



Report to Auckland Council

For the quarter ending 30 June 2017



He Mihi

E tu noa ana nga maunga whakahii i te riu o Tāmaki Makaurau.

E whakaruruhau ana i nga ahikaa mai tawhiti.

E maumahara ana i te nguha a Mataoho.

Ratou kua poto ki tua o te arai, e moe e okioki

Tatou te hunga ora e kawe ana i te aronganui mo te pai me te whai rawa o Tāmaki, tena ra tatou katoa.

The volcanic cones of Tāmaki Makaurau stand as sheltering monoliths to the people from an ancient heritage who have kept the home fires burning as a symbol of remembrance of Mataoho whose rage created this beautiful landscape.

To those who have passed into the night, may you find eternal rest.

For those of us who have been left behind to build the most liveable city in the world, greetings to us all.

Contents

He Mihi	1
1. Executive summary	4
2. Strategic framework and focus areas.....	9
3. Highlights for last quarter and upcoming activity	10
4. Financial performance.....	25
5. Māori transformational shifts activities	25
6. Key Local Board activity.....	31
6. Risk management	31

1. Executive summary

The 2016/17 financial year included a series of significant achievements, events and diverse business growth programmes that benefited the wider Auckland region. This report covers ATEED's delivery of work during Quarter 4, based on the strategic pillars in ATEED's Statement of Intent 2016-19, and its contribution to Auckland's prosperity.

Grow the visitor economy

- World Masters Games 2017 (WMG2017) was successfully delivered from 21-30 April, with 10 days of fantastic competition, camaraderie and social events across Auckland and Cambridge. International Masters Games Association President, Kai Holm declared the event the "best Games ever".
- By the end of Q4, ATEED's Auckland Convention Bureau (ACB) team had handled 307 opportunities to bring international, domestic and Australian business events to Auckland, resulting in year-to-date wins valued at \$46m.

Build a culture of innovation and entrepreneurship

- By the end of Q4, there were 70 businesses resident at the Lysaght building in GridAKL, with a total of 168 staff. Approximately 80 per cent of these businesses are considered 'innovation led'. Both results are well above the annual target of 55 residents and 70 per cent innovation-led.
- The second Techweek was successfully delivered during Q4, with the event successfully transferred to industry organisation NZTech to continue to facilitate its national reach. More than 1200 people attended events at GridAKL during Techweek.
- The number of individual entrepreneurs supported through an ATEED-delivered or funded entrepreneurship programme reached 1995 for the financial year, exceeding the target of 1500. This includes individuals supported via the Lion Foundation Young Enterprise Scheme (YES) and DIGMYIDEA Māori Innovation Challenge, both delivered by ATEED, and those who have been through Velocity at the University of Auckland and Co-starters at AUT, which are co-funded by ATEED.
- The ATEED team delivering the Regional Business Partner Network (RBP) programme (in partnership with New Zealand Trade and Enterprise and Callaghan Innovation) exceeded the programme's actively engaged target by 153 per cent. By the end of Q4, 1104 businesses had discovery sessions with Business and Innovation Advisors, and received action plans which connect them to resources, services and, where appropriate, funding to grow and innovate. More than 40 Māori businesses were engaged during the 2016/17 financial year, not including the Whāriki networking activity during WMG2017.

Attract business and investment

- The total GDP contribution of deals resulting from ATEED involvement by the end of Q4 was \$340.7m, which is well over the annual target of \$56.7m. The value of investment deals resulting from ATEED involvement in the 2016/17 financial year was \$487.8m, also exceeding the target of \$278m.
- There were 146 film permits issued for 66 productions during Q4. The number of permits for the same period in 2016 was 130. The permits issued were for 56 local productions and 10 international productions.

Grow and attract skilled talent

- JobFest was successfully delivered on 3 May at the Manukau Events Centre, with 1401 people attending the event. It attracted 75 employers and there were 1250 jobs listed. ATEED was also successful in securing funding from the Tindall Foundation for youth employment initiatives during Q4. This was done in collaboration with Auckland Council's Youth Connections.
- ATEED's Study Auckland team continued to collaborate with Education New Zealand and other government and tertiary agencies to attract international students to Auckland. The economic value of New Zealand's international education industry in the 2016 academic year was estimated to be \$4.5b (including \$4.2b onshore and \$242m offshore), an increase of \$200m compared to the 2015 student figures.

Auckland's contribution of this figure is estimated at \$2.251b, with more than 83,000 international students in Auckland, representing a 63 per cent market share.

Build Auckland's brand and identity

- An updated www.aucklandnz.com website was re-launched on 5 May, providing a vastly improved user experience for people looking to find out more about Auckland.
- During the quarter, filming was completed for the All Blacks Auckland content for the DHL New Zealand Lions Series 2017, shown on Air New Zealand international flights from May to July.

ATEED Chief Executive appointed

Nick Hill has been appointed to the position of Chief Executive. Nick will commence his role on 14 August, replacing outgoing Chief Executive Brett O'Riley, who leaves the organisation in September after more than five years in the role. Nick has held senior management positions in a range of companies in the public and private sectors, and has vast experience in developing public policy and commercial strategy, as well as managing transformational change.

Performance measures

Against the 24 KPIs contained in the 2016-19 SOI, ATEED has made significant progress towards achieving our vision to improve New Zealand's economic prosperity by leading the successful transformation of Auckland's economy.

ATEED's performance against the KPIs is set out in the table below. In summary, of the 24 KPIs:

- 20 were 'achieved'
- 1 was 'progressing'
- 2 were 'not achieved'
- 1 had 'no result' (as the measure has been discontinued by NZTE)

The summary includes two KPIs for which the results of the DHL New Zealand Lions Series 2017 are a contributing factor, and those results are pending at the time of writing this report. However both KPIs, being the *Contribution to regional GDP from Major Events invested in*, and *Visitor nights generated by major events invested in*, are forecast to be achieved.

- The *number of international business event bids submitted or supported* during the year was 29 against a target of 35. Despite this, Auckland has won events with higher delegate attendee numbers, which has contributed to a higher value to the economy overall. The value of international business event bids won in the financial year was \$32.4m, exceeding the \$19m target (not including domestic or Australia bids).
- *74 per cent of Aucklanders agreed events make Auckland a great place to live*, below the target of 80%. This KPI is measured through a Council survey and asks about people's perceptions of events in general and not specifically about ATEED events. This result was a slight improvement on last year's 73 per cent.
- The KPI *'Percentage stakeholders satisfied with the provision of business advice, start-up, training and mentoring programmes'* has been discontinued, and therefore "no result" can be recorded. NZTE owns the survey on which this measure is based and ceased to measure stakeholder satisfaction during the year. NZTE has adopted a net promoter score methodology which is reflected in ATEED SOI 2017-20, and will be reflected in the next Long Term Plan (LTP).

¹ <https://www.enz.govt.nz/assets/Uploads/International-Education-Dashboard-for-2016.pdf>

- *Total visits to www.aucklandnz.com reached 3.2m by the end of the financial year, resulting in a shortfall of 6 per cent of the 3.4m target. The migration to the updated website with its significantly enhanced architecture caused a temporary fall in the number of visits. This is to be expected as search engines require time to rank new content. Prior to the migration, traffic was on track to meet the KPI, consistency tracking at 280,000 to 300,000 visits each month.*

ATEED KPI Scorecard					Jun-17
ATEED SOI KPIs	Measurement	Date of Measure/latest available result date	Latest Result	Annual Target to 30 June 2017	Status
Build a culture of innovation and entrepreneurship					
No. of businesses taking up tenancy at GridAKL (cumulative) and percentage "innovation-led" ¹	Number & (%)	30-Jun-17	70 (80%)	55 (70%)	●
Number of individual entrepreneurs supported through an ATEED delivered or funded entrepreneurship programme	Number	30-Jun-17	1995	1500	●
Percentage stakeholders satisfied with provision of business advice, start-up, training & mentoring programmes (LTP Measure) ²	%	Discontinued	No result	85	No result
Number of actively managed business through Regional Business Partner programme	Number	30-Jun-17	1101	720	●
No. businesses that have been through an ATEED programme or benefitted from an ATEED intervention (LTP Measure)	Number	42916	4178	1500	●
No. Maori businesses that have been through an ATEED programme or benefitted from an ATEED intervention (LTP measure)	Number	30-Jun-17	183	100	●
Attract business and investment					
Facilitation of the establishment, or significant expansion, of multinational and local companies in target sectors (LTP Measure)	Number	30-Jun-17	6	5	●
Number of intensively account managed customers in ATEED Aftercare programme (Aroha Auckland)	Number	30-Jun-17	86	85	●
Total GDP contribution of deals effected with ATEED involvement	\$(million)	30-Jun-17	340.7	56.7	●
Value of investment deals effected by ATEED within the financial year	\$(million)	30-Jun-17	487.8	278	●
Grow and attract skilled talent					
Number of 'live' signatories to the Youth Traction Hub Employers Pledge (LTP Measure)	Number	30-Jun-17	66	50	●
Growth in value of international student spend to Auckland	\$(billion)	31-Dec-16	2.25	1.888	●
Grow the visitor economy					
Spend by visitors in Auckland ³	\$(million)	31-May-17	7,212	6,319	●
Number of international business event bids submitted or supported	Number	30-Jun-17	29	35	●
Business event bid win/loss ratio (based on results received in financial year)	%	30-Jun-17	70%	60%	●
Value of business event bids won in financial year	\$(million)	30-Jun-17	32.4	19	●
Percentage of customers satisfied with visitor information centres and services overall (LTP Measure)	%	30-Jun-17	97.2	85	●
Contribution to regional GDP from major events invested in (LTP measure) ⁴	\$(million)	30-Jun-17	74.8	86	●
Percentage of Aucklanders who agree events make Auckland a great place to live (engender pride and sense of place)	%	30-Jun-17	74	80	●
Visitor nights generated by major events invested in ⁴	Number	30-Jun-17	545,140	415,000	●
Percentage of customers satisfied with delivered major events (LTP measure)	%	30-Jun-17	89	85	●
Build Auckland's global brand identity					
Total visits to www.aucklandnz.com (LTP Measure)	Number (million)	30-Jun-17	3.2m	3.4m	●
Local economic development					
Percentage of actions in ATEED Local Board Engagement and Action Plans completed	%	28-Feb-17	95	80	●
Mana whenua engagement					
Percentage Mana Whenua satisfaction with quality of engagement	%	N/A	29	Establish baseline	●
Key: ● Achieved ● Not Achieved — No result					
¹ Innovation-led is defined as businesses developing new or improved technologies or services ² This KPI has been discontinued – therefore "no result" can be recorded. NZTE that owns the survey that this measure is based on changed its methodology during the year and did not measure satisfaction. ³ From 2016/17 targets have reset to align with latest Ministry of Business, Innovation and Employment Monthly Regional Tourism Estimates (MRTes). From March 2017 we are reporting year to date figures from July each FY to provide an accumulative view. Previously this was reported as current Year End figures. ⁴ Target includes the impact of World Masters Games 2017					

Financial performance

At the end of Q4, external revenue was higher than forecast due to an increase in Central Government funding for the DHL New Zealand Lions Series 2017 Fanzone and Fantrail, and World Masters Games 2017 total revenue was higher than forecast by \$0.4m due to greater sponsorship income. ATEED's funding from Council was lower than forecast due to timing-related underspend across key projects such as GridAKL (\$0.6m), the DHL New Zealand Lions Series 2017 (\$0.3m), and Kumeu Film Studios (\$0.4m). Operational expenditure was also lower than forecast due to timing-related underspend in the key projects as noted above, which will be deferred to the next financial year.

2. Strategic framework and focus areas

ATEED's Strategic Framework (Figure 1 below), clearly articulates ATEED's role in creating the world's most liveable city by focussing on five key priorities:

1. Grow the visitor economy
2. Build a culture of innovation and entrepreneurship
3. Attract business and investment
4. Grow and attract skilled talent
5. Build Auckland's global brand and identity.

Through these objectives, ATEED can connect Auckland-wide strategies (the Auckland Plan and Economic Development Strategy) and ATEED's ongoing strategic interventions, growth programmes and projects. The framework below provides the organisation with focus on those areas of ATEED's role that will make a difference to Auckland both regionally and locally. The key strategic objectives are supported by more detailed action plans, investment proposals and delivery partnerships.



Figure 1 – ATEED's Strategic Framework²

² As per ATEED's Statement of Intent 2016-19

3. Highlights for last quarter and upcoming activity

Grow the visitor economy

There were a record-breaking 2.61m international visitor arrivals to Auckland for year-ending June 2017, an increase of 11.1 per cent compared to the previous year. June 2017 saw 166,144 international visitors, an increase of 19.4 per cent compared to June 2016.

Tourism spend for the year to June 2017 was \$7.8b, up 4.3 per cent on the previous year. International spend was \$4.2b, up 4.8 per cent for the year. Domestic spend was \$3.6b, an increase of 3.7 per cent. Tourism spend from the US saw the biggest growth, up 32.6 per cent for the year, followed by Canada (20.4 per cent), Germany (18.5 per cent). International spend from the UK during the month of June was up 96.8 per cent compared to June 2016, which can also be attributed to DHL New Zealand Lions Series 2017 from 3 June – 8 July.

Holiday visitor arrivals for June 2017 were up 31.2 per cent compared to June 2016. Visitor arrivals from the UK were up 294.3 per cent compared to June 2016, which can be attributed to DHL New Zealand Lions Series 2017.

Hotel average daily rates were \$200 per night, an increase of 16 per cent over the last 12 months. The average daily rate for the month of June was up 27.8 per cent compared to June 2016. The average hotel occupancy rate was 87.0 per cent, an increase of 1.8 per cent over the last 12 months.

Golf, equine, marine, screen (GEMS) programme

The GEMS programme connects with Chinese high net worth investors (HNWI) through the golf, equine, marine and screen sectors. As part of the GEMS programme and as a result of the ATEED-China Cup partnership, the owner of the China Cup has become a sponsor of Emirates Team New Zealand. This sponsorship increased following ETNZ's America's Cup victory in Bermuda.

During the quarter, ATEED launched the 'The Search' project in partnership with the Institute of Golf (IoG) and Tourism New Zealand, which will attract outstanding and talented amateur players from China to visit Auckland and attend the LPGA event. ATEED was also able to facilitate a sponsorship agreement for the LPGA tournament with Qatar Airways.

A superyacht marketing campaign through Burgess will run during Q1 of the next financial year. The aim is to attract owners of superyachts, and will include a page of advertising for Auckland in the *Burgess Superyacht Living & Style* magazine. Print distribution of the magazine is 18,000. Spend on non-yacht-related activity was maintained throughout the season through tourism attractions and activities for crew. According to NZ Marine, during the 2016/17 season, there were about 60 foreign flagged superyachts in Auckland waters compared to 57 in the 2015/16 season. The 2017/18 season is looking favourable with enquiries for both charter and refit. Emirates Team New Zealand's win of the America's Cup is expected to lift Auckland's profile further.

PRVILGES (premium visitation, investment, luxury golf, education and screen) programme in the US

The annual agreement with the world's number one luxury travel network, Virtuoso was signed at the end of April. This agreement includes a comprehensive marketing programme, and an AR/VR component that was developed in collaboration with the Business Attraction and Investment team. A Virtuoso Study Tour took place in early June, where ATEED hosted 16 VIP travel advisors from the Virtuoso network in the US, in partnership with Tourism New Zealand and Air New Zealand. The travel advisors experienced the regional diversity of Auckland, including Waiheke Island, the west coast and Matakana. Feedback from the group was that our programme transformed and shifted their perceptions of Auckland, and provided greater confidence for them to include Auckland products in their clients' itineraries.

ATEED was a partner of the Down Under Answers Tourism Exchange held in Auckland from 4-6 May. This event connected travel suppliers with 60 of North America's best destination specialists. These specialists collectively

produce more than US\$10m in combined annual revenue across Australia, New Zealand, the South Pacific, Asia and Africa. The two-day exchange will provide an excellent platform for ATEED to directly engage with this valuable group.

A marketing campaign with Swain Destinations for a premium golf experience to Auckland and New Zealand went live during Q4, and will run until December. Some marketing channels will include the Virtuoso network, the Signature Travel Network, American Express and Ensemble. *Kingdom* magazine is a core component of advertising, with an audience of 892,500 and a circulation of 265,000 across the US. The publication is placed in the top 2000 country clubs, and is also distributed in 34 Delta Sky Club lounges and more than 30 United Airlines business and first-class lounges. Magazines are also placed in player lockers, VIP and corporate hospitality areas and ProAM gifts bags at specific PGA Tour events.

TRENZ 2017

Auckland was the host city for TRENZ this year, held at The Cloud from 9-12 May. There were 1200 delegates, including more than 270 international and New Zealand tourism and travel buyers, and influential media in Auckland for the event.

As host region, Auckland benefits from the immediate economic impacts from having people attending TRENZ staying in accommodation, eating in restaurants, and experiencing some of Auckland's tourism activities, all of which injected an estimated \$2m into the local economy. It also helps leave a lasting impression on the buyers who visit, and secures Auckland's place on future itineraries. Councillor Penny Hulse provided the city welcome at the TRENZ opening function, and ATEED announced Sir John Kirwan's new role working with ATEED to promote Auckland.

Cruise

By the end of Q4, 104 cruise ships had visited Auckland during the 2016/17 cruise season, which runs from October to September. The annual cruise report that shows the actual value to Auckland will be released during Q1 of the next financial year, and reported in ATEED's Q1 report to Council. The cruise industry was worth \$234.8m to Auckland in 2015/16.

Following Council's Planning Committee support for an 'inner dolphin', an Australian-based maritime consultancy will be engaged by the Harbourmaster to complete further technical work, including a risk assessment. This work should confirm the most appropriate next phase of infrastructure required to moor larger cruise ships at Queens Wharf. The required structure will not only need to be functional and safe, but also respect the heritage listing of the wharf, public use and amenity, and the newly opened lighthouse sculpture.

This work was expected to be completed by the end of July, and will confirm the most appropriate infrastructure required to moor larger cruise ships at Queens Wharf. Once a decision is made, a resource consent will be lodged, and subject to approval, procurement and construction is anticipated in time for the 2018/19 cruise season. On 1 June, Council's Finance and Performance Committee resolved to allocate \$10m in capital budget for cruise ship infrastructure (a dolphin) for the 2017/18 financial year.

Destination development

Aotea/Great Barrier Island International Dark Sky Sanctuary

Accreditation for the Aotea/Great Barrier Island International Dark Sky Sanctuary was granted during Q4, making Great Barrier Island the third dark sky sanctuary in the world. The accreditation requires the island to meet strict criteria around preservation and sustainability, and will transform and be of benefit to the island and tourism. Achieving this status will protect the island's night skies, and raise the profile of the island with astro-photography enthusiasts from around the world. The announcement was covered by national media, TV, radio, print and online channels. It was also well-received overseas when it was released, being covered by 204 outlets in the US and 61 outlets in Australia, providing excellent exposure for Auckland. This is a significant global milestone. A key part of ATEED's work is to help Auckland's local areas develop their tourism offering. The application for the international

sanctuary status was lodged by the Great Barrier Local Board with support from Auckland Council, ATEED, the Department of Conservation, iwi, the Auckland Astronomical Society, and Auckland Central MP, Hon Nikki Kaye.

Waiheke Island information centre

The Matiatia visitor centre kiosk is now being managed by the Waiheke Island Tourism Forum. ATEED assisted the forum with funding as part of an agreement when closing the Waiheke i-SITE. This funding was to be used for information provision and marketing in the 2016/17 financial year. Feedback has been positive, and during Q4, the forum launched the *Waiheke Is Warmer* campaign with ATEED's support.

Auckland Ambassador Programme

The Auckland Ambassador Programme provides training for frontline tourism industry workers to become better ambassadors for Auckland by giving them the tools to be able to tell Auckland's stories. A number of industry experts and senior iwi were filmed during Q4, with the launch and promotion planned for Q1 of the new financial year.

Hunua cycle way

Engagement continued during the period with the Franklin Local Board, iwi, the New Zealand Transport Agency (NZTA), and Auckland Council departments on a Hunua Cycle connection from Kaiua to Manukau. The proposed trail may be an accredited New Zealand Cycle Trail (NZCT) Heartland Ride, as it will connect a major population source to a Great Ride (i.e. the Hauraki Rail Trail).

The proposed first stage will create a trail that connects the Hauraki Rail Trail in Kaiua to Clevedon Village using existing roads and tracks. The second stage, is proposed to use upgraded existing roads and cycleways from Clevedon to Manukau. The project working group involving stakeholders mentioned above, has agreed in theory to the route for the first stage. Watercare, Auckland Regional Parks and iwi are currently discussing the proposal, with next steps being an application to NZCT for the Heartland Ride. A sustainable management and funding model, and maintenance programme prior to developing the trails will be discussed at next meeting in August, as this is key to the success of the cycle way.

Hauraki Gulf promotion

During the quarter, ATEED worked with Hauraki Gulf operators such as the Department of Conservation, Explore, Fullers, Motutapu, Motuihe, Tiritiri Matangi and Rotoroa trusts, as well as the Waiheke walking festival, to create a joint campaign to promote visiting the Hauraki Gulf islands throughout the winter months. The campaign *Nature near you, discovering our wild islands this winter* was launched on 12 June on the Department of Conservation website, with ATEED promoting content via social media and websites. A day trip service to Motutapu and Motuihe islands, including tours on each island, will be trialed in early August.

i-SITE

During Q4, ATEED introduced the Chinese WePay mobile payment system at the SKYCITY and Auckland International Airport i-SITEs. WePay is rapidly becoming a global payment system, for the Chinese and other visitor markets.

The lease at the Lower Queen Street i-SITE expired on 30 April, and a new location on Princes Wharf was found during Q4. The new centre will be a shared space with the Department of Conservation, with a collaborative and interactive concept throughout the centre. Fit-out for the new centre will continue during Q1 of the new financial year, with the opening planned for September.

Major events

World Masters Games 2017 (21-30 April)

As part of the leverage and legacy programme, and to assist WMG2017 in supporting its objectives, ATEED ran an Eden Park precinct activation two hours prior to the gates opening for the opening ceremony on 21 April. ATEED supported the development of WMG2017 activity books for each of the 26,300 children on rolls across 77 schools in Auckland and Cambridge, and 15,000 rain ponchos were supplied for the opening ceremony.

Post-event research³ shows the Games exceeded all targeted economic and social KPIs. The Games drew in \$34.2m incremental GDP and 241,480 visitor nights for Auckland against the targets of \$30.8m GDP and 224,000 visitor nights. At a nationwide level, including Auckland's data, the Games achieved \$63m incremental GDP and 302,509 visitor nights for New Zealand against the targets of \$52.3m GDP and 266,190 visitor nights respectively. About 89 per cent of WMG2017 athletes and supporters agreed the event was well organised, and 91 per cent of Auckland residents said the event enhanced their pride in the city. The target set for both was 85 per cent.

ATEED also ran a WMG2017 business leverage programme from 24-28 April. The goals of the business leverage programme were to maximise economic outcomes, and to build Auckland and New Zealand's brand as a major event, business and visitor destination.

The programme included:

- The second annual Sport Performance Innovation Forum delivered in partnership with High Performance Sport New Zealand and Callaghan Innovation.
- *Auckland – A Smart Move Seminar* for visitors interested in working, studying or doing business in Auckland.
- *Auckland Business and Innovation Highlights Bus Tour*, including 'The Innovators' exhibition at MOTAT and a visit to the Centre for Advanced Composite Materials at the University of Auckland's Newmarket campus. The tour concluded with a networking lunch at GridAKL, including presentations from ATEED and Auckland companies.
- An event hosted by the Whāriki Māori business network which included a waka experience and networking opportunities.
- A drop-in business hub operated at GridAKL for business, trade, immigration and investment related enquiries.

These events were by invitation-only. The full event calendar was listed on the WMG2017 website. Overall satisfaction was high with the ATEED delivered events: 89 per cent of international WMG2017 participants who attended and gave feedback stating that they were satisfied with the event they attended. International attendees found the events to be well organised and informative. A follow-up survey will be undertaken during Q1 of the 2017/18 financial year to determine progress and evaluate the impact of business connections made during the events.

The ATEED business leverage events during WMG2017 were successful in showcasing Auckland as a place to work, study or do business. Almost half (49 per cent) of the attendees at the leverage events reported much more positive perceptions of Auckland following attendance at these events, and a further 40 per cent reported slightly more positive perceptions. In addition to the attendees at *Auckland – A Smart Move Seminar*, eight visitors to the business hub and a further 22 from the business registrants' survey wanted to migrate to Auckland and were given tailored advice and referred to Immigration New Zealand. Through the business registrants' survey and the

³ Research was carried out by the Fresh Information Company on 3,974 WMG2017 participants (including athletes, non-playing officials, registered supporters and volunteers). Participants completed an online post-event survey over the period 5-12 May 2017. The survey was designed and administered by the Fresh Information Company with analysis undertaken by Fresh Information Company and WMG2017 Limited.

seminar, nine people expressed an interest in studying in Auckland and were offered advice by ATEED's Study Auckland team.

As host of the next World Masters Games, representatives from the Japanese region of Kansai visited Auckland during WMG2017 to promote the 2021 event. The first delegation visited Auckland during the opening ceremony, and included government officials, while the second delegation visited during the closing ceremony and included a business delegation of about 100 Kansai companies, led by the Kansai Economic Federation (Kankeiren⁴). ATEED hosted a leverage and legacy session – *Auckland: The Ultimate Sport City* – on 30 April, as requested by the Kankeiren. The event was delivered with support from the Japan New Zealand Business Council who will hold their annual conference in Osaka in November 2017.

The WMG2017 leverage and legacy report to MBIE New Zealand Major Events is due by 31 July. The report will align with the legacy document being developed by WMG2017, and will include information from Active Auckland, Tourism New Zealand, New Zealand Trade and Enterprise, and Sport New Zealand.

DHL New Zealand Lions Series 2017 (7 June – 8 July)

The World Cups Office in Sport NZ hosted a multi-stakeholder Auckland Host City Forum at in May, to discuss and assess event preparations and contingency arrangements for the series. A Chief Executives' briefing also took place to ensure understanding of the event's logistical challenges, effective communication and co-ordination needs.

Auckland hosted three out of 10 Series matches, namely Blues vs The British & Irish Lions (7 June) and the All Blacks vs The British & Irish Lions (24 June and 8 July).

The Queens Wharf Auckland Fanzone opened on 23 June showcasing local talent and culture. As part of the nation-wide Rugby 2017 Festival, the fanzone included the *Hard on the Heels* exhibition by New Zealand's leading rugby photographer Peter Bush, and the DHL Dome which served as temporary home for some of the world's most famous rugby trophies, including The Webb Ellis (Rugby World) Cup. Regional Fanzones were also operational in the North Shore, West Auckland, and South Auckland. Provisional figures indicate that for the first and third test matches combined, approximately 16,500 people walked the Fan trail, more than 21,000 people visited the Queens Wharf Auckland Fanzone on match night, and more than 1100 people went to a regional Fanzone.

An Auckland information centre operated on Queens Wharf from 19 June to 8 July, with i-SITE staff on site to take tourism bookings and enquiries from visitors. The centre was shared with a *Smart Move* activation during peak test times. A visitor's guide was developed and made available at key visitor touchpoints such as Auckland Airport, car rental companies, hotels and main tourism clusters. Content included event information (Fanzones, Fan trail, match day travel, etc.) and destination information (public transport, i-SITE locations, etc.).

As part of the visitor programme, ATEED had 100 volunteers at key locations, including tourism clusters, to assist with the expected visitor enquires during the DHL New Zealand Lions Series.

The Alexandra Park campervan park resource consent was approved during Q4. Both the Ellerslie Racecourse and Alexandra campervan parks were promoted throughout May and June via ATEED and partner channels. The 'Campable' mobile app was also created, and enabled motorhome travellers to check availability to stay with local landowners and businesses.

International events such as the DHL New Zealand Lions Series 2017, are an opportunity for Auckland businesses to build or strengthen business relationships with key international business interests. To facilitate this, ATEED worked closely with NZTE to showcase business, trade and investment opportunities. A number of business events

⁴ To promote business exchange and co-operation with the economies of the Asia Pacific region, the Kankeiren has signed Agreements of Co-operation with a number of national and regional economic organisations, including the Auckland Chamber of Commerce.

were planned for the weeks of the All Blacks test matches, focussing on international business visitors, domestic exporting, and export-ready and investment-ready businesses. The events were by invitation-only, and led by NZTE or series partners.

In addition, ATEED delivered *Smart Move* activations to promote Auckland as a destination to work, study and do business. This included attracting migrant and expatriate talent to fill Auckland's skills shortage, particularly in construction, technology, food and beverage professional services, teaching and high-value skill areas more broadly. The *Smart Move* campaign replicated key elements and learnings of the WMG2017 business programme, including a physical hub/drop-in space for work, study and business-related enquiries at the Queens Wharf Auckland Fanzone.

The activations also included a widespread online marketing campaign. This included directing traffic to www.smartmoveakl.com to capture business leads. A post-event digital campaign is also planned in the UK to capture further leads.

The DHL New Zealand Lions Series 2017 was expected to generate 165,210 visitor nights for Auckland, attract 20,510 international visitors and more than 14,140 domestic visitors. The event was expected to deliver \$26.7m to the Auckland regional economy. Final data will be available October.

Pasifika Festival

ATEED has confirmed that it will deliver the 2018 Pasifika Festival. For the past three years, delivery has been outsourced to Auckland-based events company Orange Productions – a decision made in 2014 ahead of an unprecedented peak period of activity. ATEED retained stewardship of Pasifika Festival, on behalf of Auckland Council, and worked closely with Orange Productions to ensure delivery of three successful festivals, with the Major Events Production team producing Pasifika's 25th anniversary showcase this year.

The 2018 Pasifika Festival delivery returns to ATEED's Major Events team in the interim, while the findings of the pilot scheme are reviewed. The Pasifika Festival Villages Trust will remain an integral part of the festival's DNA, guiding and informing the cultural integrity and community accessibility of the event. This change was communicated to councillors and local board chairs in June.

Auckland Convention Bureau (ACB)

At the end of Q4, ATEED's ACB year-to-date opportunities won, which includes international, domestic and Australia bids, were valued at \$46m. This was done in collaboration with ACB membership and industry partners. A historical review project was also undertaken in Q4, to assess the opportunities supported in the period from year-ending 2011-2016. Results showed that during the five-year period, the ACB team supported opportunities to the value of \$433m, converting almost \$130m worth of business for Auckland. The 2016/17 results have not been finalised yet, and therefore are not included in these results.

During Q4, the ACB team delivered a number of projects, client familiarisations, and also attended trade shows with other Auckland and New Zealand partners. ACB attended the IMEX Frankfurt Trade Show with three pre and post-event activities organised by Tourism New Zealand Business Events, and a Houston Incentive workshop with sales calls prior to the event. The ACB annual Wellington Showcase was also held during Q4, with 90 clients attending and 24 members exhibiting.

International promotion and recognition

Auckland has been in the spotlight as an exciting destination for organisers of conferences and association events, thanks to a new digital report featured in *Intellectual Capitals* – the leading news and information resource for international meeting, congress and business event planners. ACB partnered Tourism New Zealand's Business Events arm on the feature. The full feature can be viewed at <http://www.xplore4.com/intellectualcapitals/auckland/>.

Auckland moved up 14 places in the International Congress and Convention Association (ICCA) rankings, from 93 last year to 79 this year. ICCA is the global community and knowledge hub for the international association meetings industry, and each year provides a report which compares destinations' meetings-related performance on a global scale. Auckland has shifted 32 places in the rankings since 2014, with the New Zealand International Convention Centre (NZICC) still to open.

Auckland was named the top meetings and conference destination in Australasia at the 2017 World Travel Awards. This is the first time Auckland has received this award, which in recent years has been won exclusively by Melbourne. Dubbed the 'Oscars of travel', the annual awards are voted on by senior members of the international travel industry as well as high-end consumers. Auckland Airport was also named Australasia's Leading Airport 2017, and SKYCITY Auckland Casino was named Australasia's Leading Casino Resort 2017 in the awards.

MEETINGS 2017

ACB attended the MEETINGS tradeshow during Q4, New Zealand's only business tourism event for the conference, meetings, events, exhibition and travel incentive industry. Thanks to an innovative digital showcase, Auckland won the award for best regional stand.

The focus for Q1 of 2017/18 will be on the ACB membership renewal process, with approximately 125 members to be engaged with. Planning sessions are underway with key partners such as Tourism New Zealand and the NZICC for activity during the 2017/18 financial year. The team is also developing a refreshed ACB sales toolkit, which will be rolled out during the course of the year. ACB will also participate at the inaugural Get Global show in Sydney at end of July. Planning continues to launch the Auckland International Business Events Advisory Group in October, and completion of the international benchmarking project.

PATA Global Insights Conference (PGIC) 2017

The highly acclaimed PATA Global Insights Conference returns to SKYCITY Auckland on 29 September. This is the third consecutive year that the conference will be held in Auckland. The theme for this year is 'R U Future Ready?', and the conference has an exciting line-up of industry experts from across the globe, including Microsoft, Boeing, and Visa.

Accommodation Provider Targeted Rate

The targeted rate proposed to generate \$13.45m, primarily from hotels and motels in certain areas of Auckland, was passed at Auckland Council's Finance and Performance Committee meeting on 1 June and approved by the Governing Body as part of agreeing the city's Annual Budget for 2017/18.

ATEED is working with the Mayor's office and Council's CCO Governance and External Relationship team on the targeted rate's governance structure and what industry involvement is required.

Build a culture of innovation and entrepreneurship

Local economic development

During Q4, ATEED delivered two 'Starting off Right' workshops across Auckland, which were attended by 29 people. These workshops are part of ATEED's programme of business support and offer free expert advice on how to establish and grow a new business. ATEED's business advisors ran 22 free business clinics during the quarter, attended by 69 people in total.

There have been more than \$3m in Callaghan Innovation research and development grants facilitated by ATEED to businesses for the year-ending 30 June. This result is 180 per cent ahead of last year's figures, and reflects the team's ability to collaborate well with clients and Callaghan Innovation in order to obtain more funding for Auckland businesses.

The Local Economic Development Masterclass held at the Viaduct Events Centre on 12 July, showcased examples of how local areas can create and sustain economic resilience. This was the first in a series of initiatives ATEED will lead to enhance local economic development. The target audience for the event was elected members, business association chairs and managers, social development agencies, and other interested stakeholders. An excellent line-up of speakers presented, including Neil McInroy (CEO of the Centre for Local Economic Studies, UK), Dr Julie Grail (The BIDs Business Ltd, UK), Dave Turner (DJ Turner Consulting, Australia), and Fraser Liggett (Economic Development Programme Manager, Enterprise Dunedin).

GridAKL – the place

Lysaght Building

Three residents left the facility during Q4, however two new members (Kenitra Project and Eventbrite) joined. A Wynyard Quarter neighbour, ClearPoint, temporarily moved in due to a recent fire. Work on the kitchen and café was completed during Q4, the facility now offering an improved service. GridAKL membership will move to a paid-for offer as part of the revenue generation stream. The membership includes unlimited Wi-Fi, access to resources, and other member benefits that will enable and facilitate business connections. The café is still open to the public.

12 Madden Street building

Construction remains on track with practical completion of levels two, four and five during the quarter. The hard fit-out on the ground floor and levels one and two is scheduled for completion by 31 July, with soft fit-out continuing during August. The scheduled opening date for the building is 1 September. Mobilisation preparation has begun for the new site to ensure that it is fully operational and compliance obligations have been met by the opening date. Design works for the inter-tenancy walls is progressing for level four, and fit-out for the level five tenant will begin shortly – ready for lease commencement in early August. Q1 priorities will ensure getting the site ready for activation, with increased marketing and stakeholder engagement and communication, and planning an opening launch event.

Mason Brothers building

Construction remains on track for completion by the end of August. The building opening is scheduled for 1 September. Mobilisation preparation for this building has also begun, to ensure that it is fully operational and compliance obligations have been met by the opening date.

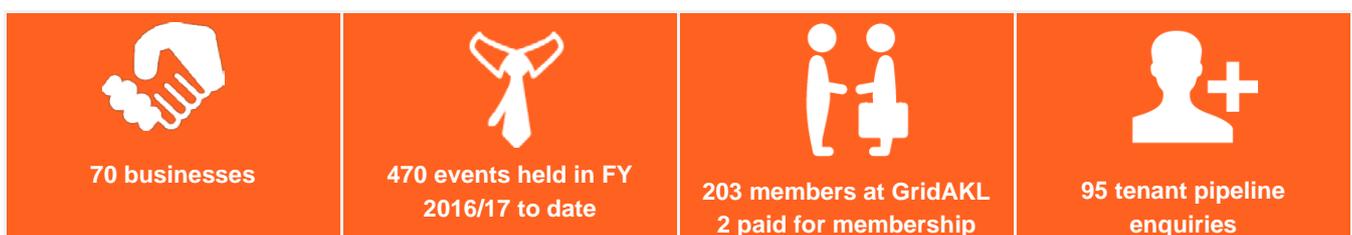
Tenant and sub-leasing

Generator was announced as the GridAKL place operator on 31 May. Two corporate tenants have been secured for 12 Madden Street, with Online Republic occupying level five, and IT consulting firm Davanti to occupy approximately 450 sqm of level four. This is a great result, and sets the tone for other tenancies from companies in the ecosystem. We continue to progress other potential tenants, including offshore opportunities for all levels.

Active engagement continues with a number of potential local tenants for the remaining corporate space on level four of 12 Madden Street. Q1 of the next financial year will be significant for GridAKL. By August 2017, GridAKL's building footprint will have increased from 1800m² to 12,000m² of activated space.

GridAKL – the community

Below is the dashboard summarising key activity at GridAKL as at the end of Q4.



Approximately 470 events have been held at GridAKL since July 2016, with an interesting line-up of internationally renowned speakers. The BizDojo GridAKL team has also been working with ASB on their upcoming Hackfest and Accelerator programme. In addition, the Green Party was invited to GridAKL in June for a tour of the facility and to meet some of the residents.

A new GridAKL website launched on 31 May (gridakl.com). The GridAKL brand guidelines are also being updated to incorporate the new buildings and define how GridAKL is showcased in the context of place, community and services.

Enabling GridAKL

An economic impact assessment is underway for the Lysaght building. This will assess the economic benefit the Lysaght facility delivered in its first 18 months. This will be fed into an annual report on GridAKL that will review strategy and establish activities for the next period.

A paper was presented to the ATEED Board in July, focusing on the remit of the Auckland Innovation Advisory Board and the GridAKL Steering Group, as well as the GridAKL entity. The paper was shaped by the outcomes of the recently negotiated and signed Generator GridAKL place operator contract.

GridAKL – leveraging opportunities

The ATEED GridAKL team is sharing knowledge with The Southern Initiative team to support the development of a locals' innovative maker space for Manukau. An opportunity is also being explored to create an AR/VR showcase at 12 Madden Street in conjunction with the AR/VR Garage.

DIGMYIDEA

The DIGMYIDEA Māori Innovation Challenge 2017 winners were announced during Techweek (8-9 May). Adele Sauer and a team of three from Hamilton won the Māuri tū: open category (for ages 26 and over) with a Māori sign language app called SeeCom, while Nicole Calderwood, also from Hamilton – who entered as an individual – won the Māuri oho: youth category (ages 15-25) with Scholar+, a web-based platform that helps tertiary students find and apply for scholarships. Associate Economic Development Minister Te Ururoa Flavell congratulated the winners, reaffirming the Government's commitment to increasing Māori participation in the technology sector.

The Lion Foundation Young Enterprise Scheme (YES)

YES – which is delivered in the Auckland region by ATEED on behalf of Auckland Council – provides students the opportunity to set up and run their own business for a year. During Q4, 300 budding YES entrepreneurs from almost 40 Auckland secondary schools experienced exactly what it's like to pitch their business idea *Dragons Den* style at Auckland University of Technology. Five regional finalists were selected. Each winning team received a \$1000 prize, with second place receiving \$500, and third place \$300 – courtesy of Kiwibank.

Techweek

The second Techweek was successfully delivered during Q4, with 20 events hosted at GridAKL, six of which were run by Lysaght residents. More than 1200 people attended events at GridAKL during Techweek. By far the largest event was the Future Realities conference that transformed the Tech Café in the Lysaght building into an intimate exhibition, showcasing the latest in augmented and virtual reality innovation. Across the four-day event, guests were also able to hear from inspiring speakers such as Neal Stephenson, and were able to get involved in workshops and a 'hackathon'.

ATEED worked to bring world-class speakers to New Zealand for two days of presentations, panels and networking during Techweek (8-9 May). Auckland hosted about 100 events, with highlights including the Magnify VR event, the Blockchain conference, FOOD+TECH, and the DIGMYIDEA Māori Innovation Challenge 2017.

A number of announcements were made during Techweek highlighting the success of ATEED's activities, including foreign direct investment into local technology firms. This figure has increased from \$51m to \$173m in the last year,

largely due to ATEED facilitated events such as the Tripartite Economic Summit Auckland 2017 and Techweek being used as a platform for overseas businesses to announce their growth into the New Zealand market.

Attract business and investment

Investor migrant update

Investor migrant activity is increasing with global geo-political changes. There has been at least one enquiry per week from Europe and the UK. Activity from the US has also increased, and the recent appointment of a full-time Immigration New Zealand Manager based in the US has helped significantly.

During Q4, ATEED also worked with a small number of visiting investor migrants. ATEED organised a private lunch for chairs and founders of New Zealand's leading technology companies at the request of an investor migrant who runs a large private equity fund. Another US applicant, who is an investor in RocketLab, was hosted in May at a function attended by tech business leaders. A research report on a health-related sector was prepared for a Dutch investor looking at establishing a practice in Auckland, and a programme has been prepared for two UK prospects visiting Auckland in June and July respectively.

Business Growth Agenda (BGA) Ministers' meeting

During Q4, the ATEED CE and members of senior management presented to the BGA Export Ministers meeting in Wellington. The theme of the presentation was "accelerating high value trade growth", which was designed to highlight the opportunity to grow exports from the Auckland economy in partnership with central government, and the private sector. ATEED also highlighted the MOU recently signed with NZTE, to recognise the organisations' strategic partnership, and opportunities with APEC 2021 and trade development.

Tripartite Economic Summit

During Q4, ATEED continued its preparation for the Tripartite Economic Summit to be held in Guangzhou, China from 8-10 November 2017. This is the third year of the economic alliance between Auckland, Guangzhou and Los Angeles. The Tripartite 2017 Business Programme, designed by ATEED, opened for expressions of interest on 1 June. It attracted 186 registrations from 152 businesses and organisations.

An ATEED and Auckland Council Global Partnerships and Trade delegation visited Guangzhou in June. The group met the summit organisers from the Guangzhou Municipal Government and key organisations to discuss the programme design.

On 27 June, the programme was officially launched by Mayor Phil Goff at the Maritime Museum. More than 100 people attended the event, including US Consul General, Melanie Higgins, Consul Chen Jing and Consul Tang Xin from the Chinese Consulate General, and Rebecca Needham from the Ministry of Foreign Affairs and Trade. Paul Cameron, CE of Booktrack, shared his insights and his success story from last year's summit, where he gained a seven-figure sum investment. Attendees were also invited to participate in the Tripartite 2017 Business Programme and complete a questionnaire, which will be used to custom-design the content of follow-up workshops to be held in August, September and October leading up to the summit in Guangzhou.

Project Palace (Auckland accommodation sector – planned and scheduled construction)

By the end of Q4, there were 10 Project Palace sites in progress. A number of significant meetings from interested parties took place during the quarter, with follow-up actions planned for Q1 of the new financial year.

During the past 18 months, a number of new hotels have been announced, including the Auckland Airport Pullman hotel, the Ritz-Carlton in Auckland CBD, and the Ramada Albany. The 19 new hotels will add almost 3000 rooms.

Augmented reality/virtual reality (AR/VR) content creation

By the end of Q4, the total number of resident companies at the ATEED-delivered AR/VR Garage stood at 19. The Garage allows start-up organisations to work alongside corporates, tertiary institutions, and local government agencies to accelerate projects internationally, with ATEED providing this unique opportunity for emerging technologies to thrive. Microsoft, HP and Datacom are key technology sponsors of the facility, providing tools, networks, resources and training for New Zealand's world-leading creative community.

AUT, the University of Auckland, and the Media Design School had teams working in the Garage alongside industry during Q4. The most notable activity has been the University of Auckland architecture students who have been working with Datacom on a virtual pop-up retail innovation concept. The students had the opportunity to present their work to Datacom's top retail clients in the Garage's purpose-built virtual reality showroom.

The AR/VR Garage also continued to successfully build the local AR/VR community during Q4 through hosting regular industry networking opportunities, weekly tours for business groups looking to solve their problems with AR and VR solutions, and events featuring international technology guests. Techweek 2017 was particularly busy, with 13 AR/VR-related events held at the Garage over 10 days that engaged a wide variety of audiences.

The Garage hosted a developer event for Unity3D as the New Zealand leg of its international roadshow. The company noted it was the largest turnout of any of its events, and that New Zealand developers were the most interactive crowd they had experienced.

The main focus during Q4 has been on building international presence for the AR/VR Garage companies. This focus will continue into Q1 of the next financial year, to share co-ordinated events with the VR Society in LA, and build the New Zealand Game Developers Association's profile internationally.

ATEED continues to work on attracting new international partners, and a number of global technology companies have shown an interest. Work is also being carried out to support and connect the Garage's unique talents via the Tripartite mechanism, which will build new business ties with Guangzhou and Los Angeles.

During Q4, several residents at the Garage were recognised locally and internationally in a range of competitions, including:

1. Aliesha Staples, StaplesVR – winner of 'Young Entrepreneur of the Year' at the New Zealand Hi-Tech Awards.
2. ARX Augmented Reality Exercise – winner of French Embassy placement at the Paris VivaTech Startup Expo.
3. Peter Hobbs, Harmonic Studios – Gold World Medal Winner for 'Best Original Music' at the New York Festival's International Television and Film Awards.
4. StaplesVR team – winner of HTC Hackathon in Melbourne.
5. The AR/VR Garage Showreel played at the Cannes Film Festival in France, and has since generated a relationship with Fox Studios.

Aroha Auckland programme

The Aroha Auckland programme engages with multinational investor companies and high net worth investors, to help retain their investment and support their future expansion through their own growth or through attracting their suppliers to Auckland. By the end of Q4, 86 Aroha companies had been actively managed, exceeding the target of 85. Some of these clients represent business interests in the food and beverage, manufacturing and technology sectors, with approximately 100 technology jobs added to the Auckland market in the 2016/17 year as a result of an American technology Aroha client.

The first Aroha Auckland event for Q1 of the next financial year has been booked, and planning is underway for

the event. Planning also continues into the methodology of the programme, client database, as well as stakeholder engagement.

Screen Auckland

Screen production activity throughout Q4 was consistent, with employment and income for screen sector contractors and suppliers steady, and an increased profile for Auckland as a filming destination. ATEED's screen attraction activity aims to grow the region's \$970 million⁵ a year screen industry.

Three major productions were completed in Q4: *Power Rangers* (US), based out of Studio West; MTV's *Shannara* (US), based at Auckland Film Studios; and *Monkey* (US) at Kumeu Film Studios. Australian production, *800 Words* will continue filming at South Pacific Pictures in Henderson during Q1 of the next financial year. *Roman Empire* (US) is back for a second season, and will start filming in Q1 at Studio West; and the film *Patterson* is in pre-production and due to film at Studio West after *Roman Empire* completes filming.

During Q1, the Screen Auckland team will work on the screen elements relating to the Tripartite summit in Guangzhou in November, including collaboration with the New Zealand Film Commission on this project.

Kumeu Film Studios (KFS)

During Q4, feature film *Adrift* started pre-production in the offices, and negotiations are underway with the producers for use of the water tanks in September.

The landowner has commenced the staged re-roofing of the legacy KFS warehouses, with the studio/stage area already in the process of having new roofing installed. The project on track and due for completion by the end of August.

Earthworks for two new privately funded sound stages has commenced, with detailed foundation work and sub-soil drainage underway. The overall project completion date is scheduled for January 2018.

Grow and attract skilled talent

ATEED continued to deliver programmes that enable businesses to attract talent, and support Auckland's young people into key enabling industries.

Youth Employment Pathways Programme

Follow-up interviews will be carried out during Q1 of 2017/18 with employers who attended JobFest in May, to determine the number of job interviews and placements made as a result of this JobFest event.

Future Ready Summit

ATEED worked in partnership with Business New Zealand and the Sustainable Business Council to deliver the inaugural Future Ready Summit, held on 26 July at the Viaduct Events Centre. The Summit was designed to help business leaders and employers to select, employ, manage, and mentor young people. Global experts, business leaders, and talent acquisition specialists talked about what works and what doesn't when recruiting and employing young New Zealanders. The event was expected to attract approximately 200 people, and had an impressive line-up of speakers, including Los Angeles-based Jeffery Wallace (CEO of LeadersUp), and Auckland-based Futurist, Dave Wild. Employers including SKYCITY, The Warehouse, and Rainbow's End shared their experiences and insights on young people in the workplace, from recruitment to retention. Philanthropist Sir Stephen Tindall, and Dr Lester Levy (Chairman of the Auckland Transport) also shared their knowledge on nurturing young talent.

⁵ Statistics NZ, 2016

Youth Employer Pledge – new signatories

More than half of the employers that participated in the most recent JobFest are Youth Employer Pledge partners. Auckland District Health Board (DHB), Waitematā DHB, and Counties Manukau DHB signed the Youth Employer Pledge as a collective at the Future Ready Summit in July. This is a significant milestone for the Youth Employer Pledge programme, given the opportunities these organisations can offer young people.

Young at Heart Awards 2017

The Young at Heart Awards, an annual business awards ceremony that recognises commitment to youth employment in Auckland of Youth Employer Pledge partners and Auckland businesses, will be held in November. Applications went live on 26 July, and will be open to all businesses, not just Youth Employer Pledge partners.

#BuildAKL campaign

The 12-month #BuildAKL social media campaign aims to increase short and long-term industry recruitment in line with a 5-10 year vision for a sustainable Auckland workforce, by showcasing construction jobs and career pathways, dispelling myths to increase diversity, and promoting the value of on-the-job training and development.

At the mid-way point, the campaign has 4000 Facebook followers, of which 40 per cent are women, and 75 per cent are under 30 years of age. A mid-campaign evaluation shows young people are being positively influenced by the campaign messages, and that the funding employer partners are keen to continue activity. They reported that Auckland's construction industry has benefitted from working together to deliver the campaign, and are keen to extend activity beyond this year in order to achieve maximum success.

Social media activity is driving above-average user engagement. The remainder of the campaign will focus primarily on getting youth to apply for entry-level roles. ATEED has partnered TradeMe Jobs to launch 'Job Alerts', which will run each month until the end of September. Other campaign activity, with supporting videos and competitions, focusses on: addressing transport, and drug and alcohol barriers to entering the industry; and encouraging women to enter the industry. One of the #BuildAKL competition winners will speak at the Future Ready youth employment summit, and all of the winners received a personal letter from Mayor Phil Goff.

CBD Jobs and Skills Hub

ATEED has provided marketing and collateral support since the CBD Jobs and Skills Hub (hub) opened in Wynyard Quarter in late February. So far, 50 individuals have been employed through the hub, and 40 individuals have completed training delivered through the facility. Fletcher Building has asked the hub to deliver training and recruitment services to Fletcher Construction Commercial Bay and NZICC sites during the next financial year, reiterating the caliber of support the facility offers. The hub now provides services to all three Wynyard Quarter main contractors: Hawkins-Downer, Hayden and Rollet, and Fulton Hogan. The hub is also supporting the Hawkins Ako whakaruruhau mentoring programme for Māori and Pacifica peoples, with one confirmed placement and one potential placement in the pipeline.

During Q1 of the next financial year, MoUs with hub partners will be signed to confirm organisational and resource commitment. The team will also engage with the City Rail Link project team to look at opportunities to collaborate.

LinkedIn project (talent attraction)

A partnership between ATEED and LinkedIn which commenced in Q4 will create a Smart Move Auckland branding hub and global campaign activity, targeting skilled professionals on the LinkedIn e-platform. LinkedIn has 500 million members. The activity will include a number of key objectives, such as:

- i. Capitalising on ATEED's talent attraction and digital asset investment in 2016/17 by utilising LinkedIn's global membership and networks to target offshore skilled talent in key sectors.
- ii. Providing a social media platform and targeted campaign activity to promote Auckland and connect top talent to key business and industry sectors.

- iii. Gaining better insights into global talent hotspots, skills demand, and the value of using social media channels to attract talent.

Auckland represented at Developer Week 2017

ATEED led an Auckland collective at the Developer Week Conference and Festival 2017 in San Francisco in February. Key findings from a post-event evaluation carried out during Q4 show that the partnership approach worked well, and companies saw the value in working together to promote the tech industry in Auckland and New Zealand. Some partners have already expressed an interest in attending events in future due to the return-on-investment and opportunities the collaborative approach achieved.

Study Auckland

During Q4, the Study Auckland team established a new partnership with the Superdiversity Centre to pilot a new Global Talent Intern programme (GTI) in the Auckland market. The aim of the GTI programme is to help high-growth Auckland companies operating in knowledge economy sectors gain better access to international graduate talent. The Superdiversity Centre will promote 35 internships directly to their corporate members via direct marketing and networking activity. Study Auckland will also capture video stories of the GTI pilot from the perspective of both the interns and companies. Each internship will run for a minimum of one week and a maximum of one month. The GTI programme will run until October 2017, and following the completion of the internship, participating companies will be encouraged to offer the intern full-time employment.

ATEED completed the International Student Experience design project in partnership with Education New Zealand in Q4. The goal of the project was to provide customer insights that will help Auckland education institutions increase their international student satisfaction rates. Interviews were conducted with 80 key industry partners, including international and domestic students, education institutions, companies and community organisations. There were 16 nationalities represented, including key markets China, India, the US, Japan, Vietnam and Brazil. The priority themes that were identified include improving students' access to trusted destination information, better integration with Auckland's youth, more preparation for the workforce, and opportunities to experience New Zealand sport, tourism and Māori culture. These themes will directly inform the Study Auckland 2017/18 programme of work.

The Study Auckland team was successful in developing a new partnership between the Korean training institute Koguryeo College and three private tertiary institutions. As part of this agreement, 120 Korean students majoring in aviation, tourism and hospitality will study in Auckland for 12 months, and will attend the Auckland Institute of Studies, Academic Colleges Group, and Cornell Institute of Business and Technology. The annual course fees for 120 students are \$3.5m (including accommodation). Living costs (not including travel) are approximately \$624,000 – making this opportunity worth approximately \$4.1m to the economy.

Study Auckland partnered with Immigration New Zealand during the quarter to deliver employability seminars for science, technology, engineering and maths students at the University of Auckland, NTEC, MIT, and Massey University. The team also worked in partnership with Immigration New Zealand and IT talent company Industry Connect to deliver an ICT software development talent boot camp for 15 recent graduates seeking professional employment in Auckland.

Engagement with 'NZ Inc' government agencies

ATEED met with the Chief Executives of the Ministry of Education and Education New Zealand to brief them on the advanced industries framework, and on opportunities to work more closely together – particularly around skills and talent development.

Launch of new Study Auckland industry partnership model

During Q4, ATEED advised Study Auckland's 150 education provider members of the cancellation of ATEED's annual membership fee and programme membership model. In its place, ATEED has introduced a partnership model to deliver its strategy, enabling the team to develop and grow strategic initiatives with organisations across

the education industry. Study Auckland will continue to provide Auckland's education providers with a platform for industry collaboration, joint promotion of Auckland as an international study destination, industry networking, and capability building services. This includes free access to online marketing resources via the Study Auckland website.

New Zealand International Education Strategy – industry consultation

The Government is consulting on a draft strategy that sets out its proposed vision, goals and immediate priorities for international education through to 2025. The Ministry of Education and Education New Zealand are leading the development of this strategy. The draft strategy defines the proposed actions the Government will take to support a high-quality and sustainable international education sector that delivers net benefits to New Zealand. Consultation will close on 31 August 2017, and Study Auckland will provide a response to ensure that ATEED's international education strategy and business priorities are reflected in the national strategy.

New Zealand International Student Wellbeing Strategy – industry launch

Study Auckland partnered with Education New Zealand and the Ministry of Education to launch the International Student Wellbeing Strategy in June. The strategy sets out focus areas for the key agencies engaging with students, including ATEED, New Zealand Police, district health boards and Immigration New Zealand.

Four focus areas have been identified regarding what would make the biggest difference to the experience of students in New Zealand. They are economic wellbeing, education, health and wellbeing, and social inclusion. Following on from the launch, Study Auckland has been in discussions with Education New Zealand to identify student wellbeing projects and activity funding for the 2017/18 financial year.

Build Auckland's global brand and identity

International marketing

The second burst of the Auckland short-break campaign was live in Australia from 15 May to 15 June. Additional activity as part of this campaign included a third feature story and video live on *Urban List*, a leading Australian publication (Sydney, Brisbane and Melbourne).

A four-page Auckland destination spread in Travel Associates' *Inspirations Magazine*, targeting high-end clients, was in market until 30 May. A digital campaign ran in conjunction, promoting existing video content via social media. Other trade marketing activity in Australia included the Flight Centre campaign from 1-30 May, and Cruise About (cruise and three-night Auckland packages) from 1 May to 6 June.

An upper North Island month-long campaign was due to launch in July. This will be a joint campaign with Tourism New Zealand and a number of other regional tourism operators including Northland, Hamilton, Waikato, Coromandel, Rotorua, Taupo and Ruapehu.

Domestic marketing

Planning began during Q4 for the 2017 spring campaign featuring Sir John Kirwan. The objective of the campaign is to grow local knowledge, pride and the inclination to recommend Auckland as a holiday destination by educating locals on the diversity of Auckland experiences. By continuing to market Auckland to Aucklanders, ATEED will grow a resident population of educated, engaged and proud locals who will not only play a better role as hosts for visiting friends and visitors, but also act as ongoing advocates for Auckland. The campaign will run from September to November, ahead of the peak summer season.

In June, ATEED launched the third annual joint marketing campaign 'Eat AKL' with Heart of the City promoting Restaurant Month. It promotes the event outside Auckland with a focus on Wellington and Christchurch, extending the footprint of Heart of the City's Auckland-only promotion. The campaign runs from the end of June to August. The campaign will also feature in the Air New Zealand *Kia Ora* magazine.

4. Financial performance

This report covers the operational performance of the ATEED group, including our subsidiary, World Masters Games 2017 Ltd (WMG2017).

At the end of Q4, external revenue was higher than forecast due to an increase in Central Government funding for the DHL New Zealand Lions Series 2017 Fanzone and Fantrail, and WMG2017's total revenue was higher than forecast by \$0.4m due to greater sponsorship income.

As at 30 June, ATEED's funding from Council was lower than forecast due to timing-related underspend across key projects such as GridAKL (\$0.6m), the DHL New Zealand Lions Series 2017 (\$0.3m), and Kumeu Film Studios (\$0.4m). There is a strong justification for the underspend as a result of factors outside ATEED's control, and ATEED will request formal approval from Auckland Council to defer this underspend to the 2017/18 financial year.

Operational expenditure was lower than forecast. This positive variance is due to timing-related underspend in the key projects as noted above, which will be deferred to the next financial year.

Capital expenditure relates mainly to the fit-out of the three buildings (Lysaght, 12 Madden Street and Mason Bros), which are part of the GridAKL project. This spend is lower than forecast due to the fit-out work on 12 Madden Street and Mason Bros being behind schedule due to market conditions. ATEED will be requesting the deferral of capex funding to the next year financial year.

Financial Performance for the Period Ended 30 June 2017				
\$'m	Actual	Forecast	Variance f/(u)	Full Year Budget
Operational				
External Revenue	22.8	21.6	1.3	19.6
<i>AC Funding</i>	53.2	55.8	(2.6)	56.2
Operational expenditure excl. depreciation	76.3	78.1	1.8	75.8
Depreciation	0.8	0.8	0.0	1.2
Capex				
Expenditure	8.6	7.9	(0.8)	7.9
<i>AC Funding</i>	8.6	14.0	(5.4)	7.9

5. Māori transformational shifts activities

How it contributes to Māori outcomes	Progress over Q4
To significantly lift Māori economic well-being, and enable and contribute to Māori economic needs and	<p>Procurement:</p> <p>ATEED is part of the wider Auckland Council discussions supporting the increase of the contract value awarded to Māori businesses (direct and indirect).</p> <p>During the last quarter, ATEED has been investigating the potential of a Social Procurement Symposium to deliver economic benefit to Māori businesses and suppliers. The purpose of the symposium is to increase understanding of the economic opportunities that exist for</p>

How it contributes to Māori outcomes	Progress over Q4
<p>aspirations through activities that target:</p> <ul style="list-style-type: none"> tribal development whanau wellbeing Māori business sector development. 	<p>Māori suppliers. This programme is designed to allow Māori businesses and iwi organisations to develop the capability and capacity to successfully bid for potential tender contracts in the public and private sector.</p> <p>There are numerous international models in operation (e.g. Supply Nation – Australia) that have successfully delivered outcomes for targeted communities, including local and indigenous suppliers. This social procurement approach, however, is still not fully understood in New Zealand, and the opportunity therefore needs to be developed through education and information-sharing with corporate purchasers.</p> <p><u>Phase 1 – Social Procurement Symposium</u></p> <p>On 14 July, ATEED partnered with Westpac New Zealand and Ngāti Whātua to deliver a Social Procurement Symposium as Phase 1 of a three-phased Social Procurement strategy. The event sought to raise awareness of the social procurement approach, with key messages delivered by international and domestic practitioners and advocates of social procurement. The target audience were CEOs and senior management in corporate organisations.</p> <p>The symposium was successfully delivered and met all the outcomes sought in delivery. There were 170 participants in attendance, including representatives from Air New Zealand, Westpac New Zealand, major New Zealand manufacturing and construction businesses, as well as local and central government, and corporate iwi representation from Ngāi Tahu, Waikato-Tainui and Ngāti Whātua.</p> <p><u>Phase 2 - Procurement Cafes - Supplier Development Programme</u></p> <p>The Procurement Symposium concluded with a call-to-action and invitation to the corporate participants to attend the Procurement Cafes. ATEED is working to build a Māori procurement strategy, designed to allow Māori businesses and iwi organisations to develop the capability and capacity to successfully bid for potential tender contracts in the public and private sector.</p> <p>Delivery of phase 2 of the Social Procurement strategy will begin in early August, with the first Procurement Cafes delivered by Air New Zealand. The second and third cafes will be delivered by Westpac, Air New Zealand, the Pacific Business Trust, and Spark. The later sessions will be focused on ICT, digital, food and beverage, and the creative sector. ATEED has targeted 15 businesses per cafe as part of this pilot.</p>
<p>Grow Māori business capability and economic prosperity</p>	<p><u>Whāriki promotional videos</u></p> <p>During the period December to February, ATEED commissioned Frontside Ltd, a Māori business, to film ten two-minute success stories to showcase Māori entrepreneurship in Tāmaki Makaurau, and to increase networking capabilities of current Māori business operators. The sectors covered in these videos are cosmetics, fashion, tourism, creative industries, and food and beverage. The videos were launched in May on the Whāriki Facebook page. These videos have also been used for other ATEED activity, such as DIGMYIDEA, Techweek 2017, and at the Whāriki event at World Masters Games 2017. The videos have been very well-received.</p>

How it contributes to Māori outcomes	Progress over Q4
	<p><u>Kitchen Incubator (Incubator)</u></p> <p>The idea for this project was identified early in Q4, and is aimed to support emerging indigenous F&B groups by aligning this activity with the work being carried out by The Southern Initiative, the Cook Islands Development Agency New Zealand (CIDNZ), and other key stakeholders. Developing business capability and growth, creating pathways to the market without replicating the work already being undertaken by other organisations in this area, and leveraging ATEED's expertise and networks to assist are key aspects of this project.</p> <p>ATEED is currently working in collaboration with Auckland Council agency Pānuku, to facilitate access to skills, knowledge and procurement avenues to operate and facilitate a commercial food production facility, while being compliant with food safety and best practice requirements. Connection to networks, mentors and support facilitation is also a key part of this. The focus will be on Pacific Island, Māori and other indigenous groups to support a larger project around Auckland's F&B story. This activity will also support an intervention with San Francisco-based group, La Cocina.</p> <p>The initial phase of the Incubator project has been funded under the Maori Economic Development umbrella to the value of \$24,000, and is expected to deliver economic outcomes that benefit Māori. This funding was agreed to by the Maori Economic Development Agency, with support and guidance from ATEED. An external Project Manager has been appointed to work on this project, with deliverables, activities and outcomes to be defined by ATEED.</p> <p>ATEED will develop this project further as part of the F&B project activity in the 2017/18 financial year, within the FoodBite programme in order to include pathways to market, trade visibility, and growth and capability development. This activity will be funded separately.</p> <p>The project component being led and delivered and supported by Pānuku has a clear focus on providing and identifying a space currently managed by Pānuku for the purpose of being used as commercial kitchen facilities by identified groups and individuals.</p> <p><u>Creative Entrepreneurship Strategy</u></p> <p>Following the successful delivery of DIGMYIDEA during Q4, discussions have continued with Māori online business entrepreneur, Robett Hollis to develop an entrepreneur eco-system. The entrepreneur eco-system project follows on from a Crowe-Horwath report, commissioned by ATEED, in which several recommendations for actions were made to develop opportunities in this area. The entrepreneur eco-system seeks to provide online and in-person support to Māori entrepreneurs and start-ups. Discussions to date have been focused on the need for effective collaboration with private and public sector agencies, such as Callaghan Innovation, Spark and CoLab. This activity will continue during Q1 of the next financial year.</p> <p><u>Māori creative sector</u></p> <p>During Q4, ATEED commissioned two external specialist consultants to undertake research and scope opportunities in the Māori creative sector.</p>

How it contributes to Māori outcomes	Progress over Q4
	<p>The key objectives of the research is to:</p> <ol style="list-style-type: none"> 1. Understand the business profile and needs of operators in the Māori creative sector. 2. Co-ordinate and identify where there is a need to work more collaboratively. 3. Design and develop training, capability building programmes, resourcing, and infrastructure to support this sector. 4. Develop a database of Māori businesses and practitioners operating in the creative sector. 5. Identify the needs of the creative sector, and understand what the barriers are to commercialisation. <p>These reports have been submitted in draft, and are being reviewed before Phase 2 of this project is scoped. Phase 2 of the project is likely to include a series of workshops in mid-August with a range of selected participants to gain further insight into the obstacles faced, and opportunities for business success. The aim of this work is to understand where investment in this sector would be most effective and deliver the greatest economic outcomes.</p>
<p>Celebrates and showcases Māori culture and provides a vehicle to leverage Māori business and investment opportunities</p>	<p>During Q4, an initial discussion regarding the delivery of the 2018 festival was held with the Mana Whenua Steering Group. The Mana Whenua Steering Group also reviewed the customer survey results and discussed the festival's future. The steering group agreed to maintain the current membership to ensure continuity. Discussions have been in progress regarding the use of the Viaduct Events Centre for future festivals, which will continue into Q1 of the next financial year.</p>
<p>Tourism business development opportunities for locals and iwi</p>	<p>During the quarter, ATEED continued to support new and existing tourism operators.</p> <p>ATEED hosted a Māori Tourism booth as a part of the Toi Ora space during the World Masters Games 2017 (WMG2017). The living gallery showcased Māori arts, culture, music and entertainment at the WMG2017 Entertainment hub at The Cloud. The booth was activated with free kirituhi (temporary tattoo printing), and a free photo booth which proved to be very popular with international visitors and the local community – with approximately 400 festival-goers engaging in the space each day.</p> <p>ATEED's Māori Tourism Development Manager co-ordinated the booth with support from Manurewa Marae's youth development programme, recruiting 12 rangatahi to hand out Auckland's Māori tourism brochure and engage with our manuhiri (visitors).</p> <p>ATEED supported and attended the 'Luau Night Experience' hosted by the Māngere-Ōtāhuhu Local Board and held at the Fale o Samoa in Mangere. ATEED handed out brochures for the evening at the WMG2017 Entertainment Hub. ATEED also invited mana whenua to attend the event, and a representative from The Southern Initiative and Ngāti Paoa attended, along-with Mataawaka stakeholders that The Southern initiative works closely with.</p>

How it contributes to Māori outcomes	Progress over Q4
	<p>A number of Māori Tourism operators featured in activity during Q4, such as Okeanos Aotearoa being included in the destination marketing video for the DHL New Zealand Lions Series, Waka Quest in the Whāriki event and who also hosted international guests on board two waka hourua. Haka Legend performed a pōwhiri for ATEED to welcome WMG2017 international guests to Whāriki, and Heikura was part of the WMG2017 opening ceremony. Haka Legend was also involved in the powhiri to welcome the DHL New Zealand Lions Series media delegation to Tāmaki Makaurau.</p> <p>Planning is still underway for the Auckland to Northland mana whenua tourism educational famil. During Q4, ATEED engaged with Time Unlimited regarding a potential opportunity to host mana whenua on the Matariki-themed City to Cape famil that is currently offered to wholesalers.</p> <p>During Q4, ATEED hosted a seller booth at TRENZ. Te Haerenga, Waka Quest and Whanau Marama were represented in the booth, and ATEED facilitated over 15 business enquiries for each operator during the three days.</p> <p>ATEED in partnership with KUPU Tourism, hosted two positive industry insights workshops which focused on building tourism capability and knowledge in Auckland’s Māori tourism businesses.</p> <p>The first workshop was held on 8 May, and started with an overview of travel trade led by Joey Rihari, Director of KUPU Tourism, followed by a presentation with guest speaker Dan Penner, Regional Manager for Viator, which focused on providing an overview of the company, and explained the role of OTA (online travel agent).</p> <p>The second insights workshop was held on 22 June, with guest speaker Nick Guthrey, General Manager for ANZCRO, a pre-eminent seller of travel to New Zealand. The purpose of this workshop was to better understand the wholesaler and the role they play in assisting a tourism businesses. Both sessions received positive feedback from those who attended.</p> <p><u>Communications and marketing opportunities</u></p> <ol style="list-style-type: none"> 1. <u>Quarterly newsletter</u> ATEED delivered the quarterly Māori Tourism newsletter in Q4, with the next one scheduled for the end of July. 2. <u>Māori Tourism experience / operator promotional video</u> ATEED has completed a 3-minute and a 2-minute operator video showcasing Māori tourism experiences in Tāmaki Makaurau. During Q1, another set of short videos will be developed, which will be promoted via social media and also used at various trade events. 3. <u>Tāmaki Makaurau Māori Tourism brochure</u> During Q4, ATEED completed the first edition of the <i>Tāmaki Makaurau Māori Tourism</i> brochure, with more than 600 copies handed out during WMG2017. Initial feedback from both operators and visitors has been positive. The brochure will be updated annually, and handed out at key major events, such as the DHL New Zealand Lions

How it contributes to Māori outcomes	Progress over Q4
	<p>Series and Rugby League World Cup 2017. An electronic version of this brochure has also been developed, and will soon be available to access on aucklandnz.com.</p> <p><u>New Māori tourism product</u></p> <p>During the quarter, ATEED met with Te Aratika to discuss a new partnership focused on supporting Māori youth employment in a range of different occupations. Along with a commercial event space and theatre room, Te Aratika is interested in developing an educational tourism experience as an extension of the school. This will provide students with customer service and practical tourism experience. ATEED provided Te Aratika with tourism business advice, and will provide further support to the team closer to the launch of the school.</p> <p>During Q4, ATEED met with an operator looking to develop a hangi experience on Auckland city centre waterfront during the summer months of 2017/18. The operator was connected to a food and beverage specialist that ATEED works closely with. A Tāmaki Makaurau Waka Highway concept was also explored, and the operator was connected with key stakeholders in the Auckland waka community. ATEED will continue to support both operators in the development of their strategy and business offering.</p> <p>As an advocate for the development of greater contemporary Māori tourism experiences in Auckland, ATEED supported Hawaiki TŪ and the Auckland Waterfront Theatre to showcase a new version of the renowned show <i>Te Manawa</i> as a part of Matariki 2017.</p> <p>ATEED invited 100 tourism industry experts to attend the performance, and facilitated a feedback session after the event to gain an indication of interest from the industry and capture opinions. Feedback received was very positive, and confirmed a desire from the industry for the development of a long-term Māori contemporary production in Auckland's city centre. This information will enable ATEED to develop a clearer understanding of the overall opportunity, and identify the potential economic, social and cultural benefits for Tāmaki Makaurau.</p>
ATEED Māori Responsiveness Plan	<p>A new Māori Economic Development Delivery Manager started at ATEED during Q4. The focus of this role is to provide both strategic oversight and delivery of the Māori Economic Development programme, to ensure alignment with the goals and aspirations outlined in Te Toa Takitini (Whai Rawa work programme), and achieve a higher degree of integration of Māori Economic Development outcomes across all business units at ATEED.</p> <p>The key focus during Q1 of the next financial year will be to continue to work with the Independent Māori Statutory Board and Te Waka Angamua to understand the goals and Māori economic priorities of these partners.</p>

6. Key Local Board activity

Initiatives	Comments
Economic development	<p>During the quarter, ATEED attended local board work programme discussions during Q4, and provided clarity on ATEED's role in the Local Board Plans, with a particular focus on local economic development opportunities.</p> <p>The Local Economic Development team confirmed the Local Economic Development programme for the 2017/18 financial year for 13 local of the 17 local boards, equating to \$783,000. The remaining four local boards to still approve their work programme will confirm their Local Economic Development programme over the next quarter. The total value of the proposed work programme for 2017/18 is \$886,000 across 31 projects, an increase of \$408,500 compared to the previous year's programme.</p>
Business, Innovation and Skills	<p>During the quarter, ATEED invited local board members to visit the CBD Jobs and Skills Hub located in Wynyard Quarter. Planning also continued for the Local Economic Development Masterclass, held at the Viaduct Events Centre on 12 July.</p>
Major Events	<p>During Q4, local board members, business associations and business improvement districts (BIDs) were regularly updated on the Major Events 2017 programme.</p> <p>During the quarter, ATEED managed the delivery and follow-up with the local boards for WMG2017. ATEED also distributed information regarding the DHL New Zealand Lions Series to all local boards and Local Board Services. This information provided detail on the series, Fan zones and Fan trail, ATEED's involvement, and the Rugby 2017 Festival programme.</p>
Tourism	<p>During Q4 ATEED also facilitated the Qrious research programme into the visitor demographics for Waiheke, Matakana and Waitākere Ranges, and gathered supporting data from suppliers to validate numbers for Waiheke dating back to more than 10 years. This data will be shared with other Council agencies responsible for facilities, parks and infrastructure at these same locations to assess the impact in the local areas.</p> <p>ATEED also responded to queries from members regarding the Accommodation Provider Targeted Rate, which came into effect on 1 July 2017. ATEED also worked with the local boards and business associations regarding proposals for the 2017/18 annual plan.</p>

6. Risk management

Health and Safety: ATEED's H&S routines continue to be embedded into day-to-day activities by implementing a best practice H&S management system. All incidents, near misses, and unsafe practices will be better captured now with Risk Manager having been implemented across Council. Most users have been trained on Risk Manager via ATEED's intranet link, and super-users have received additional training to assist staff where required.

Key highlights from Q4 include an internal review on ATEED's contractor management, assessing the use of physical works contractors who are often engaged to undertake work at festivals, events and projects on ATEED's

behalf. Discussions will start with Council's Procurement team and CCOs during Q1, to ensure that ATEED meets its legislative requirements, and will develop an approved list of preferred contractors.

Q4 included the delivery of two DHL New Zealand Lions Series games in Auckland, including the Fan Trail and Fan Zone activations, with minimal recorded incidents. Planning for the America's Cup welcome parade was also carried out at the end of Q4, with delivery in Q1 of the 2017/18 financial year.

Portfolio Risk: A number of risks and issues were actively managed during the quarter, with the overall risk profile of ATEED relatively stable. There are currently no critical or high risks after the application of mitigations.

Risks and issues managed during the quarter include:

- World Masters Games 2017 was successfully delivered, with no major incidents. ATEED is aware of one notifiable incident that occurred and was managed during the Games.
- A new location for the Lower Queen i-SITE was found during Q4, and the fit-out of the new Princes Wharf i-SITE is underway.
- Kumeu Film Studios is undergoing a major recladding of the premises. Two large sound stages are also under construction at the premises.
- Compulsory Ethics and Integrity workshops for all ATEED staff were completed during the quarter, bringing all ATEED staff up-to-date with Council's expectations.

Internal Audit: ATEED continues to use a combination of internal and external audit capabilities to carry out business reviews, as directed by Council's Internal Audit unit. This method is used to capitalise further on the growing internal capability.

- An internal audit on the Project Management Office, by Council's Head of Internal Audit has been completed, and the draft report was submitted on 2 May. The draft report is being reviewed by management.
- A review of the 2015 Data Security audit will be carried out in the 2017/18 financial year.
- A review of the 2016 Sensitive Expenditure audit has been postponed until Q1 of the 2017/18 financial year.
- A review of the 2016 Major Events audit will be carried out during Q2 of the 2017/18 financial year.
- ATEED's business continuity plan has been developed and sent to all people managers.

External Audit: Audit New Zealand commenced their audit on 10 July 2017.