

# Tātaki Auckland Unlimited

## Quarter 4 Performance Report

### For the period ending 30 June 2022

This report outlines the key performance of Tātaki Auckland Unlimited, which includes regional facilities, economic development and visitor economy-related activities and investments

# Tātaki Auckland Unlimited Q4 summary

## Highlights, issues & risks for the quarter

### Context:





On 13 April, New Zealand moved to the 'Orange' traffic light setting under the COVID-19 Protection Framework. Capacity limits were fully removed, which had a positive impact on Tātaki Auckland Unlimited (TAU's) facilities and venues performance. The aviation border with Australia opened on 12 April and with visa waiver countries on 2 May. Pre-departure testing requirements for people entering Aotearoa were removed on 21 June, which made it easier for visitors to travel to New Zealand. With borders now open, we have been working urgently with partners to re-establish international connectedness across content, travel, skills, trade and investment.

### Highlights:

- On 13 May, we officially launched our **new bilingual name, Tātaki Auckland Unlimited**.
- Activate Tāmaki Makaurau** is in 'close' phase, with more than 12,000 approvals processed and final payments expected to be complete by the end of August.
- More than 225,200 Aucklanders registered for the **Reactivate Tāmaki Makaurau** voucher programme. A total of 105,830 vouchers were distributed and nearly 440,000 bookings made.
- The **Auckland's Future, Now** event was held on 24 May with about 200 delegates attending in person and 360 online.
- Excellent progress was made during the quarter on the major expansion of **Auckland Film Studios**.
- The newest member of the Innovation Precincts network, **Reserve Tāmaki** was launched in June.
- The NZ Warriors home-coming match was **the first sold-out stadium event** at Mt Smart Stadium since early 2020.
- TAU contributed to the programme of events held in the region to celebrate **Matariki**, our newest national holiday.

### Issues/Risks:

- Auckland's reputation as a screen friendly city is at risk as it becomes increasingly difficult for location shoots to take place due to permit regulations on sites of significance to mana whenua.
- The borders have re-opened, but the key limiting factor on the return of visitation to Tāmaki Makaurau is airline capacity.
- High freight costs and slow ticket buying behaviour represent significant threats to the summer concert season.

Financials (\$m)	YTD actual	YTD budget	Actual vs Budget
Capital delivery	42.8	56.7	13.9 
Direct revenue	118.7	89.6	29.1 
Direct expenditure	231.3	203.0	(28.3) 
Net direct expenditure	112.6	113.4	0.7 

## Financial Commentary

The favourable variance is due to changes in the timing of planned expenditure in response to the COVID-19 driven adverse revenue results and uncertainties regarding future revenues.

Direct expenditure is adverse due to unbudgeted Activate and Reactivate Tamaki Makaurau expenditure,

The capital programme is below budget with the COVID-19 lockdown stopping work at Level 4, operational constraints impacting in Level 3 and ongoing supply chain constraints. The underspend has largely been deferred into FY23.

Key performance indicators	Previous	FY 22 Quarter 4			Commentary
	Year	YTD Actual	FY Target	Status	
No. of people issued tickets to attend Auckland Live, Auckland Zoo, Auckland Art Gallery, NZ Maritime Museum and Auckland Stadiums venues and events. <b>(LTP measure)</b>	New measure	732,285	1.44m	<b>Not achieved</b>	Result is below target due to the closure of all Trust facilities over periods in Q1 and Q2, and audience/visitor limitations over Q3, impacting the number of tickets issued.
The percentage of operating expenses funded through non-rates revenues <b>(LTP measure)</b>	50%	33%	44%	<b>Not achieved</b>	Result is below target due to the closure of all Trust facilities over periods in Q1 and Q2, and audience/visitor limitations over Q3, impacting revenue generation.
No. of businesses that have been through an Auckland Unlimited programme or benefitted from an Auckland Unlimited intervention. <b>(LTP measure)</b>	7,357	11,976	3,000	<b>Achieved</b>	Result driven by the Activate and Reactivate Tāmaki Makaurau programmes.

# Strategic focus area – Investment and Industry

Key commentary	Strategic context
<p>At the end of Q4, total annual net direct expenditure for Investment and Industry was \$18.6m against a budget of \$13.7m (excluding corporate support).</p> <p><b>Highlights:</b></p> <ul style="list-style-type: none"> <li>Funding applications for the \$60m <b>Activate Tāmaki Makaurau</b> support package closed in March 2022 with 12,848 approvals, including 1273 Māori business applications (10%) and 1,573 (12%) Pacific business applications. The First Steps mental wellbeing website distributed \$1.2million in mental wellness support, and more than 4000 businesses benefited from Business Community Platform activity. The project is in ‘close’ phase - contract delivery by service providers continues and payments to providers are expected to be complete by 31 August. The Net Promoter Score is tracking at +63.</li> <li>225,226 Aucklanders registered for the <b>Reactivate Tāmaki Makaurau</b> voucher programme. Approximately \$7.5 million of vouchers were redeemed with activity and attraction operators and 438,954 experiences (individual tickets) were booked.</li> <li>The <b>Local Activation Programme</b> and the <b>Discount Scheme</b>, also part of <b>Reactivate Tāmaki Makaurau</b> closed with a combined total of \$8.8million invested in community events and discounted entry to facilities around Auckland.</li> <li>The <b>Stay Auckland Campaign</b> went live on 2 May. Tātaki Auckland Unlimited partnered with 60 accommodation providers to encourage domestic visitation, particularly in the city centre.</li> <li>The <b>Auckland’s Future, Now</b> event was held on 24 May with about 200 delegates attending in person and 360 online. Discussions focussed on addressing our region’s immediate challenges and building a strong and sustainable future for generations of Aucklanders to come.</li> <li><b>Reserve Tāmaki</b>, the newest member of the Innovation Precincts network launched in June supporting Māori and Pacific entrepreneurship.</li> <li>Excellent progress was made during the quarter on the <b>major expansion of Auckland Film Studios</b>, co-funded by the Government and Auckland Council. Construction of two new sound stages and other buildings is due to be completed in November 2022.</li> <li><b>The Pacific Skills Shift</b> delivered 408 micro-Credentials in FY21/22. The goal was 700 micro-credentials, so there was a shortfall of 292. These numbers have been carried over into the new fiscal year.</li> </ul> <p><b>Issues/Risks:</b></p> <ol style="list-style-type: none"> <li>Auckland’s reputation as a screen friendly city is at risk as it becomes increasingly difficult for location shoots to take place due to permit regulations and more sites being listed by Council as Sites and Places of Significance to Mana Whenua.</li> <li>The borders have re-opened, but the key limiting factor is airline capacity. In addition, the visitor economy is impacted by staffing shortages, rising costs, delays, and the slow burn return of tourism and associated revenue and visitor numbers.</li> </ol>	<p>The Investment and Industry Rōpū supports the growth of quality jobs by working with industry across business support, business, talent and investment attraction, workforce and sector development and convening sectors – including the visitor economy – to support them to thrive in Auckland.</p>

Key programmes of work	Status	Description	Outlook
Investment and Screen Attraction	<b>On track</b>	Attracting high-value business and investment to the city to maximise economic opportunities associated with infrastructure investment for long-term impacts. Screen attraction, infrastructure, and talent	Screen Auckland launched <b>FilmApp</b> earlier in the year, an Auckland-wide film permit application to streamline film permitting processes. New records for permits issued were set in the months of April, May and June 2022 – a good indication of confidence returning to the industry. In addition, Tātaki Auckland Unlimited has been involved in a <b>marketing programme</b> to build international awareness of Auckland screen infrastructure capacity.

Innovation	On track	Leveraging our role to grow Auckland's innovation ecosystem, including the ongoing development of GridAKL network, a climate innovation hub and tourism innovation hub.	<p>The <b>GridAKL</b> campus in Wynyard Quarter had 138 businesses and 1038 individuals on site at the end of the fourth quarter.</p> <p><b>GridMNK/Konei Aotearoa Top 50 Gallery</b> was launched on 18 June. Working in partnership with Shopify, GridMNK collated indigenous products from around the country for a public exhibition held at GridMNK hub. GridMNK welcomed back residents into its co-working space on 2 May.</p> <p>Ahead of Matariki, TAU brought together members of the Auckland region's aerospace sector for a kōrero about the <b>future of education in the space sector</b>. TAU partnered with MPI to develop a <b>F&amp;B sector roadmap</b> to enhance regional collaboration and circular economy in south and rural south Auckland, with a focus on kai moana and potato starch.</p>
Business Growth & Skills	On track	A focus on existing small businesses, raising capability, encouraging business networking, connecting them to talent and facilitating access to export markets.	<p>The <b>Regional Business Partner (RBP)</b> contract concluded on 30 June. The TAU team largely moved to the new contract holder, Auckland Business Chamber, on 1 July. Over the last 11 years the TAU RBP team delivered: about 5000 (on average) referrals per annum, 22,000 assessments, 734 clinics, engaged with 1500 Māori businesses and, during the 2020 COVID-19 response, assisted more than 8000 businesses with the COVID-19 Business Advisory and Tourism Transition funding. Innovation support and R&amp;D funding in excess of \$3million per annum was facilitated including project and student grants. Monthly business EDMs with advice and support were delivered to 30,000 businesses over the 11 years – with high levels of engagement.</p>
Tourism	On track	Tātaki Auckland Unlimited's Tourism team focuses on leading and partnering in destination marketing and advocating or co-ordinating in destination management.	<p>The <b>Auckland is Calling</b> campaign has finished. There were more than 2.6 million complete video views, radio ads were played more than 2800 times and more than 500,000 New Zealanders aged 20+ were reached via social media. As part of the campaign, Tātaki Auckland Unlimited worked with partners to develop the <b>Stay Auckland Now</b> campaign – which launched in May 2022.</p> <p>Pacific Storytelling was contracted to represent TAU as we reconnect with the <b>US and Canadian travel industry</b>. TAU has also signed an MOU with Destination Queenstown and Auckland Airport to attract North American travellers.</p> <p>TAU attended the annual <b>Regional Tourism New Zealand Inbound Operator and Tourism New Zealand training day</b> where 60 businesses were presented with new Auckland visitor products and experiences.</p> <p>The <b>Regional Destination Management Plan</b> for Aotea Great Barrier Island is almost complete. Waiheke Island consultation will restart in July, and Matakana's plan is in its early stages.</p> <p>TAU hosted a <b>Cruise Workshop with</b> 50 operators, Ports of Auckland, Eke Panuku Development Auckland and Business Associations attending to understand the coming cruise season.</p>

# Strategic focus area – Cultural Organisations

## Key commentary

At the end of Q4, total annual net direct expenditure for Cultural Organisations was \$45.6m against a budget of \$39.0m (excluding corporate support).

### Highlights:

- With the **reopening of borders and rebooking of events**, the outlook for the arts and cultural sector has improved significantly and there is a strong programme of activity planned for the second half of 2022.
- Despite the ongoing challenges of COVID-19, the **Southeast Asia Jungle Track** reached a significant milestone in the last week of April with the issuing of Practical Completion. Full opening to visitors of the remaining parts of the development will be in October 2022.
- The fourth quarter showed **strong visitation** across the group, with the NZ Maritime Museum exceeding its visitor targets for the first time since the pandemic started, and extremely strong results from Auckland Zoo.
- The Auckland Art Gallery won **four awards** on 17 June at the prestigious **Museums Australasia Multimedia and Publication Design Awards 2022**, including best Members Magazine for *Art Toi*.
- **Heavenly Beings** and **Gilbert & George exhibitions** opened at the Auckland Art Gallery on 15 April and 25 June respectively. The gallery attracted 200,000 visitors by the close of the financial year; 40 public events in 40 days were held at the gallery from May to June.
- **The Kiwis v Tonga** league double header was the **first sold-out stadium event** at Mt Smart Stadium since Elton John's January 2020 concert.
- Across the sector in Auckland, a robust and engaging **Matariki programme** was delivered with coordination via the working group set up through TAU's Cultural Sector Hui.

### Issues/Risks:

- Even though the borders have re-opened, some key issues remain of concern including finding staff, rising costs, delays, and the slow burn return of tourism and associated revenue and visitor numbers.
- High freight costs and slow ticket buying behaviour continue to represent significant threats to the upcoming summer concert season and there is still a high level of uncertainty as to the full extent of the concert schedule across Mt Smart and Western Springs.

## Strategic context

Important and unique cultural institutions and visitor experiences now sit within a Cultural Institutions Rōpū, enabling us to have a connected approach between cultural institutions, now and into the future.

## Key programme of works

### Status

### Description

### Outlook

Key programme of works	Status	Description	Outlook
Auckland Zoo	On track	Auckland Zoo is a wildlife conservation organisation dedicated to building a future for wildlife. The zoo cares for wildlife, participates actively in national and international wildlife conservation programmes and research and creates extraordinary experiences for visitors.	<p>The Zoo recorded its <b>second highest June visitation</b> on record, with 54,536 visits. This followed the second busiest May and April in the Zoo's history. These strong numbers were aided by the Zoo's <b>Wellbeing in Nature - Community Tickets</b> initiative, funded through the Discount Programme Fund. More than 20,000 free admission tickets were distributed to parts of the Auckland community that might not otherwise have been able to visit the Zoo.</p> <p>Burma the elephant's cancelled transfer to Australia Zoo and the arrival of Sali, the Sumatran tiger from Hamilton Zoo, contributed to <b>very strong media presence</b> at the beginning of the fourth quarter.</p> <p>With the easing of COVID-19 related restrictions, the animal teams were able to <b>return to crucial conservation fieldwork</b>.</p> <p>In May, the <b>'100-year timeline'</b>, a content telling a visual history of the Zoo, was launched with the content from the 1910-1930s. It will continue to be gradually rolled out over the coming months, up to the present-day content.</p>

Auckland Art Gallery	On track	Auckland's leading gallery of art houses a nationally important collection of more than 17,000 works from New Zealand and the world. Its purpose is to be a place for art and catalyst for ideas, offering experiences that strengthen and enrich our communities.	<p><i>Pacific Feminisms</i>, Creative Learning Centre and <i>Heavenly Beings: Icons of the Christian Orthodox World</i> <b>exhibitions opened</b> in April, with good visitor feedback and media coverage.</p> <p><b>Gilbert &amp; George</b> exhibition opened to the public on 25 June, presenting some of the most instantly recognisable contemporary art of our times.</p> <p>The gallery welcomed hundreds of participants, along with speakers and panellists, to the first two-day wānanga on toi Māori – <b>Toi Te Kupu: Whakaahuatanga</b>.</p> <p>A <b>Matariki programme</b> attracted more than 5500 visitors and the gallery was alive with activity and community feeling.</p>
NZ Maritime Museum	On track	The museum houses the most significant maritime collection in Aotearoa spanning vessels, artefacts, and archival material. The museum is a place of learning and enjoyment, telling the story of our ocean, coastal and harbour seafaring from the earliest Polynesian explorers to the present day.	<p><b>Visitation</b> to the museum's galleries, café, shop and events spaces towards the end of the fourth quarter was <b>10% above plan</b> and 11% ahead of this time last year. With the shift to Orange, the museum <b>resumed its full volunteer programme</b>.</p> <p>The <b><i>I Am Island And Sea</i></b> exhibition was extended by six weeks to offset time lost to COVID-19 outbreaks and maximise the use of existing expenditure in exhibition install and marketing.</p> <p><b><i>Light on the Water</i></b> opened in the Edmiston Gallery on 3 June. The exhibition features the photography of former press photographer Geoff Dale using a 110-year-old Graflex camera to capture America's Cup action on the Waitematā Harbour. A panel session with the broadcaster Peter Montgomery was popular.</p> <p>A <b>Matariki themed pop-up exhibition <i>Whiria: Ngā Manu Rere</i></b> featuring traditional Māori flying kites created by Ruth Woodbury, was held at the museum. The experience included kite making workshops for all ages.</p>
Auckland Stadiums	On track	Auckland Stadiums manages Western Springs, North Harbour Stadium and Mt Smart Stadium, and brings to Auckland world-class sport, live music, and entertainment.	<p>With the return to Orange, there is a noticeable <b>upswing in event activity across the stadia</b> including sport, concerts, and functions. June was the busiest event month of the financial year with 81 event days across the three venues attracting a total of 32,228 attendees, which was 30% ahead of budget.</p> <p>The <b>Lilypad concert</b> at Lilyworld on 8 May was the inaugural music event at the new venue. Delivered through the Local Activation Fund, the event drew a capacity 2700 crowd.</p> <p><b>Moana Pasifika's</b> inaugural season was hard hit with COVID-19 impacting their pre-season programme, match schedule, and deterring attendance by the Pacific community. The promising on-field performances and strong connections to the Pacific community provide a strong foundation for the future.</p> <p>North Harbour Stadium hosted a <b>FIFA delegation</b> on 15 May as part of the inspection process ahead of being a match venue for the FIFA Women's World Cup Play-off Tournament in February 2023, and a training venue for the main tournament later next year.</p> <p>Auckland Stadiums received \$750,000 from the <b>Local Activation Fund</b> across the three funding rounds in Q3 &amp; Q4. This funding was applied to deliver 10 event days of <b>community-focused programming</b> including three kids flicks, three drive-in movies, a craft market, a Mother's Day concert, a Matariki concert, and a community sports day for grass roots supporters of the Vodafone Warriors and Moana Pasifika with music talent supplied by Eccles Entertainment.</p>

# Strategic focus area – Arts, Entertainment & Events

## Key commentary

At the end of Q4, total annual net direct expenditure for Arts, Entertainment and Events was \$15.0m against a budget of \$19.5m (excluding corporate support).

### Highlights:

- **Elemental AKL** secured 30 event partners with an expected suite of approximately 100 individual events across the festival, which ran between 14 – 31 July.
- **Taste of Pasifika** was successfully delivered in the first weekend of June at The Cloud.
- There were **no new event cancellations** or postponements over the quarter.
- **Girl from the North Country** season was delayed due to freight logistics. It commenced in the first week of July. It was the first international musical at The Civic since March 2020.
- The **Team NZ exit** from the **Viaduct Events Centre** was confirmed. It will allow a return to the centre’s operation as an events venue in early 2023.

### Issues/Risks:

- Looking ahead, there are multiple scheduled ticketed international Auckland Live events at risk if COVID-19 settings change.
- Investment in future business and major events beyond 2024 is limited by uncertainty on future funding availability.
- Event **staff shortages** continue to be a challenge with planning for full site activation across weekends in July hitting an excess of 160 shifts. A combination of lack of casuals on books (due to 2 years of COVID-19 interruptions), and illness, has had a significant impact on capacity.

## Strategic context

It is important we bring our events activity together, from our business events through to the parts of our organisations that bid for events and organise large scale events in our region. These will be brought together in our Arts, Entertainment and Events Rōpū.

Key programme of works	Status	Description	Outlook
Auckland Live	At risk	A world-class arts and entertainment organisation that energises the Aotea Arts Quarter, Bruce Mason Centre and Queens Wharf with events and activities. Grows Auckland’s international reputation as a viable market and attracts big shows to the city. Centre for performing arts development, education, enrichment and high-performance professional training.	<b>29 new events</b> were placed on sale in June, including <i>Elemental Nights</i> , <i>Pacifica the Musical</i> and internationally acclaimed <i>Girl from the North Country</i> . Ticket sales are challenging for promoters who go to market more than 6 weeks in advance, as peak sales are hitting in the two weeks before the event. Several <b>NZ Music Month</b> activities were delivered in the fourth quarter of the year culminating in the inaugural EQ Networking hui in partnership with NZ Music Commission and Auckland City of Music. International <b>contemporary music and comedy artists</b> have had strong sales since the move to Orange.
Major Events	At risk	Annual delivered events programme (e.g.: Pasifika Festival). Winter Festival programme. Major Events programme. Partner programme / facilitation.	<b>Several events</b> were <b>delivered</b> in the fourth quarter: Synthony No.3 (21 May), Doc Edge (1 June – 10 July), Auckland Esports Open at Armageddon (10-12 June), Kiwis and Kiwi Ferns vs Tonga (25 June) Tall Blacks vs Philippines (30 June), Taste of Pasifika (3-5 June). Towards the end of the fourth quarter, Auckland experienced a <b>strong demand</b> for major events, with three sold out - Blues vs Crusaders, Kiwis and Kiwi Ferns vs Tonga, Tall Blacks vs Philippines. Auckland was announced as the host city for the Official Draw for the <b>FIFA Women’s World Cup 2023</b> . It will take place in the Aotea Centre on 22 October. After a two-year hiatus, the <b>2023 ASB Tennis Classic</b> has been announced.

Business Events	At risk	Secures and hosts conventions, meetings, commercial exhibitions, functions and dinners across suitable Tataka Auckland Unlimited venues and other venues. Provides technical equipment hire for conventions, meetings, commercial exhibitions, functions and dinners.	More than <b>20 new event confirmations were received</b> in the fourth quarter. The Auckland Convention Bureau (ACB) represented Auckland at the <b>IMEX international business events trade show</b> in Frankfurt in May. ACB represented Auckland at New Zealand's largest domestic trade show <b>MEETINGS</b> in Christchurch in June, with Auckland Conventions Venues and Events included in the ACB members represented on the Auckland stand. <b>Asia Pacific Incentives and Meetings Event</b> was held, with representatives attending virtually.
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# CCO review implementation

## Context

The *Review of Auckland Council's council-controlled organisations (July 2020)* made three specific recommendations related to ATEED and Regional Facilities Auckland. They were:

1. The council approves the merger of the two CCOs and appoints a steering group to implement the change.
2. The merged entity explores, at the council's direction, the critical need for joint management and operation of the city's four stadiums with the Eden Park Trust.
3. The council explores with the Auckland War Memorial Museum and MOTAT bringing both institutions into the merged entity and seeks such legislative change as is necessary

In addition, it is expected that Tātaki Auckland Unlimited will contribute to a range of other recommendations of the CCO Review related to Accountability and Culture.

## Q4 implementation progress

### Recommendation #1: ATEED – RFA Merger

- On 1 December 2020, ATEED and RFA formally merged to become Tātaki Auckland Unlimited (now Tātaki Auckland Unlimited – TAU). This recommendation is complete.
- Since the merger, TAU has introduced a new target operating model and appointed a new Executive Leadership Team. Work continues on embedding the new operating model through a dedicated Change and Transformation function.

### Recommendation #2: Single Stadium Operator

- The Single Operator Stadiums Auckland work has been identified as an area of focus in the TAU Letter of Expectation for 2022-2023. A Memorandum of Understanding (MOU) has been signed between TAU and the Eden Park Trust Board. The CCO Oversight Committee has been briefed on the MOU and an associated programme of work at a series of confidential workshops between July 2021-May 2022. The outcomes of work to date were reported to the CCO Oversight Committee confidential meeting in June 2022 and workstreams are continuing as part of the programme of work towards a complete business case.

### Recommendation #3b: Bringing MOTAT into Auckland Unlimited

- TAU and MOTAT have met to discuss this recommendation; options, opportunities and challenges. Towards the end of July 2022, TAU expects to provide Auckland Council with a written update on progress and next steps.

### Other recommendations

- TAU staff have been inputting into a range of other recommendations, including the development of strategic priorities across the group, Local Board Engagement Plans, reporting and communications, Group Shared Services, Māori responsiveness, and complaint measurement.

## Outlook

### ATEED-RFA Merger and Transition Update

Tātaki Auckland Unlimited will continue to implement its new operating model over the coming months with a view to completion by the end of the year.

### Single Stadium Operator

The CCO Oversight Committee will continue to be briefed on the progress of this work.

### Bringing MOTAT into Auckland Unlimited

Tātaki Auckland Unlimited expects to provide Auckland Council with a written update on progress and next steps towards the end of July 2022.

## Other Statement of Intent focus areas

### Climate Change & Sustainability

- **Tātaki Auckland Unlimited's operational emissions:** Emissions data collection and analysis continues for the FY 21/22 GHG emissions inventory. This is in preparation for the annual Toitū Carbonreduce certification submission and audit next quarter. This year, the submission includes employee commuting data, collected through the first staff travel survey. Auckland Zoo continues to report under the Toitū Net CarbonZero programme.
- **Task Force on Climate-related Financial Disclosure (TCFD):** TAU continues to input into the Auckland Council climate disclosure working group. This quarter included providing feedback on the XRB consultation for NZ CS 1, climate scenario development, and a pilot workshop for identifying transition risks. TAU is working on phase one of an emissions reduction pathway, an adaptation plan, and the completion of sustainability strategy scoping. In relation to the governance recommendations, Dan Te Whenua Walker is now the nominated TAU Board lead for TAU's climate response.
- **Climate Innovation Hub – Climate Connect Aotearoa (CCA):** The website will be completed in FY 22/23 Q1. The logo and name are in the trademarking process. In collaboration with Ākina Foundation, the team is developing an impact measurement model. Recruitment is progressing for three FTE positions, including a co-funded Energy Innovation Development Manager. The team continues engagement with organisations across Tāmaki Makaurau and Aotearoa, developing strategic partnerships and cross-sector connections within the climate innovation ecosystem.
- **Cost of Transition for Tāmaki Makaurau:** Initial results show that due to emissions-intensive sectors, Auckland's GDP may be affected to a larger extent than the rest of Aotearoa. The draft technical report is currently being reviewed.

### Local Board Engagement

- The 21 x FY22/23 Joint CCO Engagement Plans and their appended work programmes are now finalised and adopted. As part of this process, senior TAU leaders and External Relations staff attended 21 local board workshops in April/May.
- Monthly newsletters were issued to boards, providing content on TAU activities. These include updates on regionwide activities, and where possible, local outcomes of regional programmes or local activities based in specific local boards areas. TAU teams are exploring improvements for the delivery of these newsletters.
- The following presentations were made to specific local boards and local board audiences during Q4:
  - Members of Whau and Henderson-Massey Local Boards, together with Councillor Linda Cooper, visited Auckland Film Studios to view upgrade work underway and talk about future plans for the creative and screen industries in west Auckland.
  - TAU Directors of Investment & Industry and Marketing & Communications presented to Waitemātā Local Board about how TAU work contributes to the revitalisation of the city centre. Head of Placemaking from Eke Panuku Development Auckland attended in support, in anticipation of the council family moving to a lead agency model for city centre.
  - An overview of major events, Te Matatini and FIFA Women's World Cup 2023 was given to Albert-Eden Local Board.
  - An overview of TAU major events work, and how it differs from and complements Auckland Council events activity, was presented to Papakura Local Board.
  - The Chief Executive of the Stardome Observatory and Planetarium gave Puketāpapa Local Board a regular update and insight into its Matariki programming.
  - The Māori Outcomes team made presentations to the Papakura, Maungakiekie-Tāmaki, Mangere-Otahuhu, Rodney, Manurewa, and Albert-Eden local boards.
- With the completion of the Joint CCO Engagement Plan process, the External Relations team has moved its focus back to planning and facilitating a comprehensive schedule of TAU senior leaders presenting at local boards workshops from July onwards.
- The TAU Local Economic Places team engaged with the following boards, as required to implement the 2021/22 Locally Driven Initiative (LDI) projects and agree the forthcoming year's work programme: Aotea Great Barrier, Devonport-Takapuna, Franklin, Howick, Henderson-Massey, Kaipātiki, Māngere-Ōtāhuhu, Manurewa, Maungakiekie-Tāmaki, Orakei, Ōtara-Papatoetoe, Papakura, Puketāpapa, Upper Harbour, Whau, and Waitemātā. (The LDI programme is reported via Local Board Work Programme quarterly reporting by Auckland Council Local Board Services.)

#### Contribution towards Māori Outcomes

- Analysis of the **organisation-wide survey of employees** to assess skills, attitudes and awareness in relation to Māori Outcomes (Te Ara ki Tua) is complete. Results are being used to guide the development of a bespoke organisational capability building programme. A cultural competency app for kaimahi is in development, with an expected launch date of late August 2022.
- Our **bilingual name** was successfully launched online with staff and through a formal communications plan with our partners and stakeholders. Our name establishes a tangible and emotional connection between our people and the community we serve, recognising the equal weight and importance of Te Reo Māori as an official language and our Tiriti-based commitments to Māori; and reinforcing the importance we place on cultural leadership and economic development.
- **Tāmaki Herenga Waka Festival**: Our Māori Outcomes and Major Events rōpū continue to collaborate and stay connected following the approval by the Tāmaki Makaurau Mana Whenua Forum of the proposal of a phased delivery of concept development and smaller events that will lead to a full festival offering in 2025.
- **Kia ora te Umanga (Employment, Business and Tourism)**: Additional analysis of our supplier diversity expenditure highlighted areas where we are successfully achieving the 5% supplier diversity target. A series of capacity building/training sessions has been prepared and will be delivered throughout July and August. The team provided advice to Kainga Ora on how to scale up Māori small to medium businesses for Kainga Ora contracts.
- **Kia ora te Taiao (Environmental priority)**: the team reviewed and provided advice regarding the Aotearoa NZ Screen Sector Emissions study report; and also engaged with and provided advice to the Auckland Council Group Climate Disclosures Act Climate Risk Assessment.
- **Kia ora te Reo (Language Policy and promotion)**: The Māori Outcomes Steering Group approved the bi-lingual signage business case for \$32,000 additional funding for FY22/23.
- Requests for advice and support to enable respectful and appropriate engagement with mana whenua and mataawaka are increasing. Policy work continues to identify engagement guidelines and tikanga protocols. A project was launched in the third quarter to capture insights and learnings (Māori Outcomes Critical Incident Tool) from 16 members of staff and contractors towards developing a set of good practice engagement guidelines for Māori Outcomes. This project was completed in June 2022.
- A draft report regarding film issues and film sector emissions strategy was prepared for the IMSB. TAU led the engagement with mana whenua entities about the issues with the Auckland Unitary Plan, and Sites and Places of Significance to Mana Whenua.

# Tātaki Auckland Unlimited consolidated Q4 financials



## Direct operating performance

(\$ million)	Notes	FY 21	FY 22 Quarter 4 YTD			FY 22
		Actual	Actual	Budget	Variance	Budget
<b>Net direct expenditure</b>	<b>A</b>	<b>91.0</b>	<b>112.6</b>	<b>113.4</b>	<b>0.7</b>	<b>113.4</b>
<b>Direct revenue</b>	<b>B</b>	<b>79.3</b>	<b>118.7</b>	<b>89.6</b>	<b>29.1</b>	<b>89.6</b>
Fees & user charges		24.0	15.9	39.5	(23.6)	39.5
Operating grants and subsidies		24.3	80.3	18.4	61.8	18.4
Other direct revenue		31.0	22.6	31.7	(9.1)	31.7
<b>Direct expenditure</b>	<b>C</b>	<b>170.3</b>	<b>231.3</b>	<b>203.0</b>	<b>(28.3)</b>	<b>203.0</b>
Employee benefits		74.7	86.4	85.9	(0.5)	85.9
Grants, contributions & sponsorship		10.3	65.1	12.8	(52.3)	12.8
Other direct expenditure		85.3	79.8	104.3	24.5	104.3
<b>Other key operating lines</b>						
AC operating funding		96.0	110.9	113.4	2.5	113.4
AC capital funding	<b>D</b>	46.4	42.8	56.7	13.9	56.7
Non-direct expenditure		-	0.1	0.0	(0.1)	0.0
Other losses (gains)		0.5	0.8	0.0	2.1	0.0
Capital Contributions		0.0	0.6	0.0	0.6	0.0
Depreciation		39.0	39.4	45.7	6.4	45.7
Donated Artworks		2.2	1.4	0.0	1.4	0.0
Income Tax benefit		0.8	0.7	0.0	0.5	0.0
Net interest revenue (expense)		0.2	0.3	0.1	0.2	0.1



## Financial Commentary

**A:** The favourable variance is due to changes in the timing of planned expenditure in response to COVID-19 driven adverse revenue results, and uncertainties regarding future revenues.

**B:** Direct Revenue is favourable due to unbudgeted Activate and Reactivate Tāmaki Makaurau grant funding and wage subsidy receipts, offset by a reduction in visitor and event revenues resulting from COVID-19 restrictions.

**C:** Direct expenditure is adverse due to unbudgeted Activate and Reactivate Tāmaki Makaurau expenditure, offset by changes in programme timing as a result of trans-Tasman border restrictions and resurgence of COVID-19 domestically.

**D:** The capital programme is below budget with the COVID-19 lockdown stopping work at Level 4, operational constraints impacting in Level 3 and ongoing supply chain constraints. The underspend has largely been deferred into FY23. The numbers presented include the FY21 Amazon contract termination adjustment, recorded in FY22, being recognised against FY21 grant revenue.

# Tātaki Auckland Unlimited Q4 performance measures

Key performance indicators	Previous	FY 22 Quarter 4		Status	Commentary
	Year	YTD Actual	FY Target		
TAU has 11 SOI measures, of which 7 are LTP measures. Nine of the 11 measures are tracked quarterly. One is a six-monthly measure and one is an annual measure. At the end of Q4, six KPIs were achieved, one was substantially achieved, one was not achieved (but progress made on last year), and three were not achieved.					
<b>SOI performance measures (including LTP measures as indicated)</b>					
<b>Enhance Auckland as a culturally vibrant city for all</b>					
The number of people who are issued tickets to attend Auckland Live, Auckland Zoo, Auckland Art Gallery, NZ Maritime Museum, and Auckland Stadiums venues and events. <b>(LTP measure)</b>	New measure	732,285	1.44m	Not achieved	Result is below target due to the closure of all facilities for periods in Q1 and Q2, and audience/visitor limitations in Q3, impacting the number of tickets issued.
Percentage of Auckland residents surveyed who consider that Auckland Unlimited Trust's programmes, events and exhibitions enrich their lives.	75.2%	73%	70%	Achieved	
The net promoter score for TAU's audiences and participants. <sup>1</sup> <b>(LTP measure)</b>	53	54	20	Achieved	
<b>Expand economic opportunities for all Aucklanders</b>					
Number of businesses that have been through a TAU programme or benefited from a TAU intervention. <b>(LTP measure)</b>	7,357	11,976	3,000	Achieved	Result driven by Activate and Reactivate Tāmaki Makaurau programmes.
Number of Māori businesses that have been through an TAU programme or benefitted from a TAU intervention <b>(LTP measure)</b>	665	1,080	150	Achieved	Result driven by Activate and Reactivate Tāmaki Makaurau programmes.
<b>Provide an effective social, economic, cultural and environmental return on investment.</b>					
The percentage of operating expenses funded through non-rates revenues <b>(LTP measure)</b>	50%	33%	44%	Not achieved	Result is below target due to the closure of all Trust facilities for periods in Q1 and Q2, and audience/visitor limitations in Q3, impacting the revenue generated from non-rates sources.

<sup>1</sup> Net promoter score is an index ranging from -100 to 100 that measures the willingness of customers to recommend a product or service to others.

Increase capital investment into Auckland for economic and cultural outcomes.					
Attributable value of private sector investment secured over the year.	\$438.7m	\$197m	\$200m	Substantially achieved	Within 2% of target.
The contribution to regional GDP from major events and business events attracted or supported. <b>(LTP measure)</b>	\$14.3m	\$30.2m	\$34.0m	Not achieved but progress made	Result not achieved due to multiple event cancellations and postponements, and limitations on attendance at other events – but a big improvement on last year’s COVID-19 impacted result, reflecting the lifting of restrictions.
Build a sustainable future focussed organisation.					
Carbon emission reductions (year-on-year % change).	-10.8%	4%	0%	Not achieved	TAU experienced a 4% year-on-year increase in carbon emissions across Trust activity.
The number of programmes contributing to the visibility and presence of Māori in Auckland, Tāmaki Makaurau. <b>(LTP measure)</b>	127	101	20	Achieved	Based on results across Auckland Art Gallery, Auckland Zoo, Auckland Live, Auckland Stadiums, and New Zealand Maritime Museum.
Percentage of customer complaints resolved within 10 working days.	New measure	Policy and process in place	Develop policy, process and benchmark	Achieved	TAU Complaints Policy, process and tool in place to capture complaints across the organisation.