

Quarterly Performance Report

2023/2024 Quarter 2

For the 3 months ended 31 December 2023

Tātaki Auckland Unlimited



Q2 – At a glance

Executive summary

Four months after the end of the FIFA Women’s World Cup 2023 (FWWC 2023) tournament, the *Impact Evaluation for Auckland* report was released on 15 December. It revealed that the event generated a net economic benefit of \$48.9 million to Auckland, far exceeding expectations. FWWC 2023 was the main contributor to the record high YTD results for GDP contribution from major events supported by TAU – at \$92.5m, the GDP figure is already 30% above the record year-end SOI KPI target of \$71m. The long-awaited exhibition *Guo Pei: Fashion, Art, Fantasy* opened at the Auckland Art Gallery Toi o Tāmaki on 9 December attracting high numbers of visitors, and the overall ticketed attendance across all TAU’s venues was just over 1.01m at the end of Q2. Nearly 6,000 of Amway China’s top distributors arrived in Auckland between October and December for the annual Amway Distributor seminar. TAU’s Auckland Convention Bureau team played a central role in securing the seminar programme and six final night gala dinners were held at the Viaduct Events Centre. An important step was taken in embedding climate change and sustainability practises across TAU with the Board approving the Climate Change and Environment Strategic Plan. The plan is focused on five main areas: climate resilience, net zero emissions, zero waste, responsible water use and an empowered organisation.

Financial performance

Net Direct Expenditure is favourable to budget due to strong visitation at Auckland Zoo and the New Zealand Maritime Museum (NZMM), and better than expected event revenues – offset by additional costs from the timing of implemented of staff changes and additional staff to support increased event activity.

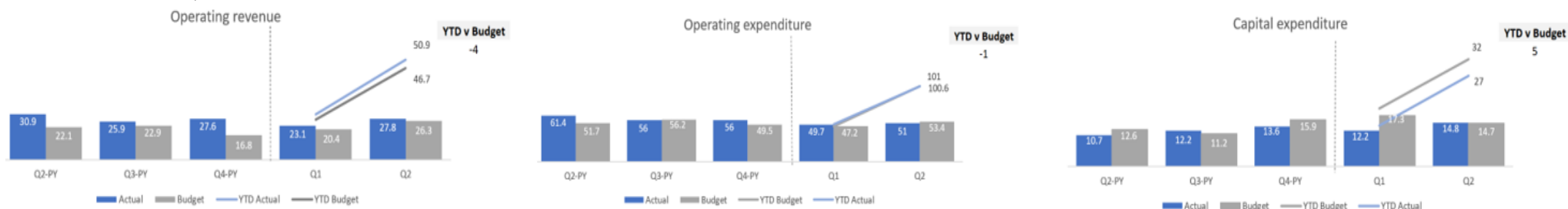
Revenue is favourable to budget due to continued strong visitation at the Auckland Zoo and NZMM and better than expected event revenues including performing arts, conventions and additional unbudgeted Auckland Stadiums revenue.

Costs are slightly adverse due to the timing of staff change implementation costs, and additional casual staff being needed for revenue generating events, and the impact of deferral expenditure from the prior year.

Capital programmes have had a slower than anticipated start due to ongoing delays related to flood remediation. This, however, is largely a timing issue that is expected to be rectified in the second half of the year.

Vested Assets includes gifted artwork, particularly the Julian Robertson bequest.

Note: for more details, please refer to Financials section





Highlights

The FWWC 2023 Impact Evaluation for Auckland report was released on 15 December. It revealed that FWWC 2023 generated a net economic benefit of \$48.9 million to Auckland. TAU delivered a broad Host City programme for the event on behalf of Auckland Council, including the Fan Festival at The Cloud and other activation activities.

The GDP contribution from major events supported by TAU was \$92.5m at the end of Q2 – based on 11 out of 19 events for the year to date – surpassing a record year-end SOI target of \$71m.

Ticketed attendance in Q2 across TAU venues and events was 1.01m and is on track to meet the year-end SOI target. In addition, more than 128,000 children participated in educational experiences through TAU venues and facilities.

Guo Pei: Fashion, Art, Fantasy opened at the Gallery on 9 December. It presents the designer’s most innovative creations from 2005 to 2020, some of which have never been on display at any other museum.

Auckland Zoo launched the PalmOil Scan app in November as part of the Orangutan Caring Week. The app puts the power in the hands of consumers to easily shop for products from companies committed to sourcing Certified Sustainable Palm Oil.

Destination Auckland Industry update was held in December to launch Destination AKL 2035. Speakers from across the destination sector spoke about what they would like Tāmaki Makaurau Auckland to be, and be known as, in 2035. The conversation set the scene as TAU leads a review of the Destination AKL 2025 Strategy.

The TAU Board approved the Climate Change and Environment Strategic Plan, which was published on 14 December. The plan will guide kaimahi to embed climate change and sustainability practises in its focus areas of climate resilience, net zero emissions, zero waste, responsible water use and an empowered organisation.

The vision for Te Puna Creative Quarter was launched to the creative industry and community on 16 November. Te Puna is a collaboration between TAU and west Auckland-based iwi Te Kawerau ā Maki. Te Puna aims to be a world-class hub for screen, video gaming, creative tech, music, arts and performing arts – the first of its kind for New Zealand.



Issues / Risks

The future of North Harbour Stadium (NHS) is a considerable ongoing challenge. Three options for the stadium’s future are part of Auckland Council’s LTP process public consultation: maintaining the status quo; redeveloping the precinct to better deliver for the needs of the North Shore community and the greater Auckland region; and changing the operational management.

There are ongoing delays to the Single Operator Stadiums Auckland (SOSA) work due to the process undertaken by the council political working group on investigating options for a “main stadium” for Auckland.

Work continues on the potential future integration of Auckland’s cultural institutions, with a focus on the Auckland War Memorial Museum and the Museum of Transport and Technology. This may impact TAU’s operating model over the medium to long term.

The implementation of Group Shared Services across the council family has raised issues over the first half of the year for TAU – including digital user experience (IT Workstream) and progressing programme scoping (HR Workstream). However, it is anticipated that recent changes in programme governance to include the CCO CEs Group more heavily in decision making, and upcoming decisions on technology investment will improve progress and delivery over coming months.

Key performance measures

TAU has 13 SOI measures, of which 7 are LTP measures. Nine of the 13 measures are tracked quarterly; one is a six-monthly measure; and three are annual measures. At the end of Q2, ten KPIs were met or on track to be met and three are not reported this quarter.

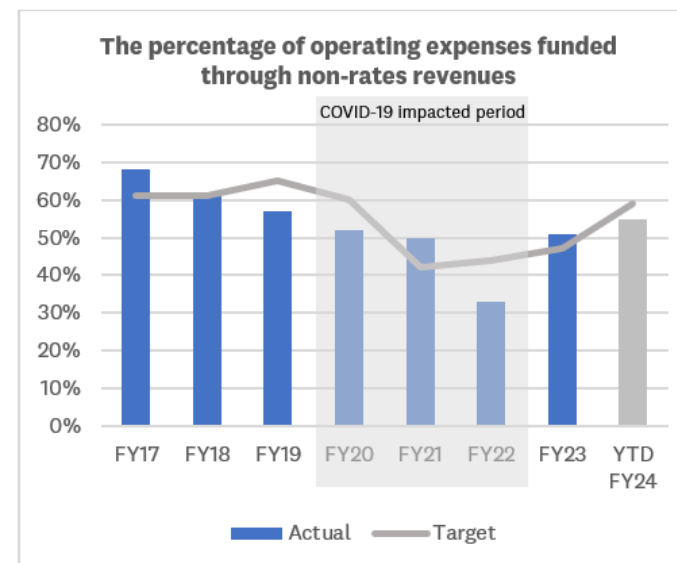
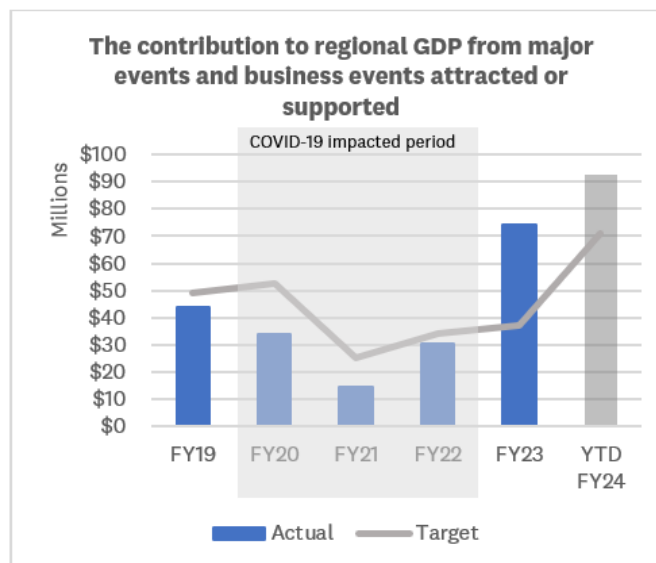
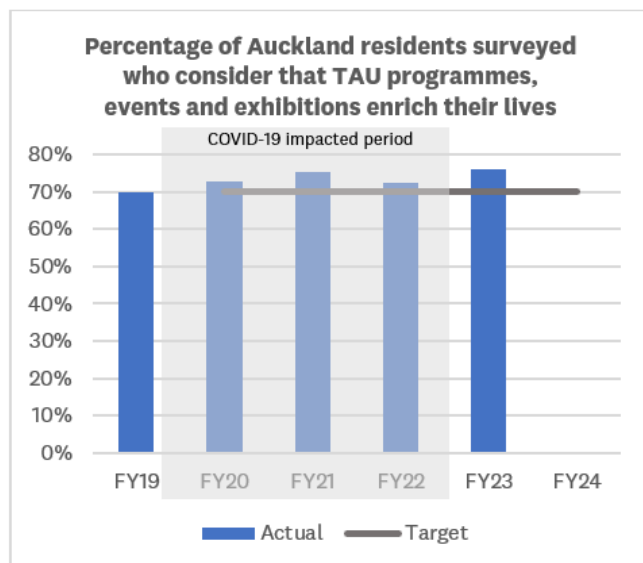
Strategic performance priorities	On track/ met	Not on track/ Not met	Not reported this quarter	Total
Experiences and events				5
The number of people who are issued tickets to attend Auckland Live, Auckland Zoo, Auckland Art Gallery, NZ Maritime Museum, and Auckland Stadiums venues and events. (LTP measure)	☑			
The number of children participating in educational experiences through TAU venues and facilities.	☑			
Percentage of Auckland residents surveyed who consider that TAU’s programmes, events and exhibitions enrich their lives.			☑	
The number of programmes contributing to the visibility and presence of Māori in Auckland, Tāmaki Makaurau. (LTP measure)	☑			
Percentage of customer complaints resolved in 10 working days.	☑			
Facilities				5
The net promoter score for TAU’s audiences and participants. (LTP measure)	☑			
Percentage change in greenhouse gas emissions against 2018/19 baseline (Scope 1 and 2 only).			☑	
The percentage of operating expenses funded through non-rates revenues. (LTP measure)	☑			
Percentage of milestones completed as per TAU Board agreed capital programme.	☑			
Percentage of critical TAU assets in acceptable condition.			☑	

Investment and innovation				3
Attributable value of private sector investment secured during the year.	✓			
The contribution to regional GDP from major events and business events attracted or supported. (LTP measure)	✓			
Number of Māori businesses that have been through a TAU programme or benefitted from a TAU intervention. (LTP measure)	✓			
TOTAL	10		3	13

Note: Individual performance of facilities and venues is presented in the Performance of facilities and venues section in Appendix 2.

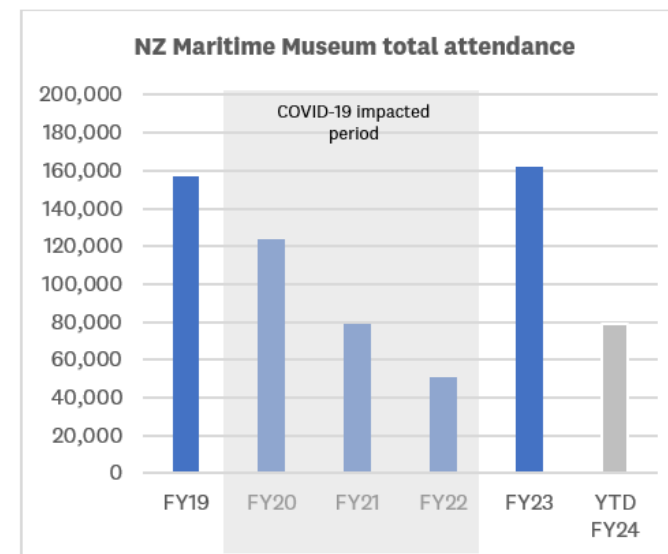
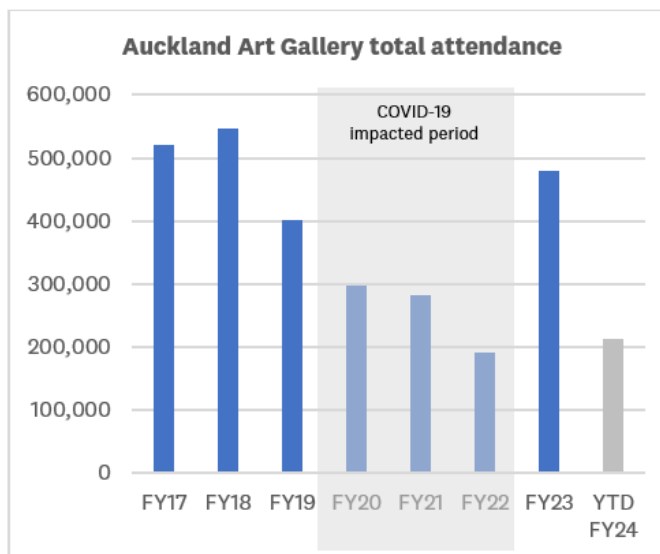
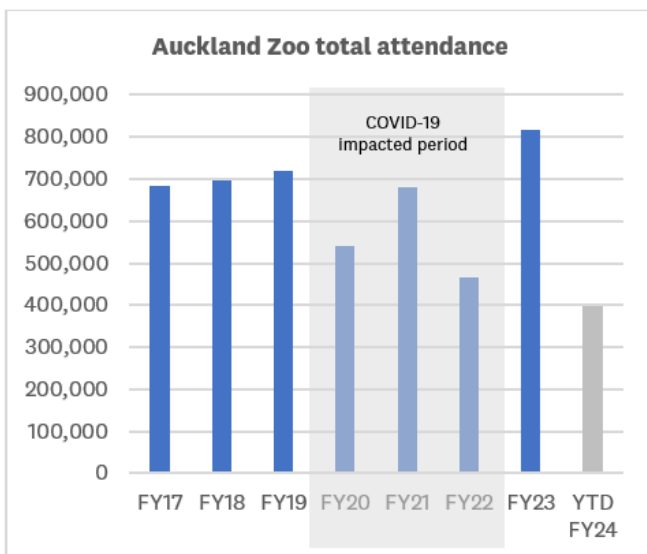
KPI trends

The graphs below show trends over time for selected KPIs. Performance of the two KPIs – ‘contribution to regional GDP’ and ‘the percentage of operating expenses funded through non-rates revenue’, was affected by COVID-19, but both improved in FY23 and year-to-date FY24. Results for the ‘percentage of Auckland residents surveyed’ KPI have remained above the target of 70% in the last 5 years.



Total attendance trends

The graphs below illustrate **total** (not ticketed, see note below) attendance trends for Auckland Zoo, Auckland Art Gallery and the New Zealand Maritime Museum. Attendance across the three cultural organisations was impacted by COVID-19 (grey-shaded areas below) but picked up again in FY23 – largely returning to pre-COVID-19 levels or, in the case of Auckland Zoo, breaking attendance records.



Note: The graphs above show total attendance, not ticketed attendance (one of the TAU KPIs) due to data availability. The ticketed attendance KPI was introduced in FY21, while total attendance is available back to FY17.



Strategic alignment and key policies

Climate change and sustainability

On 13 November, TAU released *Our Sustainability Story*, an overview of some of TAU’s activities related to climate change and holistic sustainability for FY 22/23.

In addition to the release of TAU’s *Climate Change and Environment Strategic Plan* (mentioned earlier), significant project updates include the completion of an adaptation plan for the Aotea Precinct; the commissioning of the Gallery’s decarbonisation project; and the addition of climate and sustainability in TAU Board and committee papers. These projects support the plan’s delivery.

For Climate Connect Aotearoa (CCA), a formal agreement has been signed with partners for the energy-sharing challenge and a process heat decarbonisation event is planned to support SMEs. The website is now fully translated into te reo Māori and CCA is involved in TAU’s business case planning on Māori Economic Hubs. Procurement is underway for two new projects, with one to develop climate resilience and adaptation resources for SMEs, and another to co-design a green jobs pilot with the construction and infrastructure sector.

Māori outcomes

The vision for Te Puna Creative Quarter was launched to the creative industry and community on 16 November. Te Puna is a collaboration between TAU and west Auckland-based iwi Te Kawerau ā Maki. Te Puna aims to be a world-class hub for screen, video gaming, creative tech, music, arts and performing arts – the first of its kind for New Zealand. After the successful launch, the focus shifted to engagement planning with mana whenua with an interest in the area. Invitations to hui in the New Year, with supporting information, were sent out to nine iwi.

Iwi engagement on the Unitary Plan’s Sites & Places of Significance to Mana Whenua remains steady, with a minimum of nine iwi participating in the working group. Looking ahead, the project team is planning a joint working group hui in Q3 to introduce the final draft plan change submission, which will then undergo consultation within the broader mana whenua rōpū.

A draft of the refreshed Te Mahere Aronga – TAU Māori Outcomes Plan was completed in December. The final version will be approved by the TAU Board before publishing.

The last M9 of the year, *He Mataaho ki Te Ao Whakaari*, was held at Aotea Centre on 16 November. Held quarterly, M9 is a Ted-talk type event sponsored by TAU and produced by Janda and Ria Hall featuring nine influential Māori speakers who bring their unique perspectives to each theme. Audience research showed high levels of engagement and endorsement of this kaupapa (98.2 % of respondents said the event promoted Māori culture and identify; 96.3% agreed it was a positive example of valuing Mātauranga Māori; and 98.1% felt proud to witness te reo Māori on display).

Statement of performance expectations

Experiences and Events

Highlights

- The *FIFA Women's World Cup 2023 (FWWC 2023) Impact Evaluation for Auckland* report was released on 15 December. It revealed that the FWWC 2023 generated a net economic benefit of \$48.9 million to Auckland, far exceeding expectations. FWWC injected \$87.1m in GDP into the region's economy and more than 175,000 visitor nights – surpassing initial projections by 49% and 35% respectively. The main reasons for increased benefits were derived from the US team being based in Auckland, gaining a semi-final game and the draw event (the event schedule was not known when projections were made). The region's legacy extends far beyond the economic benefits, with a lasting impact on residents and visitors, and solidifying Auckland's reputation as a world-class host city for major international events. TAU successfully delivered a broad Host City programme on behalf of Auckland Council, including the Fan Festival at The Cloud and other activation activities.
- BNZ Auckland Diwali Festival was successfully delivered on 4-5 November. The incoming Prime Minister Christopher Luxon was in attendance and spoke positively about the festival celebrations. The festival achieved the highest attendance in the history of the event with more than 60,000 unique attendees.
- *Auckland Live Christmas in the Square* ran 9-21 December with free, whānau-friendly performances and experiences, including Christmas carols with GALS – Rainbow Choir, Tongan brass band Maamaloa, National Youth Theatre and a special screening of *Home Alone*.
- Nearly 6,000 of Amway China's top distributors arrived in Auckland between October and December for the annual Amway Distributor seminar. TAU's Auckland Convention Bureau team played a central role in securing the seminar programme, which centred on Auckland and Queenstown, providing an estimated \$40m injection into New Zealand's economy, and putting Tāmaki Makaurau on the map with some of China's high performers. The event highlight was a final night gala dinner held at the Viaduct Events Centre, which was staged 6 times throughout the period to visitor groups of approximately 800.

Issues and Risks

- Major Events still faces a significant shortfall in investment funding for events. As per the 2024-27 Letter of Expectation, expiring government funding for events will leave a \$5m funding gap from the end of 2024. As a result, beyond 2024, there are very few major events confirmed and no funding is confirmed to facilitate bidding for future events. This inability to secure future events will result in a substantial loss of regional GDP and visitor nights for Auckland over the coming years.
- Investment in future business events beyond 2024 is also severely limited by uncertainty about future funding. As a result, Auckland will likely lose future business events and their associated positive economic impact, to other cities.
- An increased volume of regular hikoi in the city has impacted curated programming of Aotea Square but has been managed well at an operational level by the team.

Programmes

Programme	Status	Description	Progress towards key deliverables
Major Events	On track	Invest in and deliver an annual major events portfolio on behalf of Auckland Council that generates economic, social, reputational and sustainability benefits for the region. The portfolio includes a mix of arts, cultural and sporting events happening across the year. Provide facilitation support to partner venues including Eden Park and Spark Arena.	<p>Moana Auckland, New Zealand's Ocean Festival was launched on 8 November at the Royal NZ Yacht Squadron. The festival will kick off on 24 February and run through to 24 March. It will bring together on and off water events that showcase Auckland and New Zealand's love affair with the ocean. Moana Auckland is a change in direction for events that TAU delivers, focusing on anchor and home-grown events that give Aucklanders something to look forward to all year.</p> <p>Planning was well underway in Q2 for the BNZ Auckland Lantern Festival that will take place on 22-25 February. A new Event Director was appointed and a commercial partnership with Cathay Pacific was confirmed.</p> <p>Three Coldplay stadium shows in November 2024 were confirmed with Live Nation. TAU is an investment partner in the concert, reassigning a portion of the forecast investment into the cancelled March 2024 SailGP event to help secure Auckland as the New Zealand host city for <i>Music of the Spheres</i> tour.</p>
Auckland Live	On track	A world-class live performance organisation that energises 11 of the region's iconic performance venues with high quality shows and experiences. Grows Auckland's international reputation as a viable market and attracts and/or hosts more than 1800 events to the region annually. A centre for performing arts development, education, enrichment and high-performance professional training.	<p>Auckland Live worked in partnership with Tempo Te Rerenga O Tere to present <i>Capture</i>, Aotearoa's first live digital dance showcase on 28-29 October, featuring a collection of 55 dance films, real-time digital audience performances and an improvised, fan-directed dance battle between some of the most talented freestyle dancers in Aotearoa.</p> <p><i>Auckland Live's Christmas in Aotea Square</i> showcased three weekends of festive programming across December with a variety of artists and events including vintage tunes from The Madelines, Tongan Brass Band Mamaloa, festive carols with GALS, the Rainbow Choir as well as Christmas Karaoke hosted by Jackie Clarke, performances by the National Youth Theatre, a family-film evening and a ukelele workshop with The Nukes. Aotea Square Christmas programming was complimented by a 10m Christmas tree and an interactive augmented reality game on the Auckland Live Digital Stage. Programming was made possible with support from Auckland Council and the city centre targeted rate.</p>
Business Events	On track	Secures, hosts and supports conventions, meetings, commercial exhibitions, incentive programmes, functions and dinners across suitable Tātaki Auckland Unlimited venues and other venues. Provides technical equipment hire for conventions, meetings, commercial exhibitions, functions and dinners.	<p>There are 80 future business events confirmed for Auckland (to 2028) as a result of Auckland Conventions Bureau's support with an estimated future economic value of \$74.4m.</p> <p>Auckland Conventions Venues and Events (ACVE) – Year on Year metrics: FY24 v FY23, volume of business events held at TAU venues to end of December increased by 13%, revenue increased by 126% - due in part to the re-opening of the Viaduct Events Centre.</p> <p>For Q2, ACVE hosted 127 business events with 49,380 attendees. Key events were Australasian Tunnelling Conference; Bold Steps; NZ Epilepsy Conference; NZ Climate Change Conference; Amway Dinners x6. ACVE supported the inaugural NZ Business Events Expo, contracted for two years, at Viaduct Events Centre. In November the ACVE team showcased the Auckland Zoo to 115 event planners.</p>

Facilities

Highlights

- *Guo Pei: Fashion, Art, Fantasy* opened at the Auckland Art Gallery on 9 December. It presents the designer's most innovative and visually intoxicating ensembles created from 2005 to 2020, some of which have never been on display at any other museum. The Minister for Arts, Culture & Heritage Hon Paul Goldsmith and Chinese Ambassador for New Zealand Wang Xiaolong spoke at the opening. Representatives of Xinhua, China's largest media group, expressed gratitude to the Gallery for its outreach to the Chinese community, and bringing together of dignitaries.
- Auckland Zoo launched the PalmOil Scan app in November as part of the Orangutan Caring Week. The app puts the power in the hands of consumers to easily shop for products from companies committed to sourcing Certified Sustainable Palm Oil.
- Auckland Zoo staff, with TAU and the wider South East Asia Jungle Track project team, won the 'Auckland Airport Best Team Award' in the Property Council NZ 2023 Auckland Property People Awards. These awards celebrate and recognise the people behind Auckland's most inspiring and impressive projects.
- Work continues on the collection storage move, with access to the new site shared with Auckland War Memorial Museum now available. The museum has begun an install of on-site infrastructure at the new location and has lodged for consent for necessary building works. The colocation with the AWMM enables us to release some separately leased storage facilities.
- October saw the start of the 2023/24 concert season with Go Media Stadium Mt Smart hosting Listen In and the inaugural Eden Festival, and Western Springs hosting Post Malone on 21 November. Go Media Stadium Mt Smart has also hosted *The Macca's Festival of Football* on 25 November. It was the first time that Wellington Phoenix have hosted a double-header outside of Wellington.

Issues and Risks

- The future of North Harbour Stadium (NHS) is a considerable ongoing challenge. Three options for the stadium's future are part of Auckland Council's LTP process public consultation: maintaining the status quo; redeveloping the precinct to better deliver for the needs of the North Shore community and the greater Auckland region; and changing the operational management.
- There's a shortage of stadium content in the New Zealand market as a result of a wide range of factors, including the economy, high freight costs, and the level of event attraction resource being applied in Australia. Additionally, event activity at Western Springs remains significantly restrained while remediation work continues following last January's flood events.

Programmes

Programme	Status	Description	Progress towards key deliverables
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><i>Always Song in the Water – Art Inspired by Moana Oceania</i>, continues with its popular public programme and artist interactions. The exhibition has been extended to continue to run into Moana Auckland festival.</p> <p>The NZ Maritime Museum (NZMM) secured NZ Lottery Commission funding for a Digitisation Hub project, an initiative stemming from ongoing work to digitise its collection and make it available online for greater access. This will see NZMM enable and support other small Auckland region cultural organisations to build digitisation into their work activities, building capacity for sharing and better access to these taonga and collections.</p> <p>NZMM has hosted a member of the National Services – Te Pairangi team onsite between November and February as part of an ongoing collaboration with Te Papa, and to support their broader mission of supporting smaller museums throughout Aotearoa New Zealand.</p>
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><i>Ever Present: First Peoples Art of Australia</i> closed on 29 October. It was one of the Gallery’s most visited exhibitions with 80,730 visitors (unticketed) over its 93-day run and 2698 visitors in public programmes.</p> <p>A new major commission opened in the Gallery on 1 December. Internationally renowned New Zealand artist and two-time nominee for the Walters Prize, Simon Denny, presents his largest project in New Zealand in some years, created for the Gallery’s North Atrium. The 3D-printed, augmented reality artwork <i>Optimism</i> is Denny’s most ambitious public work since his Venice Biennale exhibition in 2015.</p> <p>Ngā Pakiaka, the new Te Aka Matua Creative Learning Centre space, was opened on 27 October. More than 1500 visitors engaged with this space in the first five days of the opening.</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>The Zoo received funding from Microsoft USA to co-create a Minecraft Education game with partner zoos across Australia, Microsoft NZ/AUS and Team Workbench. By playing the game, students will discover four virtual ecosystems and must identify why these ecosystems are out of balance and take action to restore biodiversity. When released later in 2024, the game will be available free for more than 700,000 learners across New Zealand and Australia. Another 35 million students and teachers are licensed to use it in 115 countries.</p> <p>Wildlife conservation is an important part of the Zoo’s work. Recently, the Zoo was involved in a programme to release more than 8000 wētāpunga back into the wild – helping downgrade their threat status. The Zoo ectotherm staff have also assisted DOC in an epic effort to locate and uplift Awakōpaka skinks to bring to the Zoo. With fewer than 20 individuals ever seen and a predicted rat and mouse ‘tsunami’ due to hit, DOC was concerned this species may go extinct without intervention.</p>
Auckland Stadiums	On track	Auckland Stadiums manages Western Springs, North Harbour Stadium, and Go Media Stadium, Mt Smart, and brings to Auckland world-class sport, live music, and entertainment.	<p>Go Media Stadium hosted the final round of the inaugural WXV1 tournament on 3 and 4 November featuring the world’s top six international women’s rugby teams.</p> <p>The school athletics calendar kicked off at Go Media Stadium Arena 2 on 12 October with 8000 children participating in the athletics activities over the period of 8 weeks. The athletics track was renovated in FY21/22 and reopened in June 2023, so this was the first event that took place on the new track.</p> <p>Go Media Stadium was a finalist for ‘Large Venue of the Year’ at the Entertainment Venues Association of New Zealand Awards. The nomination recognised Go Media Stadium as a live entertainment and sporting arena, as well as TAU’s work engaging with our communities and our commitment to sustainability.</p>

Projects of focus

Project	Status	Description	Progress towards key deliverables
Single Operator Stadiums Auckland (SOSA)	On hold	In late 2022, the Eden Park Trust Board, Auckland Council and TAU developed a proposal for a Single Operator Stadium (SOSA) model for Tāmaki Makarau Auckland. An Interim Advisory Group (IAG) was convened to advance the development of the proposed model, which is due to be implemented by the end of FY23/24.	<p>A term sheet and vision document were being considered by the IAG that all parties reached in principle agreement on. These two documents were due to be finalised before the end of June 2023. A significant change to the make-up of the Eden Park Trust Board occurred at the end of June 2023, necessitating further engagement on those plans.</p> <p>The timing of this work has also been impacted by the process undertaken by the council political working group on stadiums in issuing an EOI for a “main stadium” for Auckland, which is a high priority for Eden Park Trust.</p> <p>As per the Letter of Expectation, following conclusion of the 'main stadium' expression of interest process, TAU will further progress discussions with Eden Park Trust on a single operator for the region's four stadiums.</p>
Integrating Auckland's Cultural Institutions	On track	TAU's contribution to the development of options and opportunities for creating an integrated cultural institutions model for Tāmaki Makarau Auckland.	<p>Council is leading work to consider potential changes to the legislation for Auckland War Memorial Museum (AWMM), MOTAT and the Auckland Regional Amenities Funding Board.</p> <p>A political working group (PWG) led by Deputy Mayor Simpson has been convened to consider potential legislative change options, working in collaboration with MOTAT, AWMM and TAU.</p> <p>The PWG met with Auckland Museum on 13 December and will hold a similar session with MOTAT in February. TAU remains highly engaged in this work.</p>
Western Springs Precinct	On track	The Western Springs Precinct is home to some of the best-loved attractions and facilities in Tāmaki Makaurau Auckland, including MOTAT, Auckland Zoo.	<p>As agreed in the SOI, work continues on the Western Springs precinct concept.</p> <p>A vision for the area is for it to be a cohesive precinct offering education, cultural knowledge, sustainability, conservation, exercise, science, technology and good environmental outcomes, with easy walking and cycling connections and safe, reliable parking.</p>

Economic Development

Highlights

- A Destination Auckland Industry update event was held in December to launch *Destination AKL 2035*. Speakers from across the destination sector spoke about what they would like Tāmaki Makaurau Auckland to be, and be known as, in 2035. The conversation set the scene as TAU leads into a review of the *Destination AKL 2025* Strategy.
- The ‘topping out’ ceremony on the 41st floor of 94 Feet’s new Indigo Hotel was held on 7 December, attended by TAU and Council representatives. The TAU Investment team has played an ongoing role, over a number of years, in supporting the establishment of this \$250 million luxury property, due for completion in 2024. Once complete, this project will form a part of the revitalisation of Auckland’s midtown precinct.
- Two Screen Auckland staff travelled to Los Angeles to engage with Hollywood’s production leaders and lay the groundwork for Tāmaki Makaurau Auckland’s role in these producers’ planned 2024 lineup and to emphasise our region’s creative tech capabilities. It was excellent timing to be on the ground with the resolution of the major industry strikes of 2023, which had previously brought international production to a standstill. As a result of these meetings, several projects were confirmed, contributing significantly to Auckland’s international pipeline, including projects for Studio West, X3 Studios, Auckland Film Studios, and Kumeu Film Studios.
- In addition to the launch of the vision for Te Puna Creative Quarter, Henderson (detailed in the Māori Outcomes section), the inaugural hui for the Te Puna Establishment Group of industry, iwi and political champions was held. The Establishment Group will conduct five sprints over five months in 2024 including infrastructure, investment and education. Feedback on the Te Puna vision and approach has been positive.
- TAU received a national commendation award for ‘Sector and Cluster Development’ at the Economic Development NZ Awards for *Tech Tāmaki Makaurau*, a three-year strategy of work to grow Auckland’s technology industry, create jobs and attract talent and investment to the region. TAU was also a finalist for the ‘Best Practice for Primary Research’ award for *Te Au Hungarau: The Wave of Technology* research. The research was commissioned by TAU and Spark Foundation, in association with Te Matarau (Māori Tech Association), and undertaken by Pūhoro STEM Academy.
- GridAKL announced a partnership with Stone & Chalk – Australia’s largest startup community – for a landing pad programme that smooths entry into the trans-Tasman export market. There’s a high interest already from startups in Sydney and Melbourne.

Issues and Risks

- Adjusting to the significant reduction in staff and budget continued into Q2 requiring changes to service levels and a sharper focus on fewer initiatives.

Programmes

Programme	Status	Description	Progress towards key deliverables
Visitor Economy	On track	TAU's Visitor Economy team focuses on leading and partnering in destination marketing and advocating or coordinating in destination management.	<p>The Destination Auckland Partnership Programme (DPP), an interim solution to fund tourism marketing and business event attraction activities in key markets, had more than 130 financial partners and applications totaled more than \$1.9m at the end of Q2. Consumer marketing and public relations activity is underway in both New Zealand and Australia to support DPP partners. Sling and Stone was appointed the PR Agency in Australia for all DPP activity to help build the awareness and desirability of the Auckland region as a must-visit holiday destination for Australians.</p> <p>Iconic Auckland Eats, the annual list of the top 100 dishes in Tāmaki Makaurau Auckland, opened for nominations on 17 October. Now in its fourth year, this initiative was created by TAU as part of Destination AKL Recovery Plan to support the hospitality industry and showcase Auckland's world-class cuisine and diverse food story. The list was launched on 21 February.</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.	<p>TAU supported Eke Panuku in seeking support for the City Centre Action Plan from council's Planning Environment and Parks Committee in late November. The Plan was supported 16-5 with discussion about a number of TAU-led areas including events and night-time economy.</p> <p>A first night-time economy stakeholder workshop was held with more than 30 representatives to progress Auckland's aspirations to become a safe, inclusive and desirable night-time destination. This work is a key action from the City Centre Working Group.</p>
Investment & Screen Attraction	On track	Attracting high-value businesses and investment to the city to maximise economic opportunities associated with investment into infrastructure, businesses, and talent. Screen Auckland activities including attraction of screen productions, management of screen infrastructure and ensuring Auckland is a 'film friendly' region.	<p>A new framework for working with iwi for filming on Sites and Places of Significance to Mana Whenua continues its progress with industry, iwi and hapū.</p> <p>The Screen Taskforce's (business, Council and Screen Auckland leaders) third meeting on 4 December set key priorities to improve on film friendliness, encourage the post/VFX/digital pipeline and refresh Auckland's attraction proposition. Move to delivery is underway.</p> <p>The Screen Auckland website build was complete, with a launch due in late February.</p> <p>TAU participated in the Asia Pacific Cities Summit and Mayors' Forum in Brisbane. The programme of meetings included visiting aspects of Brisbane's innovation ecosystem, city-shaping and best practice elements.</p>
Tech & Innovation	On track	Leveraging our role to grow Auckland's innovation ecosystem, including the ongoing development of the GridAKL network and the implementation of <i>Tech Tāmaki Makaurau</i> – Auckland's Tech Strategy.	<p>GridMNK and operator Ngahere Communities celebrated their 5th birthday at the start of December. The celebration reflected on five years of shaping a thriving innovation and entrepreneurial ecosystem in south Auckland, including a current count of six permanent tenant companies and 34 individuals.</p> <p>The achievements from Year 1 of the Tech Tāmaki Makaurau programme to drive the region's technology sector and establish Auckland as a global 'tech city' were announced in October, highlighting initiatives that TAU has led or has contributed to.</p> <p>TAU attended the Global Entrepreneurship congress in Melbourne, and visited innovation hubs in Brisbane, Melbourne, and Sydney to upskill on international knowledge, research, and connections. Australia is investing heavily in start-ups and entrepreneurs.</p>

Projects of focus

Project	Status	Description	Progress towards key deliverables
Climate Connect Aotearoa (CCA)	On track	<p>Climate Connect Aotearoa brings together business, government, Māori, academia, funders and investors, and climate innovators to create the solutions required to ensure Tāmaki Makaurau Auckland and Aotearoa New Zealand adapt and thrive in the face of climate change.</p> <p>The work programme includes climate challenges, knowledge hubs, and ecosystem mapping.</p>	<p>The energy sharing challenge is progressing, with Franklin Local Board including the project in its work programme after a partnership presentation. An MoU is also in development with Ara Ake and Counties Energy.</p> <p>There has been positive engagement across Auckland Council to progress the proposed food challenge using council assets.</p> <p>A review is underway with council libraries to identify research relating to Māori attitudes to climate. This will support Māori-led innovation programme development.</p> <p>CCA Māori outcomes opportunities have been added to the TAU Māori outcomes LTP and business case planning is underway for Māori Economic Hubs.</p> <p>Scoping is complete and procurement is underway for a green jobs and skills pilot with the construction and infrastructure sector. This pilot follows research on the region's green employment and Tāmaki Makaurau Auckland's turning point.</p> <p>A stakeholder hui was held to explore the proposed product and content for climate resilience and adaptation resources, as well as roles and responsibilities (partnerships) for delivery. Procurement began to select a supplier to provide technical services.</p>

Performance measures

Performance measure	Previous year result	Year End Target	Q2 Actual YTD	Status	Commentary
Experience and events					
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. (LTP measure)	2.08m	2.08m	1.01m	On track	The half-year result is slightly lower than the FY23 half year result, but the KPI is on track to meet its year-end target. Some of the highlights in Q2 included the Zoo hitting the highest November visitation ever and the third highest October visitation on record and the Auckland Art Gallery's opening of the popular <i>Guo Pei: Fashion, Art, Fantasy</i> exhibition.
The number of children participating in educational experiences through TAU venues and facilities.	New measure	163,000	128,505	On track	Result on track to meet year-end target. The large number of children participating at the FIFA Fan Festival has been a significant contributor to results to date.
Percentage of Auckland residents surveyed who consider that TAU's programmes, events and exhibitions enrich their lives.	76%	70%	No result	No result	Result reported annually only. Surveying due to take place in April/May.
The number of programmes contributing to the visibility and presence of Māori in Auckland, Tāmaki Makaurau. (LTP measure)	88	40	34	On track	The KPI is well on track to meet its year-end target. Key activities that contributed to the results to date were based around Matariki, Te Wiki o te Reo Māori and TAU's educational programmes.
Percentage of customer complaints resolved in 10 working days.	86%	80%	100%	On track	There were 41 complaints received by the of Q2. All of them were resolved within 10 working days.
Facilities					
The net promoter score for TAU's audiences and participants. (LTP measure)	45	40	50	On track	Based on results available across Auckland Live, Auckland Stadiums, Auckland Art Gallery, Auckland Zoo and NZ Maritime Museum. The KPI is on track to meet the target of 40.
Percentage change in greenhouse gas emissions against 2018/19 baseline (Scope 1 and 2 only).	+16.6%	-17%	No result	No result	Result reported annually only.
The percentage of operating expenses funded through non-rates revenues. (LTP measure)	51%	59%	55%	On track	

Performance measure	Previous year result	Year End Target	Q2 Actual YTD	Status	Commentary
Percentage of milestones completed as per TAU Board agreed capital programme.	New measure	80%	60%	On track	The Board has approved a programme that includes 35 milestones. To the end of Q2, 21 of these milestones have been achieved.
Percentage of critical TAU assets in acceptable condition.	New measure	Benchmark set	No result	No result	Result reported annually.
Investment and innovation					
Attributable value of private sector investment secured during the year.	\$325m	\$100m	\$10.8m	On track	The KPI is on track – there’s an excess of \$100m of screen deals in the pipeline that we are expecting will be confirmed before year-end.
The contribution to regional GDP from major events and business events attracted or supported. (LTP measure)	\$74.2m	\$71m	\$92.5m	Achieved	The year-end target has already been achieved. The main contributor to this KPI, FIFA Women’s World Cup 2023 (FWWC 2023), contributed \$87.1m to regional GDP.
Number of Māori businesses that have been through a TAU programme or benefitted from a TAU intervention. (LTP measure)	101	50	88	Achieved	The KPI’s year-end target has already been met. Majority of the interventions year to date were associated with GridAKL activities.

Financials – overview

(\$ million)	Notes	FY 23	FY 24 Quarter 2 YTD			FY 24
		Actual	Actual	Budget	Variance	Budget
Net direct expenditure	A	114.8	50.20	53.9	3.7	93.3
Direct revenue	B	116.2	50.9	46.7	4.2	95.3
Fees & user charges		53.1	28.5	29.3	(0.8)	56.9
Operating grants and subsidies		33.0	7.9	5.2	2.7	25.6
Other direct revenue		30.1	14.5	12.2	2.3	12.8
Direct expenditure	C	231.3	101.1	100.6	(0.5)	188.3
Employee benefits		85.7	44.8	42.3	(2.5)	80.5
Grants, contributions & sponsorship		31	4.21	3.1	(1.1)	7.8
Other direct expenditure		114.3	52.0	55.2	3.2	100.0
Other key operating lines						
AC operating funding		119.3	50.1	53.9	3.8	93.2
AC capital funding	D	43.4	27.0	32.0	6.0	67.2
Depreciation		54.8	29.1	27.8	(1.2)	55.7
Donated Artworks	E	184.0	1.2	0.0	1.2	0.0
Net Income Tax expense (benefit)		(1.3)	0.6	0.0	0.6	0.0
Net interest revenue (expense)		0.9	0.8	0.0	0.8	0.1

Financial commentary

The “Adjusted Budget” includes approved budget carry forwards, where elements of the budget from FY23 which were not spent in the year and Auckland Council has subsequently approved (late August), portions of this unspent budget being transferred to FY24.

A. Net Direct Expenditure is favourable to budget due to strong visitation at the Zoo and Maritime Museum and better than expected event revenues, offset by additional costs from the timing of the implementation of staff changes and additional staff to support increased event activity.

B. Revenue is favourable to budget due to continued strong visitation at the Zoo and Maritime Museum and better than expected event revenues including performing arts, conventions and additional unbudgeted Stadiums revenue. Operating Grants and subsidies is favourable due to Major Events, and Regional Events Fund funded activities taking place earlier than planned.

C. Costs are slightly adverse due to the timing of staff change implementation costs, and additional casual staff being needed for revenue generating events.

D. Capital programmes have had a slower than anticipated start due to ongoing delays related to flood remediation – this, however, is largely a timing issue that is expected to be rectified in the second half of the year.

E. Vested Assets includes gifted artwork, particularly the Julian Robertson bequest.

Appendix 1: Financial breakdown by key activities

Direct operating performance

Cultural organisations

\$ million	Notes	Previous Year Actual	Actual	2023/24 YTD Budget	Variance	Full year Budget
Auckland Art Gallery						
Direct revenue		7.4	2.6	2.9	(0.3)	6.2
Direct expenditure		25.7	11.7	11.9	0.2	22.2
Net cost to serve		18.3	9.1	9.1	(0.1)	16.0
Auckland Zoo						
Direct revenue		13.7	7.2	6.8	0.4	13.6
Direct expenditure		27.6	14.0	13.2	(0.8)	26.2
Net cost to serve		13.9	6.8	6.4	(0.4)	12.5
NZ Maritime Museum						
Direct revenue		3.1	1.6	1.2	0.4	2.5
Direct expenditure		8.0	4.1	3.8	(0.3)	7.4
Net cost to serve		4.9	2.6	1.4	0.0	4.9
Auckland Stadiums						
Direct revenue		12.5	6.2	9.5	3.3	15.5
Direct expenditure		18.1	8.3	11.3	3.0	18.7
Net cost to serve		5.6	2.1	1.7	(0.3)	3.1

Economic development

\$ million	Notes	Previous Year Actual	Actual	2023/24 YTD Budget	Variance	Full year Budget
Economic development						
Direct revenue		29.1	9.7	6.2	3.5	18.2
Direct expenditure		44.4	18.3	17.4	(0.9)	25.6
Net cost to serve		15.3	8.6	11.2	2.6	7.3
Visitor economy						
Direct revenue		3.4	1.0	0.6	0.3	1.2
Direct expenditure		6.7	4.5	4.2	(0.3)	7.7

\$ million	Notes	Previous Year Actual	Actual	2023/24 YTD		Full year Budget
				Budget	Variance	
Net cost to serve		3.3	3.6	3.6	0.0	6.5
Climate						
Direct revenue		0.0	0.0	0.1	(0.1)	0.2
Direct expenditure		1.6	0.5	0.7	0.1	1.6
Net cost to serve		1.6	0.5	0.6	0.1	1.4

Arts, entertainment and events

\$ million	Notes	Previous Year Actual	Actual	2023/24 YTD		Full year Budget
				Budget	Variance	
Auckland Live & Conventions						
Direct revenue		28.4	15.9	15.2	0.6	28.7
Direct expenditure		38.6	19.2	17.7	(1.4)	34.4
Net cost to serve		10.2	3.3	2.5	(0.8)	5.7
Destination (incl Major and Business events)						
Direct revenue		14.5	4.4	3.3	1.1	6.9
Direct expenditure		44.5	14.6	14.3	(0.3)	24.0
Net cost to serve		30.0	10.2	11.0	0.9	17.1

Partnerships

\$ million	Notes	Previous Year Actual	Actual	2023/24 YTD		Full year Budget
				Budget	Variance	
Partnerships						
Direct revenue		2.0	0.9	0.9	0.0	2.0
Direct expenditure		6.9	3.8	2.5	(1.3)	4.7
Net cost to serve		4.9	2.9	1.6	(1.3)	2.6

Capital performance

\$ million	Notes	Previous Year Actual	2023/24 YTD			Full year Budget
			Actual	Budget	Variance	
Auckland Zoo		9.4	3.3	5.6	2.4	11.8
Auckland Art Gallery		5.3	8.2	7.9	-0.3	16.4
New Zealand Maritime Museum		1.4	0.5	1.6	1.0	3.3
Auckland Stadiums		10.5	5.7	5.1	-0.6	10.6
Arts, Entertainment and Events		9.9	4.7	6.1	1.4	12.8
Security		1.9	1.6	2.1	0.5	4.4
Digital		3.4	0.9	1.4	0.5	3.0
Partnerships (TAU+)		1.7	1.4	0.8	-0.6	1.7
Property		1.7	0.7	1.1	0.5	2.3
Investment and Industry		11.1	0.0	0.1	0.1	0.2
Total		56.1	27.1	31.9	4.8	66.6

Appendix 2: Performance of facilities and venues

Outlined below are operational metrics for TAU facilities and venues. These are not considered organisational Key Performance Indicators and will not be reported formally as part of TAU annual reports but are provided to assist in tracking performance at a more granular level.

Facility/venue	Operating metrics		Facility/venue	Operating metrics	
Auckland Art Gallery	Full year target	Q2 YTD	Auckland Zoo	Full year target	Q2 YTD
Total attendance	500,000	212,525	Total attendance	808,000	398,439
Ticketed attendance	159,000	15,672	Ticketed attendance	808,000	398,439
No. school children	8,000	2,816	No. school children	60,000	27,769
Net Promoter Score (NPS)	45	55.3	Net Promoter Score (NPS)	45	64.4
No. programmes contributing to visibility/presence of Māori	15	15	No. programmes contributing to visibility/presence of Māori	10	12
% opex funded through non-rates revenue	28%	32%	% opex funded through non-rates revenue	51%	71%
New Zealand Maritime Museum	Full year target	Q2 YTD	Auckland Live	Full year target	Q2 YTD
Total attendance	190,000	79,218	Total attendance	620,000	374,558
Ticketed attendance	101,000	46,906	Ticketed attendance	508,000	267,208
No. school children	8,000	2,853	No. school children	68,000	86,551
Net Promoter Score (NPS)	45	54.1	Net Promoter Score (NPS)	40	50.2
No. programmes contributing to visibility/presence of Māori	10	2	No. programmes contributing to visibility/presence of Māori	10	5
% opex funded through non-rates revenue	34%	50%	% opex funded through non-rates revenue	72%	81%
Stadiums Auckland	Full year target	Q2 YTD			
Total attendance	700,000	379,243			
Ticketed attendance	504,000	282,894			
No. school children	19,000	8,516			
Net Promoter Score (NPS)	20	-3.6			
% opex funded through non-rates revenue	79%	147%*			

*Auckland Stadiums have more than entirely self-funded their Opex by their non-rates revenue in Q2

