

# Tātaki Auckland Unlimited

## Quarter 2 Performance Report

### For the period ending 31 December 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 Q2 summary

## Highlights, issues & risks for the quarter

### Acknowledgement:

TAU acknowledges Mark Franklin, TAU Chair, who passed away in November 2022. Mark was appointed Chair of Auckland Tourism, Events & Economic Development in November 2018, and then became founding Chair of the newly merged entity Auckland Unlimited (now TAU) from September 2020. His passion for people, for Auckland, and for the work TAU does was an inspiration for those who worked with him. The legacy of his leadership lives on in the organisation which he played a huge role in shaping.

### Highlights:

- **Ticketed attendance** across TAU's venues and events was tracking at **16.5% above the SOI target** at the end of the second quarter. Further, the **net promotor score** across all venues was 45, five points above target.
- The **Indonesian swamp forest**, the last part of Auckland Zoo's South East Asia Jungle Track project, opened on 22 October.
- **Auckland Zoo celebrated its 100-year anniversary** on 16 December with a new interactive centenary exhibition.
- Auckland Art Gallery's **Frida Kahlo and Diego Rivera exhibition** opened on 15 October and went on to break records.
- The **Auckland Diwali Festival** was back for the first time since 2019, with **record-breaking participation** of more than 100,000 people.
- The **FIFA Women's World Cup 2023 Official Draw** took place on 22 October at the Aotea Centre. The event attracted about 800 attendees and the international media's attention.
- **Climate Connect Aotearoa**, a hub for collaborative climate innovation, was launched on 20 October.
- **GridAKL** hosted an **international trade delegation from Finland, including** its Prime Minister, on 1 December.
- **Two new sound stages opened** at Auckland Film Studios (AFS) on 9 December. The new AFS addition is expected to facilitate hundreds more high-skilled screen production jobs.
- Council's Planning, Environment and Parks Committee unanimously supported a joint TAU/Council request to pursue a plan change for **filming on scheduled Sites and Places of Significance to Mana Whenua**.

### Issues/Risks:

- Through Council's Annual Planning process for FY 2023/24, TAU has been asked to find \$44m of operational cost savings. The organisation will go through a major change programme to achieve the savings and it will be critical to maintain focus on the delivery of the current programmes and services.

Financials (\$m)	YTD actual	YTD budget	Actual vs Budget
Capital delivery	17.6	30.9	13.3
Direct revenue	62.7	40.5	22.2
Direct expenditure	119.6	99.4	(20.2)
Net direct expenditure	56.9	58.9	2.0

## Financial Commentary

Net direct expenditure is favourable due to better than budgeted performance on events, visitation and film revenue, offset by unbudgeted costs of the Single Operator Stadiums Auckland project.

The NZ Government's fully funded Activate and Reactivate Tāmaki Makaurau programme, which was unbudgeted, has impacted both Direct revenue and Direct expenditure this quarter. Both were also impacted by cancellations of two major concerts.

The capital programme is below budget due to delays in securing labour as a result of the abundance of work in the market and extended business casing periods due to cost escalation.

Key performance indicators	Previous	FY 23 Quarter 2			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>	751,857	993,720	1.82m	<b>On track</b>	
The percentage of operating expenses funded through non-rates revenues <b>(LTP measure)</b>	33%	46%	47%	<b>On track</b>	

# Strategic focus area – Investment and Industry

Key commentary	Strategic context
<p>At the end of Q2, total annual net direct expenditure for Investment and Industry was \$6.8m against a budget of \$8.6m (excluding corporate support).</p> <p><b>Highlights:</b></p> <ul style="list-style-type: none"> <li>TAU received <b>three accolades</b> at the <b>Economic Development NZ Awards</b>: Best Practice Premier Award for Activate Tāmaki Makaurau; Best Practice Award for Business Recovery Support for Activate Tāmaki Makaurau; and Commendation Award for Inclusive Economic Development for Project Ikuna.</li> <li><b>Climate Connect Aotearoa</b>, a hub for collaborative climate innovation, was launched on 20 October.</li> <li><b>GridAKL</b> hosted an <b>international trade delegation from Finland</b> on 1 December. The delegation was taken through GridAKL innovation precinct, where it met with the region’s tech space innovators.</li> <li>Two <b>new sound stages opened</b> at Auckland Film Studios (AFS) on 9 December. The AFS addition is expected to facilitate hundreds more high-skilled screen production jobs.</li> <li>TAU provided <b>ongoing support for place-based projects</b> including Auckland City Centre, Southern Corridor Economic Masterplan, and Eke Panuku Unlock initiatives.</li> <li>Council’s Planning, Environment and Parks Committee unanimously supported a joint TAU/Council request to pursue a plan change for <b>filming on scheduled Sites and Places of Significance to Mana Whenua</b>.</li> </ul> <p><b>Issues/Risks:</b></p> <ul style="list-style-type: none"> <li>The visitor economy continues to be impacted by <b>hospitality staffing shortages, rising costs, delays</b>, and the slow burn return of tourism and associated revenue and visitor numbers.</li> <li>The year to December 2022 saw 963k <b>international visitor arrivals</b> through Auckland International Airport, an increase of 573.2% on the previous year but down 64.7% compared to pre-Covid levels (2.73m in YE December 2019). The month of December, saw 256.5k arrivals, up on last year, but still down 31.6% compared to pre-Covid levels (375.1k in December 2019).</li> </ul>	<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
Visitor Economy	On track	TAU’s Visitor Economy team focuses on leading and partnering in destination marketing and advocating or co-ordinating in destination management.	<p>The <b>2022 Iconic Auckland Eats</b> were announced on 25 November. The initiative, developed by TAU, is now in its third year and aims to support local food and beverage businesses and build Auckland’s reputation as a gastronomic destination. Progress towards <b>Destination Management Plans</b> continues with feedback continuing from local boards (Great Barrier, Waiheke).</p> <p><b>The Auckland is Calling campaign</b> targeting Australian and domestic visitors that ran from November 2021 – November 2022 concluded with strong results, with 14.9m total impressions for Australian campaign and 147k+ clicks to aucklandnz.com, 29m+ impressions and 5.8m+ completed video views for domestic campaign.</p>

Economic Transformation	On track	Providing insights, data and guidance and support for regional, local and place-based initiatives and focusing future investment on economic outcomes for south and west Auckland.	TAU provided ongoing support for <b>place-based projects</b> including Auckland City Centre, Southern Corridor Economic Masterplan and Eke Panuku Unlock initiatives. This includes co-ordinating and undertaking research for the Southern Corridor and input into the City Centre Action Plan. In addition, there was significant <b>engagement with incoming local boards</b> to support their Locally Driven Initiatives and Local Economic Development programmes over the next three years, with plans due to be completed by June 2023.
Investment & Screen Attraction	On track	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.	Two <b>new world-class sound stages</b> were opened at Auckland Film Studios (AFS) in Henderson on 9 December. The year-long construction project was made possible by \$30m funding from the Government and \$7.5m from Council. The construction was the first major addition to AFS since their last purpose-built sound stage was opened 16 years earlier. The development will support hundreds of high-skilled screen production jobs and more than 2,000 businesses in Auckland's thriving film industry. On 8 December, Council's Planning, Environment and Parks Committee unanimously supported a joint TAU/Council request to pursue a plan change for filming on scheduled Sites and Places of Significance to Mana Whenua. The next project phase involves developing the plan change, an MOU with iwi, and protocols for industry.
Tech & Innovation	On track	Leveraging our role to grow Auckland's innovation ecosystem, including the ongoing development of GridAKL network and a climate innovation hub.	GridAKL hosted an <b>international trade delegation from Finland</b> on 1 December, including its Prime Minister, Minister for Development Cooperation and Foreign Trade, and Finnish business leaders and academics to showcase Auckland's tech & innovation ecosystem. Auckland tech businesses provided demonstrations to the trade delegation, including Ohmio's autonomous vehicle which is looking to export to Finland. Connecting the emerging aerospace industry continues with another <b>Aerospace Auckland event</b> at GridAKL where 80 participants discussed the National Space Strategy. The team delivered the first <b>Newcomers in Tech event</b> to support migrants' connection into Auckland's tech ecosystem.

# Strategic focus area – Cultural Organisations

## Key commentary

At the end of Q2, total annual net direct expenditure for Cultural Organisations was \$9.7m against a budget of \$10.3m (excluding corporate support).

### Highlights:

- **Frida Kahlo and Diego Rivera: Art and Life in Modern Mexico** exhibition opened at the Auckland Art Gallery on 15 October. The exhibition was popular with Aucklanders, with sold-out sessions and the **highest visitation numbers** for a ticketed exhibition since the new building opened in 2011. The gallery's **ticketed attendance** numbers (the formal KPI) reached 60.5k by the end of the second quarter, over the same duration the gallery's **total visitor attendance** was 209.3k.
- The **Indonesian swamp forest**, the last part of the South East Asia Jungle Track project – the largest and most ambitious renewals initiative in the 100-year history of the Auckland Zoo – opened to the public on 22 October. It was followed by the zoo's **busiest Labour Weekend on record** with nearly 17,000 visitors in three days.
- **Auckland Zoo** celebrated its **100-year anniversary** on 16 December with a new interactive centenary exhibition and a year-long programme of centenary celebrations.
- **Captains, Collectors, Friends & Adventurers** exhibition opened at the New Zealand Maritime Museum on 1 December.
- With the return of cruise ships to Auckland, **visitor numbers** to the **New Zealand Maritime Museum** have significantly increased.
- **Megaland**, one of the world's biggest all-age obstacle courses, returned to Mt Smart Stadium in December.
- The **Jack Johnson concert** at Western Springs on 10 December was attended by approx. 8,000 fans.

### Issues/Risks:

- The organisation continues to focus on rebuilding attendances and visitation against a background of COVID-19 and city centre safety cautiousness, resourcing challenges with illness, disrupted event calendars and increasing costs.

## Strategic context

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

Key programme of works	Status	Description	Outlook
Auckland Art Gallery Toi o Tāmaki	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><b>Frida Kahlo and Diego Rivera: Art and Life in Modern Mexico</b> exhibition opened on 15 October. It showcased more than 150 artworks, including Frida's self-portraits and Diego's paintings of Mexican life. The exhibition was popular with Aucklanders, with sold-out sessions and the highest visitation numbers for a ticketed exhibition since the new building opened in 2011.</p> <p><b>Robin White: Te Whanaketanga   Something is Happening Here</b> exhibition, which was jointly developed by the gallery and Te Papa, opened on 29 October. It showcases more than 50 works from across Dame Robin White's 50-year career.</p>

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><b>The Zoo turned 100</b> in Dec. As part of the <b>centenary celebrations, a new exhibition</b> opened to the public on 16 December. It takes visitors through the evolution of Auckland Zoo, from its opening in Western Springs in 1922, to the active conservation organisation it is today.</p> <p>Discovery NZ and Magnetic Pictures' TV show about Auckland Zoo's conservation work, <b>Wild Heroes</b>, aired on 7 October through to 8 December.</p> <p>Despite very poor weather, visitation <b>tracked well</b> in the second quarter. High visitation is associated with the South East Asia Jungle Track project completion, centenary celebrations and <b>Wild Heroes</b>.</p> <p>On 7 November, the zoo welcomed <b>two young Sumatran tigers</b>. They arrived from zoos in the United States as part of an international breeding and advocacy programme for this critically endangered big cat.</p> <p>In December, the zoo received eight <b>tara iti</b> (Aotearoa's rarest breeding bird with fewer than 40 left in the wild) eggs for artificial incubation and hand-rearing.</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>Captains, Collectors, Friends &amp; Adventurers</b> exhibition opened on 1 December. It showcases a selection across the museum's whole collection to mark the museum's 30th anniversary this year.</p> <p>The <b>brigantine Breeze</b> re-entered public sailing for the first time in 5 years, with the first few 3-hour sailings sold out. She also undertook the museum's first long distance/overnight sailing to Coromandel in some years.</p> <p>The <b>NZMM Digitisation Project</b> continues production of digitised collections content. More than 7,800 high resolution images were taken of 705 collection items.</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><b>Megaland</b>, an inflatable obstacle course, returned to <b>Mt Smart Stadium</b> in December. The 300m-long course is one of the biggest in the world, and New Zealand's largest inflatable obstacle course. It was popular with corporate Christmas groups.</p> <p><b>Lilyworld</b> ran a Tik Tok, Instagram, Facebook and EDM with <b>Lazy Susan</b> from 1-8 December to increase awareness as a food and fun entertainment destination.</p> <p>Wet weather saw 4 of 8 <b>Tuatara Baseball games cancelled</b> at North Harbour Stadium.</p>

# Strategic focus area – Arts, Entertainment & Events

## Key commentary

At the end of Q2, total annual net direct expenditure for Arts, Entertainment and Events was \$8.2m against a budget of \$7.1m (excluding corporate support).

### Highlights:

- Appetite for events is rebuilding – world-class rugby, Indian culture and international artist gigs saw **record-breaking numbers** over Q2.
- Auckland Live partnered with Lego for the installation **LEGO Christmas in the Square**.
- **Matador**, a circus production from Australia, was hosted in The Civic 8-10 December. It was attended by more than 4,500 patrons, exceeding attendance expectation and matching the nightly attendance of an average musical house.
- **The Art of Black Grace 1/5** – a state-of-the-art immersive digital dance experience, was open to the public in November and December. It was made a reality by Auckland Live's new performing arts partnership programme.
- TAU-delivered **Auckland Diwali Festival** was back for the first time since 2019, with **record-breaking** attendance of more than 100,000.
- The TAU supported **World Rally Championship (WRC)**, which finished on 2 October, generated an estimated 34,000 visitor nights, \$3m in GDP and global exposure through a TV audience of 80 million people in a traditionally quieter time of year. The Auckland event was back on the WRC calendar for the first time in 10 years.
- **The FIFA Women's World Cup 2023 Official Draw** – one of the biggest milestones in the countdown to kick-off – took place on 22 October at the Aotea Centre. It delivered two games for Auckland involving the USA – current world champions with one of the largest travelling fan bases.
- **Auckland was awarded Oceania's best destination** for meetings, incentives, conferences and exhibitions at the **World MICE Awards 2022**. TAU's Auckland Conventions (venue operator), and Auckland Convention Bureau (attraction) teams play a key role in driving the region's world-class reputation as a business event destination.

### Issues/Risks:

- **Investment in future business** and major events beyond 2024 is limited by uncertainty about future funding.
- Event **staff shortages** continue to be a challenge. 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 are brought together in our Arts, Entertainment and Events Rōpū.

## Key programme of works

### Status

### Description

### Outlook

Key programme of works	Status	Description	Outlook
Auckland Live	On track	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.	Tāmaki Makaurau was named <b>the Best Global Music City</b> at the 3rd Annual Music Cities Awards. This global competition acknowledges the most outstanding applications of music in cities and places globally for economic, social, environmental and cultural development. Auckland Live contributed to this success by supporting and showcasing Auckland's vibrant music scene. Auckland Live partnered with Lego for <b>LEGO Christmas in the Square</b> . The installation, meticulously built using tens of thousands of bricks, ran at Aotea Square between 9-26 December.

Major Events	On track	Annual delivered events programme (e.g. Pasifika Festival). Winter Festival programme. Major Events programme. Partner programme and event facilitation.	The first in-person Auckland <b>Diwali Festival</b> since 2019 was held at Aotea Square between 8-9 October. It set an attendance record with more than 100,000 participants and helped boost Queen Street pedestrian levels to its highest levels since 2019. <b>Rugby World Cup 2021 (played in 2022)</b> , that ran between 8 October and 12 November, saw record attendance and sold-out games, which was unprecedented for women's sporting events in New Zealand. The Black Ferns defeated England in the final, with 42,579 spectators at Eden Park and 1 million+ tuning in online.
FIFA Women's World Cup 2023	On track	The FIFA Women's World Cup 2023 is the largest sporting event ever to be hosted in Tāmaki Makaurau and Aotearoa. It's expected to contribute about \$60 million to our regional GDP and to attract an international television audience of more than a billion viewers.	<b>FIFA WWC 2023 Official Draw</b> took place on 22 October at Aotea Square. About 800 attendees included senior members of the FIFA delegation, football confederation presidents, international media and representatives from 39 qualified teams. Auckland will host nine matches at Eden Park, including the opening match, five other group stage matches, a round of 16 match, a quarter-final and a semi-final. <b>Seven international teams are going to be based in Tāmaki Makaurau</b> during the group stage. A further team will also be confirmed following qualification in the Play-Off Tournament in February 2023.
Business Events	On track	Secures and hosts conventions, meetings, commercial exhibitions, functions and dinners across suitable Tātaki Auckland Unlimited venues and other venues. Provides technical equipment hire for conventions, meetings, commercial exhibitions, functions and dinners.	<b>Auckland was awarded Oceania's best destination</b> for meetings, incentives, conferences and exhibitions (MICE) for the third year running at the <b>World MICE Awards 2022</b> . Voted for by business events professionals worldwide, our region was up against nominees Adelaide, Brisbane, Melbourne, Wellington, Perth and Sydney. Auckland Convention Bureau (ACB) helped Auckland win the right to host <b>Amway Hong Kong incentive</b> in April 2023 (400-450 delegates). ACB submitted a <b>bid</b> for Auckland to <b>host the 18th World Congress on Public Health 2026</b> (3000 attendees, total est. economic impact \$5m).



## Other Statement of Intent focus areas

### Climate Change & Sustainability

- **Climate Connect Aotearoa was launched** on 20 October. Brought to life by TAU on behalf of Auckland Council, the hub's purpose is to enable collaborative climate innovation that will bring together business, government, Māori, academia, investors and climate innovators to develop, test and grow solutions needed to ensure Auckland and New Zealand reduce emissions in line with global agreements, and adapt and thrive in the face of climate change. The launch of the website included a Climate Innovation Ecosystem and a Knowledge Hub. In November, the team launched a **Knowledge Map** that brings together existing climate resources to help businesses, organisations and individuals build knowledge and capacity for action.
- TAU was a principal **sponsor** of the **Auckland Climate Festival 2022**, a month-long festival held every year in Tāmaki Makaurau. The festival offered 125+ innovative and engaging climate focussed events, hosted by rangatahi, community groups and climate and business leaders. The driver behind the festival is to celebrate and accelerate climate action in the community.
- Auckland Zoo received its FY 21/22 Toitū **net carbonzero certification**, with the rest of TAU certified as **Toitū carbonreduce**.
- In collaboration with Toitū, work has commenced on **developing specific emissions factors for animal food** (the Zoo's biggest source of emissions) which should lead to a reduction in these emissions.
- TAU has been developing **Dynamic Adaptive Policy Pathways (DAPP)** for the New Zealand Maritime Museum and Auckland Zoo, with a third site added for the next quarter.
- TAU's **decarbonisation pathway** is nearly finalised.
- Key **emissions reduction activities** are underway, including the Auckland Art Gallery decarbonisation project and electrical metering at the New Zealand Maritime Museum. Feasibility studies have been commissioned for a stadiums decarbonisation project and solar for eight TAU sites.
- TAU published **Our Sustainability Story FY 21/22**, an annual document highlighting climate change and sustainability initiatives across the organisation.
- As part of TAU's response to climate-related financial disclosures (CRFD), the Executive Leadership Team and other team leads participated in a three-hour **training session** to build knowledge and capacity in relation to climate risks and opportunities, as well as the CRFD standards by the New Zealand External Reporting Board.

### Local Board Engagement

- In alignment with Auckland Council's Kura Kawana elected member induction programme, TAU staff attended in-person **induction workshops** to present a high-level introduction to TAU, its work, purpose and regional footprint. The majority of these sessions took place in Q2, with the remainder booked for February-March (at time of writing several postponements underway). Three boards declined induction sessions. The boards presented to in Q2 were Upper Harbour, Waitemātā, Manurewa, Henderson-Massey, Albert-Eden, Howick, Kaipātiki, Franklin, Māngere-Ōtāhuhu, Ōrākei, Papakura, Puketāpapa, Waiheke. Further information was provided in writing and/or local board workshops are being scheduled for specific areas of interest for each local board, as raised at the induction sessions.
- A concise **written overview of TAU**, its work, purpose and regional footprint was provided to all local board members as reference for the new council term.
- A briefing presentation was provided to all local board members on 16 December about the Tāmaki Makaurau Auckland **FIFA Women's World Cup 2023 Host City Programme** post-draw activity.
- **Regular newsletters** were sent to local boards, with updates on TAU regionwide activities, and – where possible – local outcomes of regional programmes. Ongoing improvements are underway to make the newsletters more user-friendly.
- Screen Auckland commenced a **pilot for screen production landowner approvals improvement project** with three participating local boards (Upper Harbour; Henderson-Massey; Waitemātā), to streamline Council film permitting processes.
- Workshops were held with Waiheke Island and Aotea Great Barrier Island Local Boards on local **destination management plans**.

## Contribution towards Māori Outcomes

- **Kia ora te Ahurea | Māori Identity and Culture**

**Te Matatini Festival:** Co-ordinated and led by TAU, this Council whānau project to support a successful Te Matatini Festival at Eden Park 22-25 February, is proceeding well. Led by TAU, planning continued over Q2 for the festival's '*Haka is Here*' promotional campaign designed to generate a sense of excitement for the world's largest celebration of kapa haka and make it an accessible experience for all. A programme of festival-related activations across the city and a microsite information hub will also form part of the Council whānau support for the festival, along with a communications campaign, in conjunction with Te Matatini. TAU also supported the festival to recruit volunteers for the event, and the target of 400+ has been achieved.

**Tāmaki Herenga Waka Festival:** The 2023 festival has been deferred to provide an opportunity to focus efforts on hosting Te Matatini and to reshaping the festival's focus and governance structure. The Tāmaki Makaurau Mana Whenua Forum is working on a concept proposal for a new signature indigenous event.

- **Supporting te reo Māori to be seen, spoken, heard and learned throughout Tāmaki Makaurau**

Bilingual signage at Aotea Centre, The Civic, Auckland Town Hall, Bruce Mason Centre, Shed 10 and The Cloud is complete. NZ Maritime Museum bilingual signage is on track for completion by early March. Work is underway on a proposal for bilingual signage at the Viaduct Events Centre.

- **Realising Rangathi Potential**

**TupuToa Intern Programme:** TAU participated in a 12-week intern programme aimed at increasing the number of Māori and Pacific leaders in the workplace and corporate sector. Running over summer, six university students took up the opportunity to work on various projects across the organisation and gain experience designed to assist them in their future careers.

**EMA/Whāriki Partnership:** A partnership with EMA and the Whāriki Māori Business Network is underway to identify and develop resources for employers to build culturally safe workplaces for rangatahi Māori to thrive.

- **Kia ora te Umanga | Māori Business, Tourism and Employment**

**Māori Collab:** TAU is part of an initiative to explore ways of working together on common areas of interest regarding Māori outcomes and economic development. Māori Collab representation includes Te Puni Kōkiri, NZTE, Poutama Trust, MBIE, Callaghan Innovation, Amotai, IRF, the Whāriki Māori Business Network.

# Tātaki Auckland Unlimited consolidated Q2 financials



## Direct operating performance

(\$ million)	Notes	FY 22	FY 23 Quarter 2 YTD			FY 23
		Actual	Actual	Budget	Variance	Budget
<b>Net direct expenditure</b>	<b>A</b>	<b>112.6</b>	<b>56.9</b>	<b>58.9</b>	<b>2.0</b>	<b>124.9</b>
<b>Direct revenue</b>	<b>B</b>	<b>118.7</b>	<b>62.7</b>	<b>40.5</b>	<b>22.2</b>	<b>80.2</b>
Fees & user charges		15.9	25.0	23.4	1.6	46.7
Operating grants and subsidies		80.3	21.8	5.7	16.1	10.0
Other direct revenue		22.5	15.9	11.4	4.5	23.5
<b>Direct expenditure</b>	<b>C</b>	<b>231.3</b>	<b>119.6</b>	<b>99.4</b>	<b>(20.2)</b>	<b>205.1</b>
Employee benefits		86.4	41.7	46.9	5.2	95.4
Grants, contributions & sponsorship		65.1	20.1	7.2	(12.9)	13.6
Other direct expenditure		79.8	57.8	45.3	(12.5)	96.1
<b>Other key operating lines</b>						
AC operating funding		110.9	54.0	58.4	4.4	124.8
AC capital funding	<b>D</b>	42.8	17.6	30.9	13.3	58.0
Depreciation	<b>E</b>	39.4	27.1	22.5	(4.6)	45.5
Donated Artworks		1.4	0.2	0.0	0.2	0.0
Income Tax benefit		0.7	0.0	0.0	0.0	0.0
Net interest revenue (expense)		0.3	0.3	0.0	0.3	0.1



## Financial Commentary

**A.** Net direct expenditure is favourable due to better than budgeted performance on events, visitation and film revenue, offset by unbudgeted costs of the Single Operator Stadiums Auckland project and the cancellation of two major concerts.

**B.** Direct Revenue is favourable due largely to unbudgeted Activate and Reactivate Tamaki Makaurau grant funding and better than expected event and film revenues, offset by the cancellation of two major concerts.

**C.** Direct expenditure is adverse due to unbudgeted Activate and Reactivate Tamaki Makaurau expenditure, increased cost of sales as a result of better-than-expected event revenues, costs to support elevated film revenues and Single Operator Stadiums Auckland costs. This is offset by unspent costs on the two major concerts that were cancelled.

**D.** Other expenditure includes costs of sales for events and visitation, occupancy and utilities as well as repairs and maintenance costs to support TAU venues and the film sector and professional services which includes expenditure for Activate and Reactivate Tamaki Makaurau.

**E.** Depreciation is adverse due to the effects of increased building asset valuations in June 2022, increasing the value of the assets being depreciated and thus the monthly depreciation.

# Tātaki Auckland Unlimited Q2 performance measures

Key performance indicators	Previous	FY 23 Quarter 2		Status	Commentary
	Year	YTD Actual	FY Target		
TAU has 11 SOI measures, of which 7 are LTP measures. Eight of the 11 measures are tracked quarterly, one is a six-monthly measure and two are annual measures. At the end of Q2, one KPI was achieved, seven KPIs are on track to being achieved, one is not on track, and two have not been measured.					
<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>	751,857	993,720	1.82m	On track	KPI accounts for ticketed attendance at TAU venues only and does not account for free and un-ticketed attendance at venues such as Auckland Art Gallery where the majority of visitors are un-ticketed.
Percentage of Auckland residents surveyed who consider that Tātaki Auckland Unlimited programmes, events and exhibitions enrich their lives.	72.6%	No result	70%	No result	Result reported annually only
The net promoter score for TAU's audiences and participants. <sup>1</sup> <b>(LTP measure)</b>	54	45	40	On track	Based on results available across Auckland Live, Auckland Stadiums, Auckland Art Gallery, Auckland Zoo and NZ Maritime Museum
<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>	11,976	919	1,200	On track	
Number of Māori businesses that have been through a TAU programme or benefitted from a TAU intervention. <b>(LTP measure)</b>	1,080	25	150	Not on track	Although currently low, this number is expected to grow across the year as a result of programmes delivered over Qs 3 and 4. In addition, this KPI does not capture businesses that benefit through the TAU supported Whariki Māori business network.
<b>Provide an effective social, economic, cultural and environmental return on investment.</b>					

<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.

The percentage of operating expenses funded through non-rates revenues. <b>(LTP measure)</b>	33%	46%	47%	On track	
<b>Increase capital investment into Auckland for economic and cultural outcomes.</b>					
Attributable value of private sector investment secured during the year.	\$197.2m	\$304.6m	\$200m	On track	Draft result based on eight screen deals
The contribution to regional GDP from major events and business events attracted or supported. <b>(LTP measure)</b>	\$30.2m	\$18.7m	\$37m	On track	Based on the evaluation of 18 out of 25 events supported by TAU across Q1 and Q2
<b>Build a sustainable future focussed organisation.</b>					
Percentage change in greenhouse gas emissions against 2018/19 baseline.	-15%	No result	-5%	No result	Result reported annually only
The number of programmes contributing to the visibility and presence of Māori in Tāmaki Makaurau. <b>(LTP measure)</b>	101	53	40	Achieved	The year-end target of 40 has been exceeded
Percentage of customer complaints resolved within 10 working days.	Developed policy, process and benchmark	90%	80%	On track	Based on 48 complaints received across Auckland Zoo, Auckland Live, Auckland Stadiums and NZ Maritime Museum