held in the first quarter. The two-day global creative and design thinking platform, held in Aotea Centre, hosted a line-up of international speakers from Google Creative Labs, Twitter, 72 and Sunny, Graphic Thought Facility, Cleo Wade and more.

The ANZ Viaduct Events Centre celebrated its fifth birthday in August, marking five successful years of delivering key Auckland events and experiences at this premiere waterfront location. Renowned for its stunning views and environmentally sustainable design, the venue has hosted more than 1,100 events to date including high-profile major events such as the Auckland Seafood Festival, the Volvo Ocean Race stopover, the Auckland Marathon, Rally New Zealand and Ironman.

## AUCKLAND LIVE

Auckland Live finished the popular winter season of its *Pick & Mix* programme in September. In total, 5,000 participants enjoyed 27 free, family-friendly events over 12 weeks across Aotea Centre, Auckland Town Hall, Bruce Mason Centre and for the first time, Mangere Arts Centre. The *Aotea Square Ice Rink and Ice Slide* closed in late July after an incredibly successful fifth season. More than 21,000 people visited Aotea Square during the six-week programme, which also featured a winter wonderland theme.

In September, Live launched *Affinity*, a massive interactive light sculpture in Aotea Square in partnership with Alzheimer's New Zealand to mark World Alzheimer's month. The sculpture aims to bring more awareness about the impact of Alzheimer's and dementia on the community, and received great coverage in the media and social media.

In July, Auckland Live had one of its biggest weekends ever, attracting more than 43,000 people to shows and events including *Nederlands Dans Theater* at The Civic, *MEDEA* at the Herald Theatre, *The Laughing Samoans* at Aotea Centre, and Auckland Symphony Orchestra's *Last Night of the Proms* at Auckland Town Hall and the Bruce Mason Centre.

In collaboration with the Auckland Philharmonia Orchestra (APO) and the Sistema Aotearoa Trust, Auckland Live hosted 1,600 people at Auckland Town Hall for the inaugural national Sistema Hui – a full day of music tutorials, workshops and a concert presentation for students ranging in age from six to 15 years. Sistema Aotearoa is a youth development programme that uses music to lift the aspirations of young people, their whānau and the wider community.

In another successful collaboration, Auckland Live and Ruia Taitea Creative brought the first full-length performances in te reo Māori of *Purapurawhetū* to the Herald Theatre during the Matariki Festival in July. Live has worked regularly with the company since 2014 to bring shows in te reo Māori to RFA venues.

Takapuna's performing arts and conference venue, the Bruce Mason Centre, celebrated its 20<sup>th</sup> birthday in August with a weekend of free public festivities. The 1,119-seat theatre and function centre joined the RFA portfolio in 2014, with the performing arts programme managed by Auckland Live and the conference facilities managed by Auckland Conventions.

Other notable highlights this quarter included the critically-acclaimed *Venus in Fur* at the Herald Theatre, New Zealand Opera's season of *Sweeney Todd: The Demon Barber of Fleet St* at The Civic, legendary Hollywood comedian Billy Crystal at the Aotea Centre, the launch of the APO's 2017 season at the Auckland Town Hall, and performances of *The Complete History of the Royal New Zealand Navy* at the Bruce Mason Centre.

## AUCKLAND STADIUMS

Auckland Stadiums had a strong first quarter with major summer concert announcements including Bruce Springsteen at Mt Smart Stadium and Guns N' Roses at Western Springs Stadium. These follow announcements earlier in the year that Coldplay will perform at Mt Smart Stadium in December, and the hugely popular *Taste of Auckland* food festival and the *Auckland City Limits* music festival will return to Western Springs in November and March respectively. In his first New Zealand outdoor stadium concert, Justin Bieber will perform at Mt Smart Stadium in March.

As part of RFA's ongoing commitment to exploring and improving the use of digital channels to promote its venues and activities, Mt Smart, Western Springs and QBE stadiums will be available to a global audience via Google Street View in the coming months. The free online tool will enable people to get 360-degree views of the venues.

## AUCKLAND ZOO

Auckland Zoo joined forces with Hamilton Zoo, Wellington Zoo, Orana Wildlife Park and Unmask Palm Oil to launch the Ask for Choice campaign in August. The nationwide campaign called for mandatory labelling of all vegetable oils, including palm oil, in food and grocery products, and received extensive public support and positive media coverage.

The Zoo continues to make significant contributions to worldwide conservation efforts, with male rhino Mtoto sent to Altina Wildlife Park in Sydney in September as part of the Australasian zoos' regional breeding programme. Mtoto's journey was documented and shared on social media and captured enormous public and media interest.

As part of Conservation Week celebrations in September, the Zoo released tīeke (saddleback) into its Te Wao Nui forest aviary. The Zoo has played a crucial role in helping to move the species off the critically endangered list through its conservation efforts. Forty years ago tīeke numbers had dwindled to just 500, but today there are more than 7,000 on predator-free islands and fenced sites such as the Zoo.

Four-year-old takahē Kuini was successfully released to start a new life on Rotoroa Island with her mate Anzac after specialist treatment in the Zoo's specialist intensive care unit. The Zoo has a partnership with DOC and the Rotoroa Island Trust and is part of Takahē Recovery Programme. There are currently just 280 takahē remaining in the world.

A booming kākāpō population has kept the Zoo busy, with staff contributing 1,848 hours working alongside Kākāpō Recovery Team members to help chicks survive the first few weeks of life. In another collaborative effort, Auckland Zoo, Auckland Council and Waitemata District Health Board partnered to clean up a recent fuel spill on Lake Pupuke. The birds and animals affected by the spill were successfully released back to the lake following rehabilitation at the Zoo and Ambury Farm.

In August, the Zoo lost its elderly hippo Faith due to illness. She was born at the Zoo and was the last remaining hippo in New Zealand. Faith was popular with visitors, especially families and young children. The Zoo is currently focusing on various other conservation and upgrade projects and will not be replacing Faith in the immediate future.

## FUTURE OUTLOOK

The 2016/17 financial year will see an exciting and diverse range of events and activities across all RFA venues.

Auckland Live's diverse second quarter line-up includes the award-winning musical *Priscilla Queen of the Desert*, the internationally acclaimed production of Roald Dahl's *George's Marvellous Medicine*, and Auckland Philharmonia Orchestra's *Final Symphony* featuring music from the Final Fantasy video game franchise. Plans are underway for an exciting range of

events over the summer, including the return of *Summer in the Square* and the St Petersburg Ballet Theatre's production of *Swan Lake*.

Auckland Stadiums is preparing for a massive summer of major concerts and festivals, including much-anticipated shows by Coldplay, Guns N' Roses, Bruce Springsteen and – playing his first ever stadium concert in NZ – global pop superstar *Justin Bieber* at Mt Smart Stadium. Other major acts will be announced in the next quarter.

International rugby league will return to Mt Smart Stadium in 2017 with the stadium set to host two matches of the Rugby League World Cup 2017; a pool match in October and a semi-final in November. Interest for both these events is expected to be high. Wellington Phoenix will play two games of the upcoming Hyundai 'A' League season at RFA stadiums – the first at Mt Smart in December, and the second at QBE Stadium in March 2017.

Auckland Conventions will once again host the annual Auckland City Mission Christmas Lunch at the ANZ Viaduct Events Centre on Christmas Day with staff volunteering their time to support the occasion. Other events during the quarter include the Auckland Marathon, the World Congress of Chinese Medicine, and summer graduations in addition to corporate Christmas functions across RFA venues.

More than 120 historic portraits of Māori and Pākehā by Gottfried Lindauer will be on display in Auckland Art Gallery's largest-ever Lindauer exhibition from October. The exhibition includes nine newly-discovered paintings. New Zealand artist Judy Millar's new installation will be unveiled in the Gallery's south atrium in early 2017. The installation was commissioned through funds raised by the Auckland Art Gallery Foundation.

As phase two of its 10-year redevelopment plan, Auckland Zoo's Australian Precinct is on track for a much-anticipated summer opening. Concept plans and designs for phase three, the South East Asia Precinct, are also progressing.



## KEY DELIVERABLES

PROJECT	DELIVERABLE	STATUS	PROGRESS
INFLUENCING SECTOR CHANGE	<p>Close collaboration with the Auckland Council and the museums, stadiums and arts and cultural sectors to improve the financial sustainability, standards of service delivery, and cultural and economic benefits to the Auckland community.</p>	Ongoing	<p>RFA continues to work closely with Auckland Council and the museums, providing advice as and when required in relation to the respective museums annual plans and legislation.</p> <p>During the quarter, Auckland Council appointments to the Auckland War Memorial Museum and Museum of Transport and Technology (MOTAT) Boards were completed.</p>
STAKEHOLDER ENGAGEMENT	<p>RFA will continue to work with Auckland Council and Local Boards in a collaborative way to ensure that key strategies and policies are adhered to and that decisions represent the best interests of the Council group and ultimately the ratepayer. Key to achieving this is:</p> <ul style="list-style-type: none"> <li>Engage where appropriate with the Councils Group's Alternate Financing initiative.</li> <li>Working with Auckland Tourism Events and Economic Development (ATEED) to develop and deliver significant events for the region and where possible reduce ratepayer funded events and venues competing against each other.</li> <li>Collaborate with sector stakeholders to provide thought leadership and drive overall creative vision.</li> </ul>	Ongoing	<p>Auckland Zoo is working with Brian Ireland (Taranaki Whanui Te Ati Awa) to develop educational programmes within the Zoo.</p> <p>RFA works with ATEED to ensure that Event Planning is coordinated across the city. These activities range from cost effective management of large events, sharing of resources and reducing duplication of effort. Examples of collaboration are Diwali Festival, planned use of Aotea Square for the NRL9's Launch in early 2017.</p>
HEALTH AND SAFETY CULTURE	<p>RFA is committed to driving a strategy that aims to improve the health and safety of our employees, visitors, contractors, clients and patrons, and maintain the well-being of all our employees. We will do this by:</p> <ul style="list-style-type: none"> <li>Reducing employee injuries by 25% over five years and reviewing incidences to the public to identify hazards and prevent recurrence.</li> <li>Active involvement and commitment of leaders in management of health and safety through behavioural safety and personal responsibility.</li> <li>Increased worker engagement through adopting behavioural safety and personal responsibilities.</li> <li>Aligning our health and safety management system to industry best practise.</li> </ul>	Ongoing	<p>RFA has reviewed and revised its Health &amp; Safety Strategy following the implementation of the new legislation. A number of key objectives have been identified and annual targets set for measuring progress. The Health and Safety Strategy has been approved by the RFA Board. Monthly reports against targets are provided to Senior Management and the Board. The Health, Safety &amp; Risk Committee of the Board meets quarterly and is provided with more in-depth information. Board site visits of RFA sites are being undertaken. The ACC audit for RFA is to be held in October. A pre-audit has been completed. Training has been provided to all managers and staff regarding the legislative changes and what this means to them and RFA.</p>

PROJECT	DELIVERABLE	STATUS	PROGRESS
EXTERNAL REVENUE MAXIMISATION	<p>RFA will continue to identify, develop and implement opportunities for increasing external revenue to minimise the cost to ratepayers of delivering activities that enhance Auckland's cultural capital. Key to this strategy is:</p> <ul style="list-style-type: none"> <li>• Exploring other revenue opportunities through closer collaboration across the sectors we operate in, partnering with private businesses, and leveraging Council Group initiatives.</li> <li>• Enriching events programming and driving revenue growth through pursuing investment opportunities utilising the Production Investment Fund.</li> <li>• Working with ATEED to develop and deliver significant events for the region and where possible reduce ratepayer funded events and venues competing with each other.</li> <li>• Working with various sectors and our business partners to develop philanthropic and sponsorship activities.</li> <li>• Enhancing the customer experience by gaining further customer market intelligence and market insight to connect to new audiences.</li> <li>• Strategic capital investment into existing facilities.</li> <li>• Growing the depth and breadth of our revenue base.</li> </ul>	Ongoing	<p>An Event Credit Facility has been established with the flexibility to attract events that would not otherwise come to Auckland. The Facility will also allow RFA to pursue investment opportunities by co-funding or solely funding events to which RFA would not normally commit. This facility is funded from RFA's operations rather than ratepayers funding.</p> <p>The implementation of RFA's capital strategy approved in the LTP is expected to generate new revenue streams.</p>
ENHANCING THE OPERATIONAL BRANDS	<p>Investment in digital media by identifying business requirements including CRM, digital platforms and growing social media to connect with new audiences.</p>	Ongoing	<p>Achievements to date include the redevelopment of the Auckland Live website which went live to the public in August.</p> <p>Focus for the current financial year has been the development of a strategic approach for customer experience and digital activities including planning for RFA's remaining websites.</p>
<p>DELIVERY OF KEY CAPITAL PROJECTS</p> <p>In addition to the delivery of essential renewals work to ensure RFA venues are fit for purpose for hirers and the Auckland community, there are three capital investment areas</p>	<p><b>AUCKLAND STADIUMS</b></p> <p>Strategic investment into Auckland Stadiums by exploring opportunities to increase utilisation and financial sustainability through strategic investment into Western Springs, QBE North Harbour Stadium and Mt Smart Stadium.</p>	Ongoing	<p>Active progress has been made in advancing the capital works across QBE Stadium and Mt Smart Stadium. Major projects underway at Mt Smart include:</p> <ul style="list-style-type: none"> <li>• Installation of new LED replay screen.</li> <li>• Renewal of players' and officials' facilities and media facilities</li> <li>• Renewal of entry gates.</li> <li>• Installation of new LED floodlights.</li> </ul> <p>Strategic investment at QBE involves development of the outer oval into fit-for-purpose floodlit training fields and development of an on-site bus hub for event transport services.</p>

PROJECT	DELIVERABLE	STATUS	PROGRESS
	<p><b>AOTEA CENTRE</b></p> <p>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 and improves the customer experience.</p>	Ongoing	The Aotea Centre expansion business case is due for consideration by RFA's board in November
	<p><b>AUCKLAND ZOO</b></p> <p>Invest in Auckland Zoo's aging infrastructure to cater for increasing international standards of animal care, health and safety and improved visitor experience.</p>	Ongoing	<p>The Zoo is in the second year of a major capital renewal programme to address its aging infrastructure.</p> <p>Major projects underway include:</p> <ul style="list-style-type: none"> <li>• Construction of phase II of the Australian precinct which is due for completion by end of 2016</li> <li>• Concept and design work is underway for the South East Asia precinct and is due to be completed in December 2016. This project significantly upgrades facilities for a range of species including orangutans and tigers. The project is on track for construction to commence in 2017.</li> </ul>

# UNAUDITED FINANCIAL PERFORMANCE

	YTD ACTUAL SEP 2016 \$000s	YTD BUDGET SEP 2016 \$000s	VAR \$ \$000s	VAR %	FULL YEAR ANNUAL PLAN 2017 \$000s
<b>OPERATIONAL</b>					
<b>REVENUE</b>					
Opex funding from Auckland Council	6,429	6,429	0	0%	25,718
Capital funding from Auckland Council <sup>1</sup>	6,606	8,148	(1,541)	(19%)	32,590
Fees and user charges	9,568	9,552	16	0%	45,907
Subsidies and grants	1,273	109	1,164	1070%	518
Development and financial contributions	0	0	0	0%	0
Vested assets (non-Crown)	0	0	0	0%	0
Other revenue	1,402	1,542	(140)	(9%)	7,083
<b>TOTAL REVENUE</b>	<b>25,278</b>	<b>25,780</b>	<b>(502)</b>	<b>(2%)</b>	<b>111,817</b>
<b>EXPENDITURE</b>					
Employee benefits	9,079	8,577	(502)	(6%)	34,871
Depreciation and amortisation	6,469	6,087	(381)	(6%)	24,888
Grants, contributions and sponsorship	335	340	(5)	(1%)	1,379
Other operating expenses	10,543	10,197	(346)	(4%)	43,801
<b>TOTAL EXPENSES</b>	<b>26,426</b>	<b>25,201</b>	<b>(1,225)</b>	<b>(5%)</b>	<b>104,939</b>
Finance income	202	280	(78)	(28%)	1,076
Finance expense	34	63	(29)	(45%)	252
<b>NET OPERATING INCOME</b>	<b>(980)</b>	<b>797</b>	<b>(1,777)</b>	<b>(223%)</b>	<b>7,702</b>
<b>CAPITAL EXPENDITURE</b>					
Total capital expenditure	6,606	8,148	1,541	19%	32,590

<sup>1</sup> Excludes approved deferrals

## RFA OPERATIONAL

RFA finished the first quarter with an “accounting” deficit of \$1m which is \$1.8m unfavourable to a budgeted surplus of \$0.8m. 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.

The major accounting variances are presented in the table below.

	VAR \$ 000's	COMMENTS
CAPITAL FUNDING	(1,541)	Capital programme behind budget due to timing of projects at the Aotea Centre and Stadiums
SUBSIDIES AND GRANTS	1,164	Donated artwork to Auckland Art Gallery unbudgeted
DEPRECIATION	(381)	Increased cost from FY16 asset revaluations

The operational trading result is \$0.3m unfavourable to budget.

- External revenue for Auckland Zoo was unfavourable due to wet weather impacting visitation, and challenging revenue targets in Auckland Conventions. This was partially offset by additional operational grant revenue at Auckland Art Gallery; and
- Operational expenditure is unfavourable to budget as a result of sales expenses to support revenue and associated operational costs.

## RFA CAPITAL

The delivery of RFA's capital programme is behind target by \$1.5m due to timing of projects at Aotea Centre and the Stadiums.

Year two of the approved LTP capital investment is well underway at Auckland Zoo, with Aussie II underway and due to be completed within planned project timelines in late 2016.

Planning and scoping of major capital items is underway to deliver a better customer experience at Mt Smart ahead of the summer concert season, the NRL 2017 season and Rugby League World Cup in 2017.

Minor capital items delivered in the last quarter include the revamped Kidzone at Auckland Zoo, and replacement of lighting in various public spaces to more environmentally-friendly LED lighting.

## PERFORMANCE MEASURES

RFA has an agreed set of performance measures and targets which form the basis for accountability to delivering our key strategic objectives and priorities. The framework for measuring key outcomes aligns to the measures agreed as part of the Long Term Plan 2015-2025 and Annual Plan 2016/17.

- 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 year and target and requires intervention

WHAT WE DO (LEVEL OF SERVICE)	HOW WE WILL MEASURE SUCCESS (PERFORMANCE MEASURE)	ANNUAL TARGET 2016/17	SEP 2016 YTD ACTUAL	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	825	439	<span style="color: green;">■</span>
	Visitor satisfaction with experiences at Auckland Live events Venues include: Aotea Centre, Auckland Town Hall, The Civic, Aotea Square, Bruce Mason Centre	90%	92%	<span style="color: green;">■</span>
	Percentage of patrons who believe Auckland Live provides them with a rich choice of arts and entertainment options	76%	72%	<span style="color: yellow;">■</span>
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	443	132	<span style="color: green;">■</span>
	Number of community event days at stadiums Venues include: Mt Smart Stadium, QBE North Harbour Stadium, Western Springs Stadium	645	158	<span style="color: green;">■</span>
	Visitor satisfaction with experiences at Auckland Stadium venues	88%	83%	<span style="color: yellow;">■</span>

WHAT WE DO (LEVEL OF SERVICE)	HOW WE WILL MEASURE SUCCESS (PERFORMANCE MEASURE)	ANNUAL TARGET 2016/17	SEP 2016 YTD ACTUAL	PROGRESS
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	137,410	■
	Total number of visitors to Auckland Art Gallery	450,000	116,672	■
	Visitor satisfaction with experiences at Auckland Zoo	90%	89%	■
	Visitor satisfaction with experiences at Auckland Art Gallery	90%	91%	■
	Number of Maori programmes annually at Auckland Art Gallery	10	1	■
	Percentage of visitors reporting an enhanced appreciation of wildlife	80%	80%	■
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%	83%	■
	Percentage of Mana Whenua satisfaction with quality of engagement	New Measure	N/A	
Minimising the financial burden on Auckland ratepayers	Percentage of operating costs met through external revenue (excluding Council funding and depreciation)	61%	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 and Council's Te Toa Takitini approach.

RFA is committed to continuing to develop programmes and initiatives to support Maori visibility at regional facilities, support Maori businesses to engage with RFA, and support tikanga Maori cultural expression. These include Auckland Zoo's Iwi reference group, Auckland Art Gallery's Maori Advisory Group, Auckland Art Gallery's Lindauer exhibition, and Auckland Live's partnership with the Maori theatre company Ruia Taitea Creative to present the award-winning play *Purapurawhetu*.

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

These and other initiatives are cost neutral and often form part of RFA's operations rather than specific and discrete projects. The following are examples of specific projects for the 2016/17 financial year which align with the goals of RFA's approved Maori Engagement Framework.

INITIATIVE	CONTRIBUTION TO MĀORI OUTCOMES
<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>Auckland Zoo has engaged Brian Ireland (Taranaki Whanui, Te Ati Awa), who has worked in the education teams of both Auckland Zoo and Zealandia Eco Sanctuary, to develop a Maori Science programme. The programme will be used primarily by the Zoo's education team and later by Visitor Engagement for visiting tours and targeting tourists.</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>
<p>The Auckland Art Gallery Māori advisory group, Haerewa, was established in 1994 to assist with the implementation of those aspects of the Gallery's strategic plan relevant to Māori and to be an advisory and support group to Gallery management.</p> <p>A major exhibition featuring over 100 works based on the 19<sup>th</sup> century artist Gottfried Lindauer ("Gottfried Lindauer's New Zealand") will open at</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</p>



INITIATIVE	CONTRIBUTION TO MĀORI OUTCOMES
<p>Auckland Art Gallery on 22 October 2016. This will be the largest exhibition of his work to date.</p> <p>The exhibition He Iwi Rangatira closed at the beginning of September 2016. Through the 19<sup>th</sup> century, Rangatira provided a guiding presence that helped the country's many iwi to maintain strength in the face of rapid cultural and political upheaval. This Exhibition examined the lifelike way master portraitists Charles F Goldie and Gottfried Lindauer depicted some of our Country's eminent Maori Leaders during this period.</p> <p>Lisa Reihana's <i>In Pursuit of Venus</i> has been selected to represent New Zealand at the next 'Olympics' of the international art world – the very prestigious 2017 Venice Biennale.</p>	<p>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> <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>Bi-cultural signage has been implemented at Auckland Stadiums in accordance to its regular renewals programme.</p>	<p>Celebration of Auckland's Māori identity as its point of difference in the world for its visitors.</p>
<p>During the last quarter, Auckland Live activities associated with the Matariki Festival resulted in strong attendance for the main work Purapurawhetu. This was the first time a full length play had been performed in Te Reo and in the Aotea Centre. It received strong advocacy from the community, including from Ngati Whatua representatives. In addition, Auckland Live hosted two readings of classical Maori plays (Kohanga and Whaea Kairau) which are now being developed into full productions. Alongside these productions, a social media "conversation" approach to supporting Matariki was developed through online education in Te Reo. The Aotea Centre was also illuminated, in partnership with other city venues, to highlight the Matariki Festival.</p> <p>The regular Pick n Mix programme which is delivered each weekend through the winter period extended its reach to South Auckland Maori communities for the first time, hosting free performances and workshops at the Mangere Arts Centre. One of the Pick n Mix artist groups, Te Rehia Theatre, developed a programme in Auckland, Takapuna and South Auckland. Additional supported projects of recent months have included AOP's Sistema Aoteroa programme which delivers community outcomes with students aged 2 to 14 from South Auckland.</p> <p>These activities support Auckland Live's goals of ensuring Maori cultural expression and visibility are represented in its high profile central city performing arts venues.</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>
<p>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>	<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>
<p>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>	<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>
<p>The IMSB and local Iwi are recognised as key stakeholders in RFA's Aotea Arts and Cultural Precinct and will be consulted as part of the overall development.</p>	<p>Celebration of Auckland's Māori identity as its point of difference in the world for its visitors.</p>

## LOCAL BOARD ENGAGEMENT

The RFA 2015-2016 Fourth Quarter Report was distributed to all Local Boards for tabling on Board meeting agendas.

Regular liaison with local boards continues. Examples of this included the RFA Chief Executive and Director of Stadiums presenting an update of developments on the RFA Stadiums Strategy to the August forum of Local Board Chairs.

Waitemata Board remained actively engaged with RFA on a number of issues, and at the September meeting of the Board, the Chair and other members expressed appreciation for the way in which RFA works with the Board. In August the RFA Chief Executive and Director of External Relations met with the Board, and Auckland Live staff gave a presentation on the activation of Aotea Square.

## RISK MANAGEMENT

RFA's Enterprise Risk Management 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 with the continuous disclosure requirement, there are no material items in this period that would require disclosure.