



THE COMMITTEE AGENDA & REPORTS

for the meeting

Tuesday 21 September 2021
at 5:30 pm

in the Colonel Light Room
Adelaide Town Hall



Members - The Right Honourable the Lord Mayor, Sandy Verschoor
Deputy Lord Mayor, Councillor Couros (Chair)
Councillors Abrahamzadeh, Donovan, Hou, Hyde, Khera, Knoll,
Mackie, Martin, Moran and Snape.

1. Acknowledgement of Country

At the opening of The Committee meeting, the Chair will state:

'Council acknowledges that we are meeting on traditional Country of the Kaurna people of the Adelaide Plains and pays respect to Elders past and present. We recognise and respect their cultural heritage, beliefs and relationship with the land. We acknowledge that they are of continuing importance to the Kaurna people living today.

And we also extend that respect to other Aboriginal Language Groups and other First Nations who are present today.'

2. Apologies and Leave of Absence

Nil

3. Confirmation of Minutes – 7/9/2021 [TC]

That the Minutes of the meeting of The Committee held on 7 September 2021, be taken as read and be confirmed as an accurate record of proceedings.

4. Discussion Forum Items

Presentation

4.1. Riverbank Precinct Code Amendment

Workshops

Strategic Alignment – Dynamic City Culture

4.2. Cultural Festivals Action Plan 2021-2024 [2021/00754] [Page 2]

Strategic Alignment – Enabling Priorities

4.3. Future Fund & Investment Policy [2021/00122] [Page 15]

5. Closure

Dynamic City Culture

Cultural Festivals Action Plan 2021-2024
Seeking Council Member's views on the development of key actions

Associate Director City Culture
Christie Anthony

Cultural Festivals Action Plan

Key Question

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KEY QUESTION

What are Council Member's views on the Cultural Festivals Action Plan 2021-2024?

Cultural Festivals Action Plan Implications

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Implication	Comment
Policy	A new Cultural Festivals Action Plan is a commitment in the Cultural Strategy 2017-2023.
Consultation	Consultation has been undertaken with key stakeholders, AEDA, the festivals sector and across internal City of Adelaide programs.
Resource	Support for the delivery of the Cultural Festivals Action Plan will be delivered across the City of Adelaide and AEDA. City of Adelaide delivery will primarily sit with the City Culture program. New funding requirements may accompany the Cultural Festivals Action plan subject to elected member and stakeholder views.
Risk / Legal / Legislative	As a public commitment, a reputational risk exists should the Cultural Festivals Action Plan not be endorsed.
Opportunities	Potential exists for collaboration, innovation and growth across the festivals sector through the delivery of the Cultural Festivals Action Plan. A thriving festival sector provides positive cultural, social, economic and sustainable outcomes for the city.

Budget/Financial Implications



Implication	Comment
21/22 Budget Allocation	The development of the Cultural Festivals Action Plan is funded through the Cultural Strategy operational budget.
21/22 Budget Reconsideration (if applicable)	Not as a result of this workshop.
Proposed 22/23 Budget Allocation	Not as a result of this workshop.
Ongoing Costs (eg maintenance cost)	Not as a result of this workshop.
Other Funding Sources	Not as a result of this workshop.



The purpose of this workshop is to seek the views of Council members on the development of the key actions in the **Cultural Festivals Action Plan 2021-2024**.

A new Cultural Festivals Action Plan is a commitment in the Cultural Strategy 2017-2023.

This recognises that Festivals:

- are an integral part of Adelaide's identity as a festival city
- provide delightful, moving, challenging and life affirming experiences of wonder
- activate our venues, main streets, laneways and Park Lands
- attract audiences and artists from around the globe
- stimulate local economic growth
- provide platforms for innovation



Consultation has been central to the development of proposed actions in the Cultural Festival Action Plan 2021-2024.

We have consulted with:

- City of Edinburgh, through the existing MOU with the City of Adelaide to share knowledge.
- International Festival Cities Network.
- Festivals Adelaide, the collective of ten major arts and cultural festivals based in South Australia, who work collaboratively to strategically leverage the impact of member of festivals locally, nationally and internationally.
- The local festivals sector, including bespoke cultural festivals, producers and event infrastructure providers.
- 11 City of Adelaide program teams, including City Experience, Creative City, City Lifestyle and Adelaide Economic Development Agency.

Implementation of the Cultural Festival Action Plan will be in collaboration with Council subsidiaries.

The key goal of the Cultural Festivals Action Plan 2021-2024 is to **grow and amplify Adelaide's reputation as Australia's Festival City.**

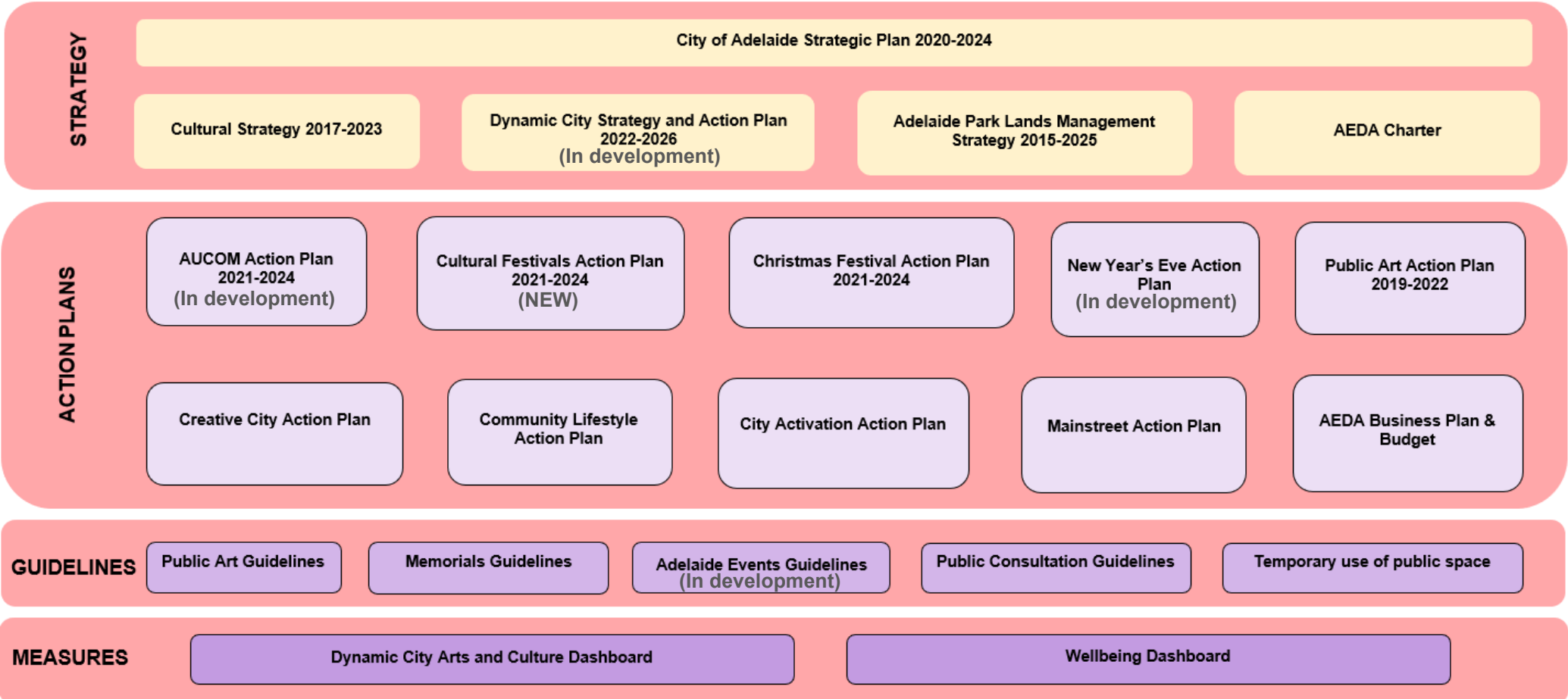
Early themes identified through the consultation included:

- Governance, Advocacy and Funding
- Promotion, Marketing and Audience Development
- Park Lands and Public Land Management
- Facilitation and Approvals Processes
- Festival Enabling Infrastructure and Places
- Artist and Festival Sector development
- Programming and Partnering with Council Events and Calendar

The key foci of the Cultural Festivals Action Plan will be to address the needs of festivals in alignment with the Cultural Strategy drivers.

Other themes will be addressed through the City Culture strategic setting outlined in the following slide.

Cultural Festivals Action Plan City of Adelaide strategic setting



Cultural Festivals Action Plan 2021-2024

The Cultural Festivals Action Plan 2021-2024 will focus specifically on showcasing, enabling and connecting opportunities for creative expression with Festivals.

Key actions will include:

- Governance
- Advocacy
- Funding
- Positioning Adelaide as the Festival City
- Audience development
- Growing signature culture festivals
- Welcoming new bespoke festival celebrations
- Linkage with city businesses
- Collaboration, shared knowledge and mutual problem solving
- Local artist and festival development

Cultural Festivals Action Plan 2021-2024

CULTURAL FESTIVAL ACTION PLAN PILLARS

Cultural Identity

Governance and Advocacy

Cultural Experiences

Promotion and Audience Development

Cultural Economy

City benefits from Festivals

Cultural Connection

Collaboration, shared knowledge and mutual problem solving

Cultural Incubator

Local artist and festival development

PROPOSED ACTIONS

Form and lead a high level strategic planning group

Secure multi-year funding

Advocate for new income streams

Civic recognition for festivals

Support Festival eco-system

Support 'festival city' marketing

Support 'what's on & gig guides'

Increase Festival visibility across the city

Deliver CoA Festivals

Support travel package growth

Develop city business opportunities

Build synergies with conference programs

CoA Commercial growth opportunities

Develop International and interstate collaborations

Participate in research projects

Develop artist skills exchanges

Integrated reporting with CoA Dashboards

Develop new and bespoke cultural festivals

Support emerging festival leaders

Support recovery and sector development

KEY QUESTION

What are Council Member's views on the Cultural Festivals Action Plan 2021-2024?



Next steps in the development of the Cultural Festivals Action Plan 2021-24 include:

- Draft content refined
- Action Plan designed
- Return to Committee and Council in November 2021 for consideration and approval
- Promotion and implementation of the actions

Enabling Priorities

Future Fund & Investment Policy

Workshop with Council Members to obtain feedback on principles of proposed Future Fund and Investment Policy.

Finance & Strategic Property

Grace Pelle & Shaun Coulls



Propose to update policy structure to include:

- Updated Treasury Policy
- Development of New Future Fund & Investment Policy
- Updated Land and Other Assets Acquisition & Disposal Policy

Resolution of Council 10 November 2020 adopted an updated Treasury Policy to include a Future Fund as follows:

Reserve Funds

Reserves in a financial sense are an allocation of money set aside for specific future purposes in future periods.

Generally, these funds will not have a separate bank account but will be separately identified in the balance sheet as an asset.

Proceeds from the sale of Council assets, (such as from property sales) will be transferred and quarantined to a reserve fund (to be known as Future Fund) for the purpose of funding the future purchase(s) of new income generating assets or to fund new capital projects of a strategic nature.

*The proceeds from the sale of Council assets held in the reserve fund will **not** be used to fund operational expenditure or the renewal of assets.*

*Following the principles of this policy, sale proceeds will be used to reduce overall Council borrowings and interest expenses, which means that funds will be **re-borrowed** when expenditure from the reserve fund is required.*

All requests to utilise funds from the reserve fund will be based on a business case that clearly demonstrates that the financial return to Council outweighs the annual loan funding costs.

Council approval will be required for all requests to use these funds.

Resolution of Council 15 December 2020

- Requested workshops regarding the development of an investment strategy for the City.

18 May Economic and Investment Strategy presentation from BRM Advisory

- Next steps noted within the presentation was to revisit the Treasury Policy and Investment Policy and present these to Council for consideration.

KEY QUESTION

What are Council Member's views on the proposed policy changes?

KEY QUESTION

What are Council Member's views on the proposed principles in the updated Treasury & Land and Assets Acquisition & Disposal Policy?

KEY QUESTION

What are Council Member's views on the principles of a newly developed Future Fund & Investment Policy?



Implication	Comment
Policy	Update of the Treasury Policy and Land & Assets Acquisition & Disposal Policy. Creation of new Future Fund & Investment Policy.
Consultation	These policies do not require community consultation.
Resource	Not as a result of this workshop.
Risk / Legal / Legislative	The Treasury Policy and Land & Assets Acquisition & Disposal Policy are legislatively required. The Future Fund & Investment Policy will address the risk associated with investment and management of the Future Fund.
Opportunities	Implementation of a Future Fund & Investment policy will provide clarity and principles to ensure the effective management of funds gained from disposal of under-performing assets and future investments.

Future Fund & Investment Policy

Budget/Financial Implications

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Future Fund & Investment Policy

Current Policy Positions

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	Treasury Policy	Land and Asset Acquisition & Disposal Policy
Why	Mandatory Policy	Legislatively Required
Purpose	Dictates the management of cash and borrowings for CoA Manages liquidity risk	How and why we buy and sell land and assets
Issues	Current includes Future Fund with insufficient clarity regarding use and purpose	Large focus on infrastructure assets and developer gifted assets which are not required by legislation
	Doesn't deal with any investments other than to state speculative investments disallowed	

Future Fund & Investment Policy

Proposed Policy Positions

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	Treasury Policy
Proposed Change/ Purpose	<ul style="list-style-type: none">• Leave to borrowings and mention the ability to create cash reserves and then point to FF&I policy• Remove reserves and definition of FF from this policy
Principles	<ul style="list-style-type: none">• Stay true to Policy purpose of cash management and liquidity risk

Proposed Policy Positions

	Land and Asset Acquisition & Disposal Policy
Proposed Change/ Purpose	<ul style="list-style-type: none">• Remove infrastructure focus• Reference Future Fund & Investment Policy• Ensure policy aligns to Strategic Property Review criteria• Re-introduce previous site acquisition and land banking policy sections.• Update associated guidelines to ensure alignment with FF&I policy
Principles	<ul style="list-style-type: none">• Clear, transparent process to acquire and dispose of land and assets• Criteria for direct commercial negotiation of asset disposal• Criteria and process to acquire strategic land holdings• Strengthening criteria for direct negotiation

	Future Fund & Investment Policy
Proposed Change/ Purpose	<ul style="list-style-type: none"> • Deal with how the FF works and will be created, maintained and accessed • References LAA&D policy • Describe what investment is • Describe what income generating assets are • Develop associated guidelines that describe process to evaluate 'performing vs non-performing' ie via financial criteria such as NPV, ROI, BCR etc and non-financial criteria • Guidelines to describe risk assessment approach as well
Principles	<ul style="list-style-type: none"> • FF must be built through sale of non-performing assets • FF must be maintained through income generated from investment in income generating assets ie returns are put back into the fund • Investments would exclude those that qualify for strategic projects funding. • Investments are income generating ideas and must meet return requirements per guidelines • Investments from FF should be able to be funded in full ie no partial funding

Proposed Future Fund & Investment Policy & Guideline

Definition

- Future Fund to be established & maintained through sale of non-performing assets and returns from income generating assets.
- Fund is not an asset but a “reserve” (equity) ie *Reserves for future expenditure arise as a result of a formal resolution by Council to set aside a portion of its resources for a specified future purpose.*
- Not allowed to be negative *No individual reserve is permitted to disclose a negative balance*
- Non-performing definition
- Income generating definition
- Not only property eg commercial operations would be included
- Cannot be for services based initiatives Council would otherwise fund

Key Factors

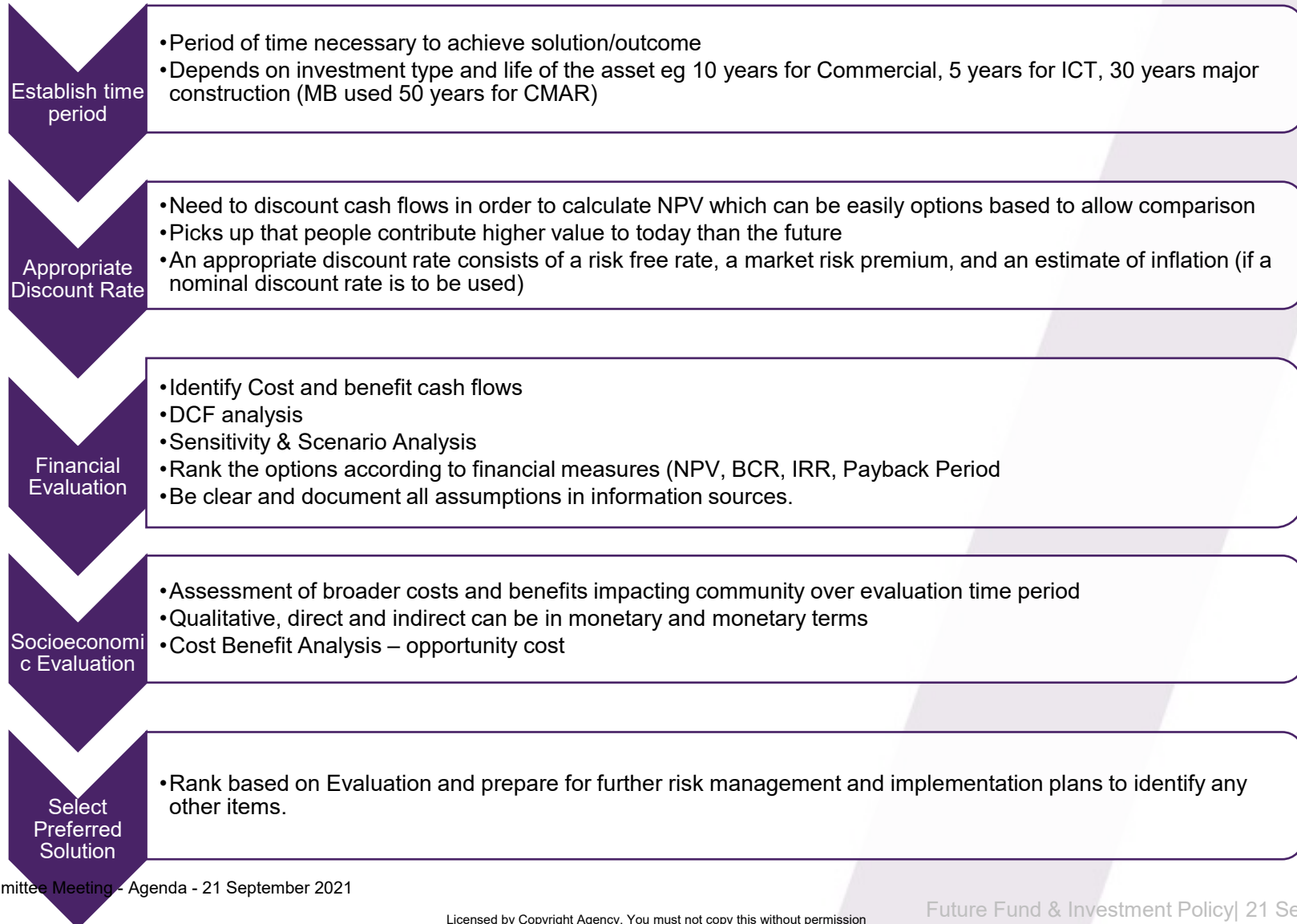
- Financial considerations
- Delivery against Strategic Plan/ development of City Objectives
- Risk assessment
- Prudential review requirements
- Return into the Future Fund
- Roles & Responsibilities – for internal purposes to ensure appropriate resource allocation

Evaluation Process

- The evaluation period
- The appropriate discount rate(s)
- The financial evaluation
- The socioeconomic evaluation
- Selection of the preferred solution

Future Fund & Investment Policy Evaluation Process

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Next Steps

- Engage with Audit Committee – 29 October 2021
- Develop drafts of:
 - Revised Treasury Policy
 - New Future Fund & Investment Policy
 - Revised Land and Asset Acquisition & Disposal Policy
- Report to Council with draft policies in December for adoption pending Council feedback from workshop.

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