

# Auckland Unlimited

## **Quarter 4 Performance Report**

### **For the period ending 30 June 2021**

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

# Auckland Unlimited (AU) Q4 summary

Highlights, issues and risks as at the end of Q4	Financials Combined (\$m)	YTD actual	YTD budget	Actual vs Budget
<ul style="list-style-type: none"> <li>The second, <i>Auckland's Future, Now</i> event occurred in May 2021 continuing the momentum created by the inaugural event in August 2020, exploring how public/private collaboration can build Auckland's best future.</li> <li>The Economic Development Action Plan was endorsed by the Council and CCO CEs group on 24 June and adopted by the PACE Committee on 8 July. The Plan provides a coordinated view for the council group's economic development activity.</li> <li>As part of the Project Ikuna (the Auckland Pacific Skills Shift project), the first prototype of the "Future Ready – Life Online" foundation digital literacy micro-credential got underway in Otahuhu.</li> <li>The Pasifika Festival was delivered in April at a new venue, Mt Smart Stadium, after being cancelled in 2020.</li> <li>AUL confirmed as eligible to receive \$1.5m in funding through the Governments Tourism Communities: Support, Recovery and Reset package.</li> <li>The Auckland Art Gallery Toi O Tāmaki opened two new exhibitions this quarter: the Walters Prize 2021 opened on Thursday, 13 May and "All that was Solid Melts" opened on 3 June.</li> <li>The Auckland Writers Festival made a return to the Aotea Centre after Covid forced last year's festival to be online. Over 30,000 general tickets were sold and more than 24,000 school tickets were issued.</li> <li>Flagship event Auckland Live Cabaret Season 2021 was a great success (23 June – 4 July at The Civic), with 14 productions featuring 78 artists. Hit musical Jersey Boys saw 35,700 attendees, grossing \$3m.</li> <li>At NZ Maritime Museum, the Edmiston Gallery refurbishment was completed, and the Museum publicly launched its online collection portal - a major milestone in the NZ Lotteries-funded multi-year collection digitisation project.</li> <li>Delivery of the Southeast Asia Jungle Track continued at the Zoo, including installation of the Tiger Habitat bridges. The new Te Puna Café was awarded a 2021 Auckland Architecture Award for Public Architecture.</li> </ul>	Capital delivery	46.4	50.3	(3.9)
	Direct revenue	81.7	66.4	▲ 15.3
	Direct expenditure	168.5	180.4	▼ 11.9
	Net direct expenditure	86.8	114.0	▼ 27.2
<p><b>Issues/Risks:</b></p> <ul style="list-style-type: none"> <li>Significant number of "back-up dates" required for international content, resulting in a reduction of dates available for Live and Conventions content. Australian lockdown and Covid related changes are also impacting events and musicals.</li> </ul> <p><b>Key Performance Indicators:</b></p> <ul style="list-style-type: none"> <li>Out of a total of 22 KPIs, 17 have been met and 5 have not been met at year end.</li> <li>COVID-19 is the key reason for the non-achievement of the 5 KPIs not met, either as a result of events being cancelled or postponed (regional GDP, visitor nights and carbon zero) or because of the impact of lockdowns on venue visitation (no. of people experiencing Trust venues) and on construction activity (value of capital improvements).</li> </ul>	<p><b>Financial Commentary</b></p> <p>The \$27.2m favourable variance reflects the receipt of unbudgeted grants, delayed programmes expenditure and cost reductions.</p> <p>The capital programme is below budget due to COVID-19 delays.</p>			

# Strategic focus area – Economic Development

Key commentary		Strategic context
<p><b>For the 12 months to 30 June 2021, total net direct expenditure of \$15.0m spent on Economic Development against a budget of \$21.4m (includes associated operational support costs and excludes depreciation and divestment). Highlights:</b></p> <ul style="list-style-type: none"> <li>The Economic Development Action Plan was endorsed by the Council and CCO CEs group on 24 June and subsequently adopted by the PACE Committee on 8 July. The Plan provides a coordinated reference point for the Auckland Council group's economic development activity.</li> <li>Project Ikuna (Auckland Pacific Skills Shift): the first prototype of the "Future Ready – Life Online" foundation digital literacy micro-credential is underway with provider Education Unlimited and "The Comfort Group" in Otahuhu.</li> <li>GridMNK: The Tukua Pad has reached full occupancy, and Ngahere has pitched to Ministry of Culture &amp; Heritage "Te Urungi Innovating Aotearoa" fund to develop "South Studios".</li> <li>Following the success of Click Studios in Mt Albert, a second studio space, Click Studios #2 is now open on Rosebank Rd, Avondale with the support of AU. May saw the official opening of the new Media Design School in Wynyard Quarter Innovation Precinct.</li> <li>The Auckland's Future, Now 2021 conference, on 14 May, brought together the region's leading business and economic thinkers to advance our economic recovery - to act and advocate together to build Auckland's best future.</li> <li>The final round of workshops with the Local Boards have been completed, and the 2021-22 Work Programme agreed with a total value of \$600,000. Local Boards considered the Economic Development Action Plan draft at business meetings, and formally provided feedback.</li> </ul>		<p>Auckland Unlimited's Economic Development division supports the growth of quality jobs. The division does this by working with industry across business support, business, talent and investment attraction, workforce and sector development. The COVID-19 response focussed on SMEs support, plus convening various sectors to develop a recovery plan for Auckland. The health of the economy reinforces Auckland as a destination creating international links and driving international investment.</p>
Key programme	Description	Outlook
<b>Skills and workforce</b>	Working with employers and the Government to better understand key skill challenges and workforce development needs and enable business to attract the right talent.	The first stage of the Impact of Covid-19 on Youth Employment research is underway. Interviews with employers and an online survey were completed for promotion in June. A Youth Employer Pledge webinar was held, focusing on a digital approach in the workplace and how effective this is for a youth workforce. Auckland Unlimited is working to attract more Aucklanders into screen sector careers and supporting the sector to retain and upskill existing talent.
<b>Investment and international partnerships</b>	Attracting high-value business and investment to the city to maximise economic opportunities associated with infrastructure investment for long-term impacts.	The Investment Team won a Best Practice award at the Annual EDNZ conference for the Invest Auckland platform in the Inward Investment category. A successful business attraction webinar was hosted with Enterprise Singapore, that highlighted opportunities in future transport and mobility sector in Auckland to 70+ Singaporean companies. At year end Auckland Unlimited had secured \$438.7m of attributed private sector investment into Auckland (incl screen).
<b>Screen Auckland</b>	Screen attraction, infrastructure, facilitation and talent	Screen Auckland processed 88 permit applications (1058 total FY21) and 40 enquiries (717 total FY21) over June. "The Convert" has been confirmed for Premium Project funding and is now greenlit. This will be the first shoot of its kind in the Waitākere Ranges and is a big win for the production and for showcasing our region on screen.
<b>Local economic development</b>	Providing guidance to support local initiatives and focusing future investment on economic outcomes for south and west Auckland.	Drury Activation Project: The scope of work for procurement was completed in consultation with MHUD and MBIE. The process of procurement began in May with two potential consultants. FlexiCity workshops completed, with the final "play back" on the workshops received.
<b>Innovation</b>	Leveraging our role to grow Auckland's innovation ecosystem, including the ongoing development of GridAKL.	GridAKL campus in Wynyard Quarter has 136 businesses, 807 individuals, 87 events held with 3654 attendees. Fifteen co-design workshops were held in Hatchbox (innovation solutions lab). Innovation Precincts delivered the IndieGames showcase attended by 200 participants and a new flagship Founders Connect series.
<b>Business growth</b>	A focus on existing small businesses, raising their capability, encouraging business networking, connecting them to talent and facilitating access to export markets.	Regional Business Partner Programme: 112 R&D grants to the value of \$6.6m have been issued this year to innovative businesses and over \$13m of R&D Loans. RBP Registrations YTD 6180. The Tourism Transition Fund has now been distributed. RBP Voucher Spend Allocated YTD \$18,804,467. Maori Business Engaged YTD 753 and 380 Māori businesses received \$1.3m in funding.

# Strategic focus area – Destination

Key commentary		Strategic context
<p><b>For the 12 months to 30 June 2021, total net direct expenditure of \$24.1m was spent on Destination activity against a budget of \$35.6m (including associated operational support costs and excluding depreciation and divestment). Highlights:</b></p> <ul style="list-style-type: none"> <li>Go With Tourism flagship Expos were delivered in Christchurch, Auckland, Dunedin and Hamilton across May and June with 14,022 attendees in total. By the end of June, a total of 300 class visits had been achieved for 2021 as part of the education programme.</li> <li>The Pasifika Festival, which had to be cancelled in early 2020 due to COVID-19, was originally scheduled to take place at Western Springs in March 2021. A COVID-19 alert level change meant a late postponement and the event was delivered at Mt Smart Stadium in April.</li> <li>In April, it was announced that Eden Park will host the opening match of FIFA Women’s World Cup 2023. All Auckland matches will showcase Auckland as a world-class global events city and deliver significant economic value to the region.</li> <li>Key marketing activity over the quarter included joint marketing campaigns with neighbouring regions - the Waikato targeted Love this, love that campaign and the joint Northland-Auckland campaign with AA Traveller.</li> <li>In May, Study Auckland curated an urban art project at Auckland’s Britomart involving three international students working alongside respected local artists to create one of three 12m outdoor murals celebrating the culture and diversity of Tāmaki Makaurau Auckland.</li> <li>AUL confirmed as eligible to receive \$1.5m through the Governments Tourism Communities: Support, Recovery and Reset package.</li> </ul>		<p>Normally, the Destination division supports the sustainable growth of Auckland’s visitor economy, so that the region is better off economically, socially and environmentally. Post COVID-19 the Destination division sees its role as a facilitator and partner with industry and government to support the recovery and re-activation of Auckland’s visitor economy through the implementation of the Destination AKL Recovery Plan.</p>
Key programme	Description	Outlook
<b>Tourism</b>	Auckland Unlimited’s Tourism team focuses on leading and partnering in destination marketing and advocating or co-ordinating in destination management.	We leveraged Tourism New Zealand’s <i>Active Recharge</i> campaign, through a content partnerships with NZME, Stuff and Neat Places targeting independent professionals and active silvers in our drive and fly markets. Iconic Auckland Eats activity continued on social media. Several proactive media opportunities were created following the opening of the trans-Tasman bubble, including with Qantas Magazine, Channel Seven Sunrise and the Today Show. The ‘Papatūānuku is Breathing’ video won the "Best Use of Digital and Social Media" category at the annual Public Relations Institute of New Zealand Awards.
<b>Business Events</b>	Sales and marketing activity to grow the value and volume of business events in Auckland, and position Auckland as a premium business destination.	Targeted sales activity was undertaken with top corporate/incentive/association professional conference organisers across Sydney, Melbourne, Brisbane, Perth, Hobart, Adelaide and Canberra on the opening of the trans-Tasman bubble creating an opportunity to meet with clients leading to new opportunities valued in excess of an estimated \$1.1m in new tourism spend. The MEETINGS Trade Show was held at the end of May at the ASB Showgrounds after a two-year break. The ACB team completed over 60 appointments and had 20 members exhibiting. Auckland also received the coveted “Best Regional Stand” award, presented at the MEETINGS Gala Dinner on 3 June.
<b>Major Events</b>	Auckland Unlimited intervenes in the events landscape through strategic influencing, investment in major events, production, activation, leverage and marketing.	The annual Auckland Writers Festival, the largest literary event in Aotearoa and the largest presenter of New Zealand literature in the world, took place between 11-16 May and presented over 200 writers in six days. Estimated attendance numbers were 62,000 over the festival period. The musical <i>The Lion King</i> opened at Spark Arena selling more than 120k tickets and breaking the record for the fastest-selling musical theatre show in New Zealand. Elemental AKL marketing was launched in fly and drive markets (with local marketing picking up in July).
<b>International Student Attraction and Retention</b>	Growing Auckland’s reputation as an innovative international education hub through ensuring students access high-value tourism services and experiences.	The Study Auckland team participated in the Education NZ Recognised Agency mini-fair held on 10 June at the Media Design School presenting unique offerings in our region, including study options and student experiences. The team is currently scoping a programme of work to engage with key international education agents onshore who have been impacted by the closure of the borders. Over 20 individual meetings were held to discuss areas of support and collaboration to structure the programme of work.

# Strategic focus area – Stadia

Key commentary	Strategic context
<p><b>For Q4 ending 30 June 2021, a total of \$2.7m has been spent towards stadia against an allocated FY21 capital budget of \$5.6m.</b></p> <p><b>Highlights</b></p> <ol style="list-style-type: none"> <li>1. Western Springs Stadium: All programmed works at Western Springs Stadium have been completed.</li> <li>2. Mount Smart Stadium: The upgrade of the #1 turf to a Hybrid system is almost complete. Key upgrades to the grandstand seats and conversion of static advertising hoardings to a digital solution have been placed on hold pending long term Stadium Planning. General facilities renewals works and planning for FY22 continue.</li> <li>3. North Harbour Stadium: The FY21 Capital Programme is centred around investigation and remedial works to the main grandstand roof which was delayed from FY20 due to COVID along with some minor renewal works. A new \$1.8m project to upgrade office accommodation for FIFA and New Zealand Football has been approved by the board and is due for completion by Q1 2022.</li> </ol> <p><b>Issues/Risks</b></p> <ol style="list-style-type: none"> <li>1. The placement of the digital advertising and seat renewal programme on hold means that delivery of the full Stadiums budget has not been achieved, however some of the funding has been reallocated across the wider portfolio.</li> </ol>	<p>Much of Auckland’s network of stadia are aging and do not respond to the evolving interests of Aucklanders, including the growth of interest in a wider range of sports.</p> <p>Auckland Unlimited is working to improve the amenity and health and safety standards in the stadia under its stewardship, in order to improve their financial sustainability and provide better facilities for both community sports activities and professional sports teams and their fans. Auckland Unlimited also aims to provide venues to support Auckland’s emerging sports.</p>

Key programme of works	Status	Description	Outlook
Mount Smart Renewals Programme	Delivery Phase	A programme of minor renewals and infrastructure upgrades	Progressing well
North Harbour Stadium – main stand roof renewal	Plan Phase	To evaluate and renew the main grandstand roof	Initial investigations have identified more complex issues than previously anticipated meaning further investigation is required. The impact is that remediation works are unlikely to commence until FY22
Western Springs Stadium renewals	Close Phase	Completed	

# Strategic focus area – Auckland Zoo development

Key commentary	Strategic context
<p><b>For Q4 ending 30 June 2021, a total of \$15.4m has been spent at Auckland Zoo against an allocated FY21 budget of \$15m.</b></p> <p><b>Highlights</b></p> <ol style="list-style-type: none"> <li>1. The South East Asia Jungle Track project has a planned completion date of November 2021.</li> <li>2. The Tiger, Otter and Swamp forest habitats remain under construction.</li> <li>3. The Te Puna Café, The High Canopy Aerial Pathway and the staff quarters in the Tiger Care facility are all now open.</li> </ol> <p><b>Issues/Risks</b></p> <ol style="list-style-type: none"> <li>1. There is potential for future disruptions by Covid-19 to labour and materials and the additional time and costs associated with these delays</li> </ol>	<p>Auckland Unlimited is continuing with development of a world-class zoo and wildlife conservation facility by addressing aging infrastructure at Auckland Zoo and long-term under-investment through a phased programme of works.</p> <p>These works constitute essential renewals aimed at ensuring Auckland Zoo meets the modern standards of animal welfare, visitor amenity, wildlife exhibition and health and safety obligations.</p>

Key programme of works	Status	Description	Outlook
Southeast Asia Precinct development	Delivery Phase	Redevelopment of the central area within the Zoo to provide modern standards of housing and care for the Zoo’s Southeast Asian species, and new catering facilities for zoo visitors	The revised delivery programme developed post COVID 19, is meeting planned timelines and cost to complete estimates.

# Strategic focus area – Aotea Precinct development

## Key commentary

For Q4 ending 30 June 2021, a total of \$12.8m has been spent against an allocated FY21 budget of \$14.6m

### Highlights

1. The Weathertightness improvement phase of the Aotea Centre Refurbishment Programme is progressing at a steady rate and scheduled to be completed in August 2021.
2. In parallel to the main building works, construction has started on the Herald Theatre which is due for completion slightly later in September 2021.
3. Installation of the decorative façade treatment is underway, with completion due in August 2021.

### Issues/Risks

1. The remaining risk is around programming and allowing for events and performances and the potential for Covid-19 lockdowns. At this stage completion dates are based around known events but new bookings may result in an extended programme to The Herald Theatre.

## Strategic context

The refurbishment and further proposed development and expansion of the Aotea Centre are aimed at creating a vibrant cultural and civic centre for Auckland focussed on the Aotea Square precinct and as part of a wider Aotea Arts Quarter.

This will include a significantly upgraded and expanded Aotea Centre and integrated Aotea Square, providing a home for the development and presentation of performing arts in Auckland.

## Key programme of works

### Status

### Description

### Outlook

Aotea refurbishment

**Delivery Phase**

The first significant refurbishment of the 30-year-old Centre, aiming to upgrade foyer and functions spaces and address long-standing weather-tightness issues

Internal refurbishment works are complete. Exterior weathertightness works are scheduled for completion in Q1 FY22.

# Other Statement of Intent focus areas

## Local board engagement

- Staff from across Auckland Unlimited have contributed to the population of the 21 local board engagement plans and were present at meetings alongside Local Board Services, AT, Eke Panuku and Watercare. Work is ongoing to finalise these ahead of their formal adoption at the Local Board Business meetings and signing at the Local Board Chairs Forum.
- The Director of the Auckland Art Gallery updated Waitemata Local Board on the upcoming renovations and reroofing.
- The Waitemata Local Board also received an update on the Auckland Playbook and the ongoing work to understand and unify Auckland's brand identity.
- Local Board Newsletters continue to grow their scope with content from the broad Auckland Unlimited platform.
- Plans are ongoing to roll-out a Local Board Update on the new Auckland Unlimited operating Model and tier 2 leaders.
- Presentations were made to the Rainbow and Youth Advisory Panels providing information about the scope of activities of Auckland Unlimited.
- Continued attendance and input into the Auckland Council Local Board Services aspects of the CCO review.
- Attendance and participation into the Council-led CCO Elected Member survey workshops.
- Attendance at Waitemata LB meeting to speak to the Q3 report.
- Attendance at a bi-monthly workshop with the Waitemata LB to discuss recent and upcoming major events.
- Local board-specific newsletters have continued to be published and are providing information on the breadth of activities and events of Auckland Unlimited.
- All Local Boards were consulted on the draft Economic Development Action Plan 2021-24 over April and May with 18 providing formal written feedback via resolution.

## Climate Change and Sustainability

- The updated technical report for phase 2 of the Auckland Economy Climate Change Risk Assessment (ECCRA), and summary findings of Māori Business engagement that will be integrated in the technical report is currently being reviewed. The sector workshops with Construction, Food and Beverage, Screen, Visitor Economy and the Advanced Manufacturing and Technology sector have been completed with a total of 90 attendees, representing 70 businesses/organisations. A total of 15 Māori stakeholders have been interviewed for the Māori Business part of the report. The final report will be published in August.
- As part of the Destination AKL 2025/Destination AKL Recovery Plan, we continue to work on developing an evidence base and recommended actions to support the visitor economy's transition to a low carbon resilient sector. In collaboration with Griffith University, we have published "The carbon footprint of Auckland tourism" on Knowledge Auckland. AUT's New Zealand Tourism Research Institute (NZTRI) has produced the report "Towards Sustainability: Strengthening community dimensions of Auckland tourism" which will be attached to the final action plan.
- Auckland Unlimited has been collecting data on its carbon footprint, to be audited for Toitū carbon reduce certification and verified against the ISO 14064-1:2006 standard. The inventory is a quantification of the amount of GHG emissions that can be directly attributed to the organisation's operations and business units within scope and boundary for the specified reporting period. Due to the merger this will be legacy RFA and legacy ATEED operating as BAU during FY20/21. The audit is scheduled for late July.
- Progress continues on the development of Auckland Unlimited's Taskforce on Climate-Related Financial Disclosure (TCFD) for FY20/21. This will be combined with the Auckland Council Group TCFD Report. Work has commenced with AECOM on the process of developing a more in-depth TCFD report for FY21/22, including a scenario analysis for different climate change projections (i.e., RCP8.5).
- Funding for Auckland's Climate Innovation Hub (CIH) has been approved via the Climate Lane of the Long-Term Plan (LTP). A draft model for Auckland's CIH has been developed on the basis of a desktop research analysing and understanding international climate change innovation hub models (e.g., Climate-Kic EU). We have started engaging key stakeholders to gauge interest of becoming a core partner. The Connective has been engaged to support Auckland Unlimited with the initial development of the Climate Innovation Hub.

## Other Statement of Intent focus areas

### Contribution towards Māori outcomes

#### 2021 programme

- The Taki Hau Business Showcase was held on 22 April, with more than 200 people in attendance. This was a networking event for Māori businesses, being one of the actions from the Summit held in November 2020.
- Tohunga Tūmau – a celebration of Māori kai, was held on 1 July. Auckland Unlimited provided sponsorship for this sold-out event, held at Shed 10 in Auckland CBD. The event also launched *Kauta* – a nation-wide digital platform housing Māori kai developers. Auckland Unlimited hosted key stakeholders at the event.
- Māori businesses capability development (social procurement focus) was completed at the end of Q4. Full reporting, including lessons learnt to shape future activity will be available on this activity during Q1.
- A full 2021 programme debrief and report will be available during Q1 2021/22. This will be used to shape future activity, in line with the new operating model.
- Mana Whenua Engagement: Continued during Q4 on activity completed and next steps for work programme development.
- The draft Māori Outcomes Plan for Auckland Unlimited continues to be developed. The two legacy plans have now been synthesised into one document. The next phase is to consult with Directors and their teams to confirm the relevant Performance Measures which are sourced from Council's Performance Measurement Framework for Māori Outcomes – Kia Ora Tāmaki Makaurau.
- Bilingual signage and wayfinding project for key facilities – phase one (Aotea, the Civic and Town Hall) has commenced with a chosen supplier.
- An internal capability programme – Kete Akonga on Te Tiriti, Māori Arts and Culture has delivered training sessions for all Art Gallery staff and volunteers.
- Staff capability development continues with a range of free Te Reo language and cultural etiquette courses across Auckland Unlimited.
- Te Matatini business case submitted for funding of \$1.2million. Internal Festival Director has been appointed and will be supported by AUL to coordinate Council's contribution towards this major event.

#### Māori Business programme

- Māori Business Clinics – social media marketing campaign analysis report completed.
- Māori Business Workshop Series – RFP in market for delivery of Q1 strategy and planning workshop series, to be delivered in four locations in line with ngā hau e wha.

### Arts & Culture Strategy

- A programme of free public events supporting Auckland's UNESCO City of Music designation and New Zealand Music Month 2021 was held in May. The programme included live DJ performances, documentary and NZ music footage screenings, a pop-up record shop, interactive musical installations and historical music venue tours. Overall, an estimated 9,550 people actively engaged with the programme during the month.
- More than \$240,000 was secured from the Ministry of Culture and Heritage Te Tahua Whakakaha Cultural Sector Capability Fund towards Auckland Live's Connect digital strategy.
- Auckland Live presented nine investment events during June, delivering four Māori led projects as part of our Matariki Festival programme. Interest from the public was much stronger than anticipated and Auckland Live is now in the process of designing the roll out of the next stage of Autaia – Haka Theatre which proposes developing the project in 2022 to include the involvement of up to nine Kura Kaupapa Māori. The project has the potential to become a significant event in the school year within Tāmaki Makaurau and a gateway for Māori taura (students) to the options of a career in the performing arts, both on and off stage.
- Auckland Art Gallery hosted the Pat Hanly Creativity Youth Awards on 24 June, and whānau drop-ins, free talks and performances remain very popular and continue to bring families into the Art Gallery Toi o Tāmaki.
- Work has begun on NZ Maritime Museum's next major exhibition 'I am Island and Sea' along with a gallery install for a two-year period of maritime decorative arts, both in the newly refurbished Edmiston space.

### Auckland investment story: Invest AKL

- The Invest [Auckland Website](#) has some minor updates in production and we continue to add opportunities and additional content. To further support the website our [Invest Auckland LinkedIn](#) continues to gain traction with 186 followers and 29.2K impressions which is up 187% in the last 30 days. Content continues to be created for each sector and a success story video is underway with Mytona. LinkedIn remains for Q1 the main source of marketing for Invest Auckland and has proven to be recently successful in gathering leads. A solid strategy sits behind this LinkedIn channel to help attract investment into Auckland.

# Consolidated Auckland Unlimited financials

## Direct operating performance

(\$ million)	Notes	FY20	FY21 YTD			FY21
		Actual	Actual	Budget	Variance	Budget
<b>Net direct expenditure</b>	<b>A</b>	<b>89.3</b>	<b>86.8</b>	<b>114.0</b>	<b>27.2</b>	<b>114.0</b>
<b>Direct revenue</b>	<b>B</b>	<b>83.5</b>	<b>81.7</b>	<b>66.4</b>	<b>15.3</b>	<b>66.4</b>
Fees & user charges		34.9	24.3	23.5	0.8	23.5
Operating grants and subsidies		12.8	27.1	15.7	11.4	15.7
Other direct revenue		35.8	30.3	27.2	3.1	27.2
<b>Direct expenditure</b>	<b>C</b>	<b>172.8</b>	<b>168.5</b>	<b>180.4</b>	<b>11.9</b>	<b>180.4</b>
Employee benefits		74.3	75.3	74.6	(0.7)	74.6
Grants, contributions & sponsorship		8.6	9.2	13.2	4.0	13.2
Other direct expenditure		89.9	84.0	92.6	8.6	92.6
<b>Other key operating lines</b>						
AC operating funding		83.6	96.0	114.0	18.0	114.0
AC capital funding	<b>D</b>	75.9	46.4	50.3	3.9	50.3
Holiday Act remediation payments		2.0	-	-	-	-
Capital Grants paid to RFA Partners		1.7	1.1	-	(1.1)	-
Living wage payment		-	0.5	-	(0.5)	-
Depreciation		38.3	39.0	38.8	(0.2)	38.8
Donated Artworks		-	2.2	-	2.2	-
Net interest revenue		0.6	0.2	0.2	-	0.2

## Financial Commentary

**A:** The \$27.2m favourable variance reflects the receipt of unbudgeted grants, delayed programmes expenditure and cost reductions.

**B:** Direct revenue favourable variance is due primarily to receiving unbudgeted grants. Cancelled events and venue closures due to lockdowns has offset these to some extent.

**C:** Direct expenditure favourable variance due primarily to a tight control over expenditure in response to COVID-19. This has included reprioritisation and rephasing of programmes to focus on recovery and merger activities across the Auckland Unlimited workstreams. Most programme expenditure reductions are timing related and now expected to be incurred FY22.

**D:** The capital programme is below budget due to COVID-19 delays.

# Auckland Unlimited Q4 performance measures

Out of a total of 22 KPIs, 17 KPIs have been met, 5 KPIs have not been met.

Key Performance Indicators	FY 2019/20 Annual Result	FY 2020/21			Comments
		Annual Result	Annual Target	Status	
<b>Provide experiences and opportunities for all</b>					
The number of people who experience Regional Facilities Auckland's arts, environment and sports venues and events	2,790,600	1,860,976	2,400,000	Not met (COVID 19 impacts)	The COVID-19 lockdowns resulted in all Auckland Unlimited venues closing during August 2020 and February 2021 with Alert Level 3 which has impacted visitors and resulted in performances and events being cancelled.
The net promoter score for Auckland Unlimited's audiences and participants	45	53	20	Met	
Percentage of Auckland residents surveyed who consider that Auckland Unlimited programmes, events and exhibition enrich their lives	73%	75%	70%	Met	
Number of people experiencing Auckland Unlimited's free or subsidised programmes, events and exhibitions	Not measured	1,169,748	Baseline to be set	Met	
Number of people who experience Auckland Unlimited's outreach programmes	Not measured	1,808	Baseline to be set	Met	
Auckland Unlimited website and social media following (number of visits/followers)	Not measured	3,140,297	Baseline to be set	Met	Actual result reflects the number of website sessions, not the number of page views as previously report in Q3.
Number of programmes contributing to the visibility and presence of Māori in Auckland, Tāmaki Makaurau	44	127	18	Met	
Number of school children who attend Auckland Unlimited's schools programmes	Not measured	103,995	Baseline to be set	Met	
Value of capital improvements to Auckland Unlimited venues	\$75.9m	\$48.0m	\$50.3m	Not met	Impacts from COVID 19 lockdowns and reduced resource availability has resulted in some programme deliverables deferred to FY22.
Number of staff hours on conservation activities at Auckland Art Gallery, Auckland Zoo and NZMM	Not measured	18,106	Baseline to be set	Met	
Percentage of operating costs funded through non-rates revenues	52%	50%	42%	Met	

LTP Key Performance Indicators	FY 2019/20	FY 2020/21			Comments
	Annual Result	Annual Result	Annual Target	Status	
<b>Driving Investment into Tāmaki Makaurau Auckland and support Auckland businesses to innovate and thrive</b>					
Value of central government investment into Auckland facilitated by Auckland Unlimited <sup>1</sup>	Not measured	\$86.8m	\$20m	Met	Result includes investment secured through COVID-19 vouchers, Regional Events Fund, STAPP funding and infrastructure investment.
Attributable value of private sector investment secured over the year	\$447.4m	\$438.7m	\$100m	Met	
The contribution to regional GDP from major events and business events attracted or supported (LTP measure)	\$33.7m	\$14.3m	\$66.5m - original \$25m - revised	Not met	Target not met as a result of events cancelled or postponed due to COVID-19.
Number of businesses that have been through an Auckland Unlimited programme or benefited from an Auckland Unlimited intervention	4,315	7,357	3,000	Met	Results have exceeded the yearly target primarily due to the increased demand for RBP due to COVID-19 assistance.
Customer satisfaction of customers, partners and stakeholders who have interacted with Auckland Unlimited	95%	88%	85%	Met	Based on 798 Interaction and Relationship surveys completed.
<b>Tell the Auckland Story</b>					
Number of visitor nights resulting from an Auckland Unlimited intervention (LTP measure)	244,249	99,037	435,000 - original 125,000 - revised	Not met	Target not met as a result of events cancelled or postponed due to COVID-19.
Uptake of Auckland Play-Book and associated brand assets from aucklandnz.com brand hub	6,313	8,510	Baseline to be set	Met	
<b>Provide experiences and opportunities for all</b>					
Number of Māori businesses that have been through an Auckland Unlimited programme or benefitted from an Auckland Unlimited intervention	333	665	120	Met	YTD results have exceeded the yearly target primarily due to the increased demand for RBP due to COVID -19 assistance.
<b>Climate change and sustainability</b>					
Auckland Unlimited delivered events (Diwali, Lantern, Pasifika and Tāmaki Herenga Waka Festivals)	76%	77%	70%	Met	Carbon Zero target not achieved due to cancellation of Lantern Festival.
<ul style="list-style-type: none"> <li>• Diversion of landfill waste</li> <li>• No. events achieve Carbon Zero</li> </ul>	Not measured	0/4	1/4	Not Met	
Carbon emission reductions (year-on-year % change)	Not measured	10.8%	Baseline to be set	Met	

<sup>1</sup> Includes contracted central government grants and funding directly to AUCKLAND UNLIMITED, administered by AUCKLAND UNLIMITED and directly to activity facilitated by AUCKLAND UNLIMITED in the year that it occurs

# CCO Review Implementation

## Context

### Q4 implementation progress

#### **Recommendation #1: ATEED – RFA Merger**

On December 1 2020, ATEED and RFA formally merged to become Auckland Unlimited. Key achievements over Q4 subsequent to the merger included:

- The proposal for a new Target Operating Model was released in May, centred around four key rōpū delivering key outward facing outcomes. Rōpū are supported by centralised Core Services and our new Executive Team. Because of this there were proposed changes to our Executive Team, and consultation with them on this took place over May and June.
- The executive recruitment process for the new Tier 2 roles was completed including confirmation of changes to reporting lines for those reporting to Executive Team members.
- The new Tier 2 roles represent the ability for the organisation to provide increased clarity, a more joined-up and collaborative approach as we deliver on our vision for Auckland Unlimited, and importantly, more support and guidance for both our people leaders and the wider team.

#### **Recommendation #2: Single Stadium Operator**

Relationships are being established between Auckland Unlimited and Eden Park Trust. Auckland Unlimited had a workshop with the CCO Oversight Committee on 27 April 2021 to discuss its strategic work programme, including stadiums. At a confidential workshop with the CCO Oversight Committee on 7 July 2021 Auckland Unlimited presented its 'what's best for Auckland' approach to stadium investment and stadium operations. A further update on this work is scheduled with the CCO Oversight Committee in September 2021.

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

Auckland Unlimited is working with MOTAT to explore how this recommendation can be implemented in practice. It is anticipated an agreement on process will be in place by December 2021.

#### **Other Recommendations**

In addition, Auckland Unlimited staff have been inputting into a range of other recommendations, including the development of the Economic Development Action Plan 2021-24, Local Board Engagement Plans, Auckland Council branding and senior management job descriptions.

## Outlook

#### **ATEED-RFA Merger and Transition Update:**

The Target Operating Model work with EY was completed and implemented in June. The Executive Team was announced in July. Further structure changes will be rolled out in FY 21/22.

#### **Single Stadium Operator**

A further update on this work is scheduled with the CCO Oversight Committee in September 2021.

#### **Bringing MOTAT into Auckland Unlimited**

It is anticipated an agreement on process will be in place by December 2021.

