

Review of the Adelaide Economic Development Agency (AEDA)

July 2023



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KPMG has been engaged by the City of Adelaide, to conduct a review of the Adelaide Economic Development Agency

This report summarises Adelaide Economic Development Agency's (AEDA) achievements since its inception in January 2021, and includes a number of key recommendations to improve the effectiveness of the Agency.

Through detailed analysis, we have identified critical insights and observations that shed light on AEDA's current state, opportunities and challenges, achievements and how AEDA can position the Agency to grow and evolve for its next chapter.

Review approach

Stakeholder consultation



Engagement with **over 40 stakeholders** across AEDA, the City of Adelaide (CoA), South Australian Government and business representatives throughout April and May 2023.

Analysis of AEDA's operating model



Informed by stakeholder interviews and a review of **over 70 pieces of AEDA's key documentation**, business plans, council reports, employee surveys and committee meeting papers.

Analysis of Economic Development models



Deep dive into Brisbane Economic Development Agency and WellingtonNZ – both **successful entities that are city council subsidiaries**.

Key findings

Importance of the skills and experience of the Board

- The skills, experience and capability of the Board provide immense benefit to AEDA, the CoA and the strategic direction of the Agency. For example, via connections and providing valuable insight into the development of the Residential Action Plan.
- Leveraging the Board's expertise is consistent with other successful economic development agencies.

AEDA can deliver...when given the opportunity

- The talent of AEDA staff and relationship with the Board has created a collaborative and willingness-to-deliver culture that drives high levels of business engagement, demonstrated by:
- AEDA's growing recognition and trust by key stakeholders, including State Government.
 - The Rundle Mall team's achievements in delivering the majority of the 2021 Program Performance Review report recommendations.

Constricted decision-making

- The level of 'red tape' required by Council for decision making and funding approval is a major challenge. This, among other factors, has likely contributed to the perceived reluctance of AEDA staff and Council to communicate effectively and work together in a collaborative way.
- The timing of yearly budget approvals by Council in June places significant pressure on the AEDA team to plan and deliver key projects in a limited amount of time.

The need to become more strategic

- When moving from Covid response initiatives to a long-term strategic operation, AEDA face barriers to progress toward future economic development opportunities, including:
- The absence of a City economic development policy by the CoA to provide overall vision and direction.
 - The absence of an AEDA strategic plan and long-term financial plan, to provide a clear purpose, objectives, responsibilities for delivery. These are key requirements stated within the AEDA Charter.

What's next...

KPMG recommends a considered list of quick wins and strategic priorities. These include (but are not limited to):



AEDA Managing Director/Chair to present the quarterly progress report to the City Finance and Governance Committee



Develop streamlined and structured approval between the Board and the CoA, including clarity on branding and recognition



Conduct a review of current AEDA resourcing with a view to potential expansion



Develop the City Economic Development policy and AEDA Strategic Plan

KPMG's approach to the review of the AEDA

The Adelaide Economic Development Agency (AEDA) is a subsidiary of the City of Adelaide (CoA), with a city-wide remit to drive and accelerate economic growth, promote the City as a world class destination for visitors, residents, and business, and position Rundle Mall as the State's premier retail and commercial shopping precinct.

The Agency has been in operation for 2.5 years. During that time the world has endured a global pandemic, and AEDA's focus has been primarily on short term operational support and targeted initiatives to assist the City to respond and recover the City economy. Post-pandemic, it is timely to conduct this review to inform the future direction of the Agency, as AEDA moves into its third Annual Business Plan and Budget cycle and transitions to a more strategic focus.

KPMG's approach to this review included the following:

- Detailed review of over 70 pieces of AEDA's key documentation including (but not limited to) business plans, council reports, employee surveys and committee meeting papers;
- Extensive stakeholder engagement with over 40 key stakeholders across AEDA, the CoA and external stakeholders; and
- Economic model analysis of Brisbane and Wellington Economic Development Agencies, and a high-level snapshot of other comparable 'magnet' cities from across the world.

The core components of this review are noted below.

Stakeholder consultation



More than 15 hours of stakeholder engagement was conducted with over 40 stakeholders across AEDA, the CoA, and external stakeholders throughout April and May 2023, via a number of 1:1 and group interviews.

As a result, detailed insight on AEDA achievements, improvements and ways of working has been identified throughout this report.

All views and discussion captured in this review are aggregated to ensure participant comments are not attributed to individuals.

Analysis of Economic Development models



The economic analysis deep dived into Brisbane City Council's economic development focussed subsidiary 'Brisbane Economic Development Agency' (BEDA) and Wellington City Council's economic development focussed subsidiary 'WellingtonNZ' (WNZ).

Key insights were generated from this deep dive analysis and a further high-level analysis was undertaken across key global magnet cities that have a similar population to Adelaide.

Analysis of AEDA's operating model



The assessment provides a detailed overview of AEDA's performance against its Charter and Business Plans' delivery, since its inception in January 2021.

KPMG's operating model framework was referenced to analyse AEDA's current state, with a key focus on the governance, service delivery, people and process layers of the AEDA model.

Analysis of AEDA reports, key documents and consultation with various internal and external stakeholders was undertaken to understand the strengths, challenges, and opportunities for improvement.

Overview of findings that emerged from the analysis

Based on this review, AEDA is a successful initiative that provides and capitalises on economic development opportunities for the City of Adelaide and surrounding regions.

Through an in-depth investigation, we have identified valuable insights and observations that shed light on AEDA's current state, opportunities and challenges, achievements, and how AEDA can position the agency to grow and evolve for its next chapter.

“Now is the time to grow and be more strategic, [for] more opportunities to flow... Council does not have the ED skills to drive this function itself.”

--- Stakeholder statement



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AEDA operating model & performance

The AEDA was formed as a subsidiary of the CoA and officially commenced operations in January 2021. The existing 2020-21 budgets for the previous functions were consolidated and transferred under AEDA's management.

From forming AEDA, it is evident that the skills, experience and capability of the Board provide immense benefit to the agency, the CoA and the economic strategic direction of Adelaide. For example, key Board members, through their trusted connections, included major property developers in the consultation for the development of the Residential Action Plan. These connections brought insight into the barriers and opportunities, and informed how each could be overcome or achieved.

The talent and development of AEDA staff has created a collaborative and willingness-to-deliver culture that drives excellent levels of business engagement. This is evidenced by AEDA being recognised and trusted by key stakeholders including the State Government, and from the achievements of the Rundle Mall team in delivering the majority of the 2020 Program Performance Review report recommendations.

The establishment of AEDA has enabled the teams to work together collaboratively to deliver objectives and market the city. This is a key difference from the originating and more siloed CoA structure, where the Marketing team provided an account based services role to the Economic Development team.

However, a key challenge AEDA face in their current operating model is the level of 'red tape' required for decision making and funding approval. These challenges, among other factors, have likely contributed to the perceived reluctance of AEDA staff and Council to communicate effectively and work together in a collaborative way. Further, the late timing of yearly budget approvals by Council in June puts a significant amount of pressure on the AEDA team to plan and deliver key projects in a limited amount of time.



Economic model analysis

The analysis reviewed two successful Australasian economic development agencies, in Brisbane and Wellington. There were key differences such as the considerable difference in budgets and size of remit, however is important to note that AEDA, across key areas, is operating in alignment to these successful agencies. For example, AEDA is a Council subsidiary and leverages its expertise, capabilities and connections of the Board to increase the economic opportunities of the respective city.

Key findings that emerged from the economic analysis that AEDA should consider are as follows:

- **Organisational structure**

Both agencies are structured similar to organisations with an executive leadership team, who are experts in their fields, and purposeful supporting functions. Each agency's respective council trust and empower the agency to solely focus on the city's economic development, and remove unnecessary processes and approval requirements.

- **Long-term strategic plans**

These agencies utilise a clear and comprehensive long-term strategic plan, that provides a full view and understanding of the remit, and where and when to apply focus. These plans provide a holistic approach to economic development, not just a focus on placemaking or marketing initiatives.

- **Agency and Council collaboration**

Collaboration between the agencies and their respective council is effective and consistent across both agencies, while also leveraging council branding and identity. It is clear that these councils have a strong partnership with their economic development agencies.



AEDA's next chapter

Based on this review, AEDA is a successful initiative that provides and capitalises on economic development opportunities for the City of Adelaide and surrounding regions.

However, AEDA face considerable barriers that can cloud achievements and progress toward future development opportunities. For example, ByADL was initiated through a Council decision prior to AEDA's establishment. The development of this was supported by a one-off funding allocation of \$250k. Views expressed by key stakeholders noted this was a poor investment decision at the time and continued support may not be justified if expected benefits are not realised.

Another challenge AEDA face moving into the next chapter is the lack of a specific City economic development policy, AEDA strategy and a long-term financial plan, to provide a clear vision and objectives, responsibilities for delivery, or that aligns to State and Federal Government economic policy(s).

In order to successfully move forward, AEDA should consider both quick wins and strategic priorities that include (but not limited to):

- Identify obligations of ByADL contract and investigate options to continue or exit
- Develop the AEDA Strategic Plan
- CoA to develop the City Economic Development Policy
- AEDA Managing Director and/or Chair to be invited to present the quarterly progress report to the City Finance and Governance Committee
- Develop a streamlined and structured Board and CoA approval process
- Develop a clear brand guideline, in collaboration with the CoA.

Economic factors impacting Adelaide and the world

AEDA needs to consider and respond to economic challenges in order to provide successful delivery, support and opportunities that will grow the city, its people and organisations.

The current economic climate is challenging all businesses, especially small and medium business – those which make up the fabric of South Australia’s economy.

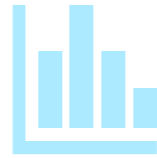
Outlined in **KPMG’s Economic Outlook Q1 2023**, from a production perspective, Australia’s growth during 2022 were in professional, scientific and technical services, transport, postal and warehousing, healthcare and social assistance and accommodation and food services – sectors that largely had been negatively impacted by the COVID-19 pandemic in their abilities to deliver face-to-face services to customers.

From a global economic perspective, the first quarter of the year has witnessed some easing of the supply chain issues, with global energy prices coming down to the levels seen before the war in Ukraine. Prices of other commodities and global food prices have also declined. Headline inflation has therefore now come off its peak.

Inflation

The dramatic rise in inflation across many economies, and the subsequent response by Central Banks of rapidly raising interest rates has been the impetus for the deterioration of economic conditions.

There is a view that global inflation may now have peaked, notwithstanding the energy crisis that was initiated by the Russia/Ukraine conflict and that is still ongoing, but the return to target inflation levels is expected to be slow and protracted, requiring economic activity to be slowed by tighter policy settings.



+25 bps

The RBA has lifted the cash rate to 4.10% (as at June 2023) in a bid to tame inflation⁴.

Cost of living pressures

As inflation rose higher than expected during 2022 and 2023, the rise in the cost of living has significantly impacted Australians in many different areas of their lives.

Keeping the cost of living low was the top government policy issue in December 2022, outperforming the environment and climate change¹.

5.6%↑

Consumer Price Index (CPI) increase in the 12 months to May 2023².

“We want South Australia to be known as an ambitious and capable state that embraces technology and drives innovation.”

--- Premier of South Australia, the Hon. Peter Malinauskas MP

International conflict

Many companies are now re-evaluating their businesses in Russia. Key factors and opportunities South Australian organisations should consider as a result of the conflict include:

- Organisations public position
- Cyber security
- Corporate reporting
- Macroeconomics, trade and supply chain
- Geopolitical volatility and risk profile
- Accelerate the transition to net zero
- Government policy priorities.

2 million

Sixty percent of Russian exports are oil and gas

60%

Upwards of 2 million refugees has rippled worldwide

SA Government impacts

There are several key South Australian government initiatives that may also may have an impact on economic growth of the city, including the merger of the University of SA and Adelaide, the state’s focus on green energy transition, and further growth of the space sector. The extension of major event hosting such as the AFL Gather Round and Liv Golf will also support further growth in the tourism and hospitality sectors. Key economic opportunities for AEDA to consider as part of the 2023 South Australian Economic Statement³ include:



New Economic Board to be established that will engage widely with industry, businesses and the community to assist the Government in delivering concrete actions to deliver on the Statement, building on the significant work already underway.



State government introducing the Hydrogen and Renewable Energy Act to support the delivery of its Hydrogen Jobs Plan and to unlock billions of investment dollars for renewable energy projects.



Establishing the position of Coordinator-General in South Australia to have wide-ranging powers to plan, deliver and coordinate large-scale infrastructure projects, while ensuring their environmental impacts are properly managed.

“The global green transition is a transformational opportunity for South Australia and its economy.”

--- Premier of South Australia, the Hon. Peter Malinauskas MP



01

Economic analysis










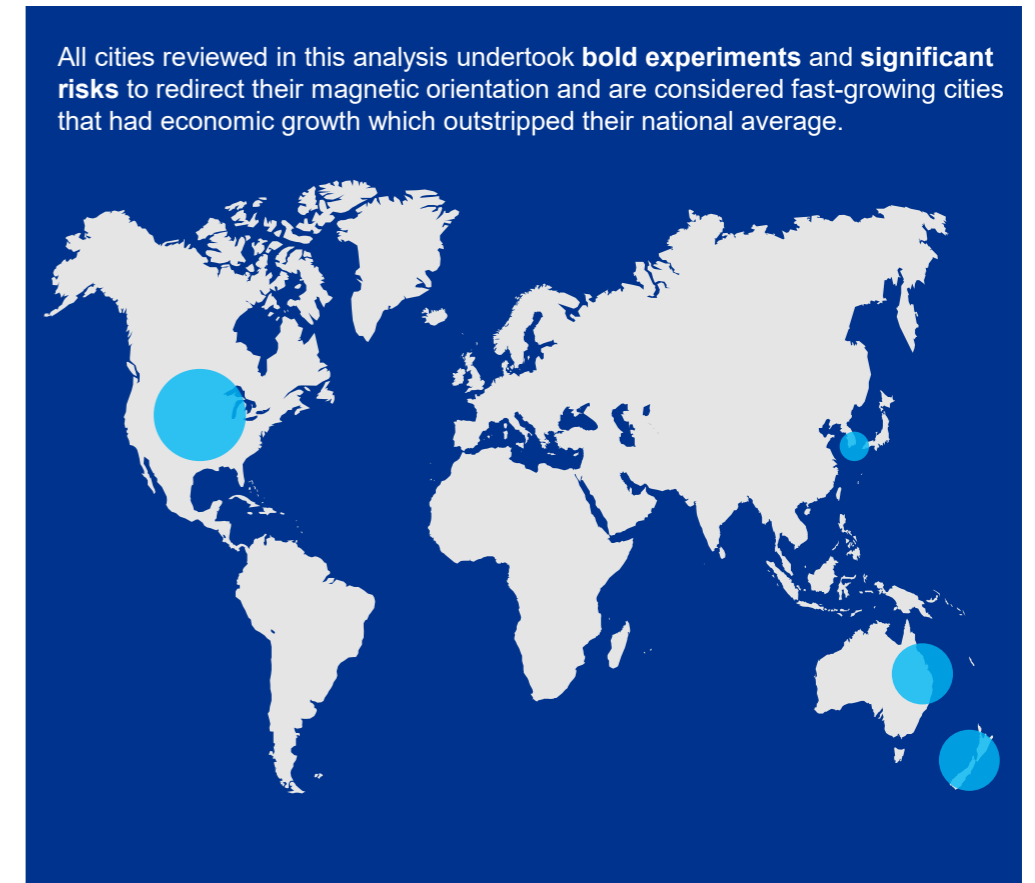
The criteria for economically successful cities

KPMG UK's 2015 report, 'Magnet Cities,' explored strategies for struggling cities to enhance their economic prospects and compete with global counterparts. It addressed questions on improving city offerings, attracting residents and business investments, and transforming a city into a major player. These findings remain relevant for AEDA today, as they likely contemplate similar questions.

A city with a strong **magnetic pull** draws in new residents, visitors and business investment. Cities like London, New York and Hong Kong exert worldwide magnetic pull, even when faced with economic challenge as people are still drawn to the economic opportunities, mix of residents and global landmarks and arts and culture. Conversely, cities with **magnetic push** cast off residents and businesses as people pack their bags and move to cities with greater magnetic pull. Some cities with a positive magnetic force find that their magnetic pull is overwhelmed by that of neighbouring global or capital cities. For instance, in the UK, cities find it difficult to compete against the super-strength pull of London. The answer is not to lessen the pull of these large successful cities, it is to strengthen the magnetic pull of second cities in order to give people and businesses a valid choice. This is particularly relevant for Adelaide given the proximity to Sydney and Melbourne who have genuine claims to being magnet cities.

Each city and community has its own definition of economic development and as a result each city has its own opportunities, challenges, and priorities². The following details the principles of magnet cities¹. These principles underpin how each city draws in new residents, visitors and business investment.

 Attract young wealth creators <p>Cities that successfully target particular groups of wealth creators do so because there is a logical link to the city. Cities draw upon strengths of their past and present to attract specific groups – groups that share a natural affinity with the city.</p>	 Connected to other cities <p>If a city is going to attract a new generation of residents, the city must be easy to get in and out of. Quick and economical transport such as high speed trains and modern, efficient airports are important to magnet cities.</p>
 Constant physical renewal <p>Global cities undergo constant physical renewal. Neighbourhoods change purpose, different areas fall in and out of fashion and new buildings are put up and torn down. Ongoing physical renewal keeps cities interesting and new. This is one of the reasons global cities stay so magnetic.</p>	 Cultivate new ideas <p>Cities that nurture and take pride in new ideas. The culture and heritage of the city, mix of residents, academic assets, investment community and physical cityscape all contribute to a culture that cultivates and supports the new.</p>
 Definable city identity <p>Cities that attract young wealth creators have a strong and clear city identity that new residents identify with. The identity of a city reflects the values, interests, skills and behavioural tendencies of its residents. While it is heavily informed by national identity, a city identity can also be significantly different.</p>	 Fundraisers <p>The city governments in magnet cities play a unique financial role. They do not just see themselves as the distributors of city funds. They see themselves as fundraisers on behalf of the entire city. Their job is to attract private investment, research grants and public funds into the city.</p>
 Strong leaders <p>City reinventions on large scales have strong mayors and civic leaders, who led the city post crisis. In almost every case, that mayor came from a non-political background. These were individuals who were compelled to step up and help save their cities; their overriding concern was not partisan politics. It was finding the quickest and most pragmatic way to turn their city around. These individuals tore down barriers and rejected status quo thinking and approaches.</p>	



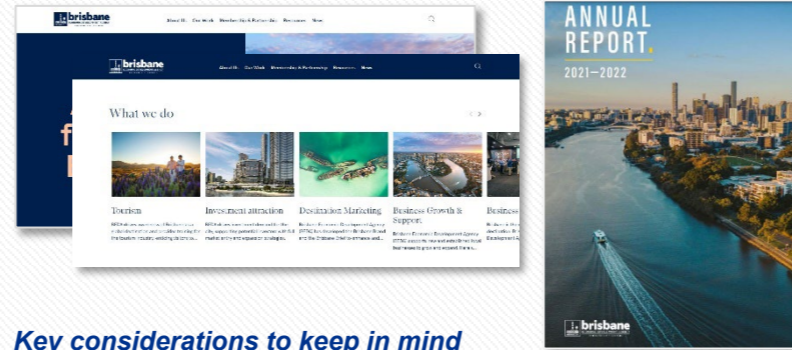
The economic development agencies in focus

Brisbane Economic Development Agency (BEDA) and WellingtonNZ (WENZ) are the two agencies in focus for this analysis. Information was gathered from agency websites, annual reports and other public sources.

The basis for selection of these agencies included successful economic development agencies in Australasian cities that have been recognised for their innovative economic development strategies and that have a relatively comparable population; one higher and the other lower.

Brisbane has a population of 2.5m, and in 2023 was the only Australian city named as one of TIME's world greatest places, with reference to its new airline partnerships and the Queen's Wharf \$2.6 billion project to reposition the riverfront as the central commercial corridor of the region¹.

Wellington NZ, has a population of 435K and was the 2022 winner of the global Bloomberg Mayors Challenge; recognised for designing the boldest and most ambitious urban innovations that address current issues including economic recovery and growth, health and wellbeing, climate and environment, and gender and equality².



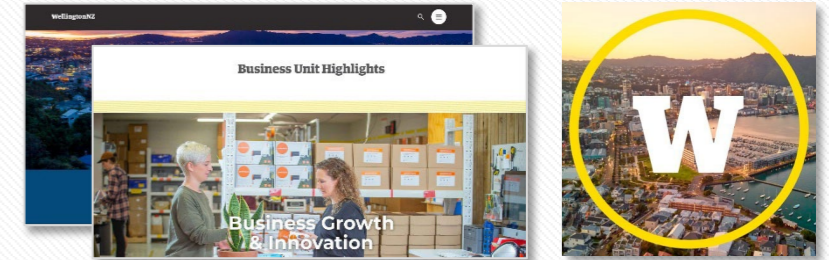
Key considerations to keep in mind throughout the analysis:

- ✓ **Subsidiary to council**

City population	2,505,000 (Brisbane Metro Area Population)
Size of council area	1,343 square kilometres
Funding	\$24.1m (includes Brisbane City Council and controlled entities, and state and federal government for FY22)

All statistics are at May 2023

WellingtonNZ



Key considerations to keep in mind throughout the analysis:

- ✓ **Subsidiary to council**

City population	435,000 (Wellington Metro Area Population)
Size of council area	444 square kilometres
Funding	\$27.4m (includes Wellington councils, government organisations and private sector for FY22)

All statistics are at May 2023



Brisbane Economic Development Agency (BEDA)

BEDA is a key contributor to the success of Brisbane's flourishing city and investment opportunities. This deep dive into Brisbane's successful Agency details how it is structured, how it determines where to apply direction and focus, and how the Agency responded to Covid-19 among other key strategic areas.

Agency structure

BEDA is a wholly owned subsidiary of Brisbane City Council and is the city's official Economic Development Board. Originally formed as Brisbane Marketing that resided within the council, the function underwent a restructure in 2021 to form BEDA. Brisbane City Council's approach to subsidiary agencies goes further than just economic development. Other agencies include (but are not limited to) City of Brisbane Investment Corporation and Brisbane Sustainability Agency. These subsidiaries have their own Boards and reporting functions that sit separate to the council operations.

Reason for initiative

To grow Brisbane's economy, drive demand and create growth and trade opportunities for local Brisbane businesses¹. The Brisbane City Council states BEDA is responsible for a number of functions including (but not limited to) deliver recommendations from the Lord Mayor's Economic Recovery Taskforce and to support industry growth and trade in priority areas.

Internal structure

BEDA operate and are structured like an organisation with an experienced C-Suite executive leadership team (CEO, COO, CFO etc.) along with 82 supporting staff. Internal roles include marketing, events and administration and to ensure council interests are represented, the Lord Mayor is a member of the Board. By using this structure, BEDA operate autonomously where executives can exercise and action decisions within a remit, without the requirement for arduous council approval processes. This structure allows BEDA to be agile and proactive, and is a key contributing factor to the successful delivery that BEDA consistently achieve.

Measuring for success

Noted by the BEDA CEO, part of Brisbane's winning formula is the genuinely collaborative nature of its commercial culture and while specific performance metrics are unknown, results from strategies prove successful delivery. For example, more than \$349 million in economic activity was generated by investment and industry growth initiatives delivered by BEDA in 2021-22, including the delivery of 20 major events across 2021-22 that generated more than \$68 million in economic activity while attracting 29 new major events and international sporting matches.

Key strategies

- Being custodian of the Brisbane brand, initiatives include *Brisbane Content Toolkit and Brisbane Brief*
- Create and manage supporting websites *Visit Brisbane* and *Choose Brisbane*
- Implemented the Brisbane Business Hub; physical and virtual places where local businesses can access workshops and business events, business mentoring, business facilities and resources
- Host paid events
- Being the official Convention Bureau
- Lead Brisbane's Major Events Strategy
- Paid membership and partnerships

Skills and capabilities of leadership

BEDA's ability to achieve the level of success since its inception in 2021, stems from the extensive national and global experience, and capabilities held by the executive team and the Board. BEDA leaders are recognised as experts in their fields and combined have managed major projects worth over \$7billion across a variety of industry and sectors including (but not limited to) financial services; hospitality; manufacturing; arts and culture, major events, sport and media. Specifically, the leadership team have strong capabilities in strategy, partnership management and stakeholder engagement. The Board have extensive capabilities across managing international organisations, public media strategy, tourism strategy, and international arts and culture. The skills and capabilities utilised within BEDA are vital to the economic success of the City of Brisbane as noted by Darren Searle, head of Australia and New Zealand at logistics property specialist Logos "BEDA was the key to the [Logos] Estate's success"².

Operating strategy

Being structured like a private sector organisation, and having council representation in the form of the Lord Mayor on the Board, allows the executive team to be agile and exercise fast decision making. The Brisbane City Council and BEDA are aligned on BEDA's strategic operations; to work with clear strategic direction, so the Agency can execute strategies and reduce the process and approvals required by council. BEDA and the council will also collaborate on key strategies for the City of Brisbane, including most recently to develop Brisbane's Economic Development Plan 2031 (council branded). BEDA also frequently collaborates and, when appropriate, partners with the QLD state government agencies to deliver economic development initiatives. For example, BEDA partnered with Tourism and Events Queensland to secure and deliver major events such as the Wallabies vs England rugby match.

Covid response








As part of the Tourism Industry Reference Panel in 2021, a number of Covid response recommendations were raised, including to develop and implement a Brisbane Capital City Visitor Economy Strategy - to be agreed between City and State and embraced by all layers of government and industry and to invest in digital transformation programs for visitor economy businesses². In 2022, Covid response activities included delivery of retail and dining campaigns and a series of activations including the Christmas program designed to promote the city centre. To cement the city's position as a must-visit destination BEDA launched the new destination brand and worked with local creative agencies to launch a new destination brand for the greater Brisbane region. It is noted by BEDA's CEO that while a full recovery will continue to take some time, the return of visitors, business and major events, and the reopening of new flight routes and capacities, presented exciting opportunities in late 2021-22. With its strong strategic plan BEDA drove future demand for Brisbane, while providing support to local businesses rebuilding from challenging times, with the region's visitor economy the most impacted.

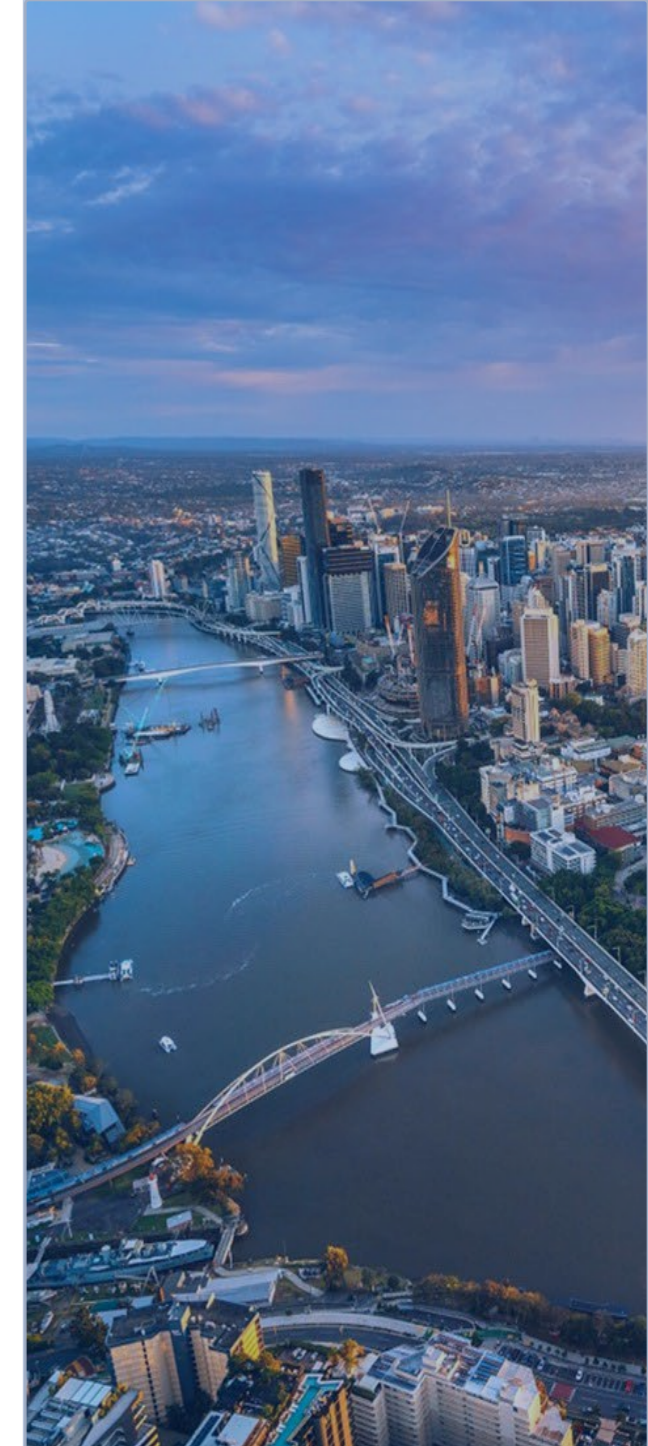
BEDA focus areas FY21/22



Brisbane is a magnet city

The below highlights how the Brisbane Economic Development Agency (BEDA) aligns to the magnet cities principles.

	<p>Attract young wealth</p>	<p>BEDA is fiercely focused on attracting new investment and growing Brisbane's global profile. Technology programs are aimed to fast track the global readiness of local companies designing, developing, and manufacturing products to attract investment and retain and create new jobs.</p>
	<p>Constant physical renewal</p>	<p>BEDA supports the redesign and development of Brisbane city. For example, BEDA supported the the successful development of Howard Smith Wharves on the Brisbane River with heritage buildings and saw about \$200 million invested in the project that included a 164-room 5-star hotel, a 359-space car park, 3 restaurants, cafes, bars and event spaces and is mostly pedestrian only.</p>
	<p>Definable city identity</p>	<p>BEDA support and contribute to strategies and activities that residents identify with. The identity of Brisbane reflects the values, interests, skills and behavioural tendencies of its residents. Brisbane's new visual identity is described as contemporary and innovative and represents the colours, nostalgia, confidence and humour of Brisbane, and reflects the city's lifestyle, climate, opportunities and people². Regarding BEDA branding, the organisation has its own distinctive and individual identity, but leverages the City of Brisbane logo which is included on the Agency website and for any formal or informal documentation (annual reporting, media releases etc). This branding strategy clearly signifies a connection and collaboration with the council, but still allows for BEDA to be identified as its own entity.</p>
	<p>Connected to other cities</p>	<p>BEDA worked with Brisbane Airport Corporation and Tourism and Events Qld to recommence airline partnership marketing activity in New Zealand, Singapore, the United States, the United Kingdom, and the Middle East. BEDA also worked with global trade and distribution partners to stimulate and drive preference for Brisbane, and to increase capacity on existing airline routes and secure new airline routes.</p>
	<p>Cultivate new ideas</p>	<p>Since opening in October 2020, Brisbane Business Hub (the Hub) has become a pivotal resource in supporting and growing local businesses, creating a community of more than 7,500 connected business people. In 2021-22, BEDA designed and delivered, alongside business experts, 228 workshops and 188 mentoring sessions.</p>
	<p>Fundraisers</p>	<p>BEDA deliver the Lord Mayor's Women in Business Grant (\$250k) program to help local business women combat the impacts of the pandemic and grow their business. BEDA also support business incentives to generate funds that support growing the Brisbane's economy. In 2022, BEDA delivered the Lord Mayor's Business Awards, highlighting the innovation and excellence of Brisbane businesses contributing to the growth of Brisbane's economy. Regarding BEDA funding; the agency receives grants from the Brisbane City Council and this support is agreed to ahead of each financial year. In FY21/22 this funding accounted for 81% of total revenue. BEDA also receive QLD state government funding (8% total revenue for FY21/22) and federal funding (3% total revenue FY21/22). BEDA also generated 8% of its total revenue in FY21/22 from activities including (but not limited to) ticket sales, advertising and industry participation, memberships and venue hire.</p>
	<p>Strong leaders</p>	<p>Given the structure of the Agency, and the detailed review of financial year results in the annual report from CEO, Chairman of the Board and the Lord Mayor, comprehensive reporting to these leaders is assumed and would reflect similar to that of a corporation rather than council reporting. For BEDA to execute the level of strategies and achieve consistent success, this requires a comprehensive measurement framework to track and report against progress, including oversight by key leadership (such as Lord Mayor). Further reporting includes annual reports and detailed financial statements. BEDA has also engaged an audit and risk management committee (ARMC), and a human resource and remuneration committee (HR&RC).</p>



Wellington Economic Development Agency (WellingtonNZ)

Wellington's economic development agency is a key contributor to Wellington improving its national and international opportunities. This deep dive into Wellington's successful economic development agency details how the agency is structured, how it determines where to apply direction and focus, and how the agency responded to Covid-19 among other key strategic areas.

Agency structure

WNZ is a Council Controlled Organisation (CCO) with shareholders being Wellington City Council (80%) and Greater Wellington Regional Council (20%). It is able to raise independent funding via commercial and other government partners. WNZ is also the owner of a subsidiary company, CreativeHQ Ltd. CreativeHQ provides business incubation, acceleration and innovation services, and has its own independent Board, including a WNZ Director and CEO.

Reason for initiative

WNZ exists to facilitate and support economic performance across the region to enhance prosperity, vibrancy and liveability for the 528,000 people who live and work there. Further, WNZ seeks to help bring Wellington's future to life, through storytelling, events and experiences, in supporting talent and jobs for the future, and in attracting investment in the region. The mission is to create a thriving region for all; with more businesses succeeding and employing more people, more people participating in and attending events and experiences, and supporting more collaboration and engagement across the region. The purpose of WNZ is to make the Wellington region 'wildly famous'¹.

Internal structure

WNZ operate and is structured like a private sector organisation with an experienced executive leadership team that includes a Chief Executive Officer, General Manager Events and Experiences and a Chief Operating Officer. The supporting team spans across regional development, destination and attraction; events and experience; and marketing and communications. Similar to BEDA, in operating more like an organisation than a traditional government agency, executives can exercise and action decisions within a remit without the requirement for arduous approval processes.

Measuring for success

WNZ utilises a performance framework with specific KPIs used across the three focus areas for the agency; Jobs for the future, Placemaking, and Collaboration and Engagement. For example, a Placemaking KPI is 'equivalent advertising value from media activity'. The performance framework includes an explanation of the KPI, a forecast result and a target result. Additional internal facing KPIs include financial management (budget tracking), funding diversification (percentage of revenue from commercial/non-council funding) and employee engagement (employee culture surveys). WNZ also ensure that comparative (historical) figures are included in the company's reporting on its performance framework.

Key strategies

- Operating and managing supporting website Wellingtonnz.com
- Wellington City i-Site (visitor experience centre)
- Wellington Convention Bureau
- Wellington City and regional proposition and narrative
- Tourism, travel and trade destination marketing
- Venues management
- CreativeHQ
- Screen Wellington

Skills and capabilities of leadership

WNZ senior leadership team has extensive national experience across media, communications, foreign affairs, finance and legal services. Key international experience across international sporting events is crucial for the success of the events and experiences component of the agency. The Board has extensive national and international experience across a range of sectors including, leadership, social marketing, events and sponsorship, financial management, manufacturing, film and media, and indigenous business organisations. These skills and capabilities utilised within this agency are vital to the economic success of Wellington, as noted by WNZ's COO "WellingtonNZ has a wide and varied mandate and need to ensure we have the right people, capability and resources to deliver a positive impact for the region's economy."

Operating strategy

Being structured like an organisation allows the executive team to be agile and exercise fast decision making. To ensure efficiency is continuous, WNZ try to find ways to share services with CreativeHQ when appropriate and with consolidating all IT platforms to the core WNZ system, teams operate with the appropriate technology required to be as efficient as possible. Purchasing decisions and contract negotiation is assessed to ensure it is appropriate with a level of probity expected in the public sector, and WNZ focus on enhancing its environmental and climate considerations for all purchasing and operational practises. A statement of intent (2020-2023) is publicly available that details the planned activities, intentions and performance measures for WNZ for the subsequent three years. Further, WNZ also recognise that closely collaborating with the central government is key for the successful delivery of key economic development opportunities.

Covid response

WNZ recognised that a focus on agility and flexibility along with a clear recovery strategy and detailed response framework would allow Wellington's economy to experience a strong recovery position. This strategy was used as the way to approach events, student attraction, film business, and new business activity. WNZ identified key focus areas that included a focus on reimagining the future and considering the long-term impacts and changes that Covid-19 will have on the Wellington regional economy. As a result, during FY19/20 WNZ contributed \$115m in direct economic impact from WNZ activities and initiatives, \$30m in equivalent advertising value and \$2.3m in research and development grants to drive innovation among other major contributions. WNZ recognise the importance of collaboration and partnership to sustain economic confidence in the region and to develop a community-wide vision and action plan.

WNZ focus areas FY21/22



Jobs for the future







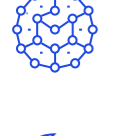


Placemaking

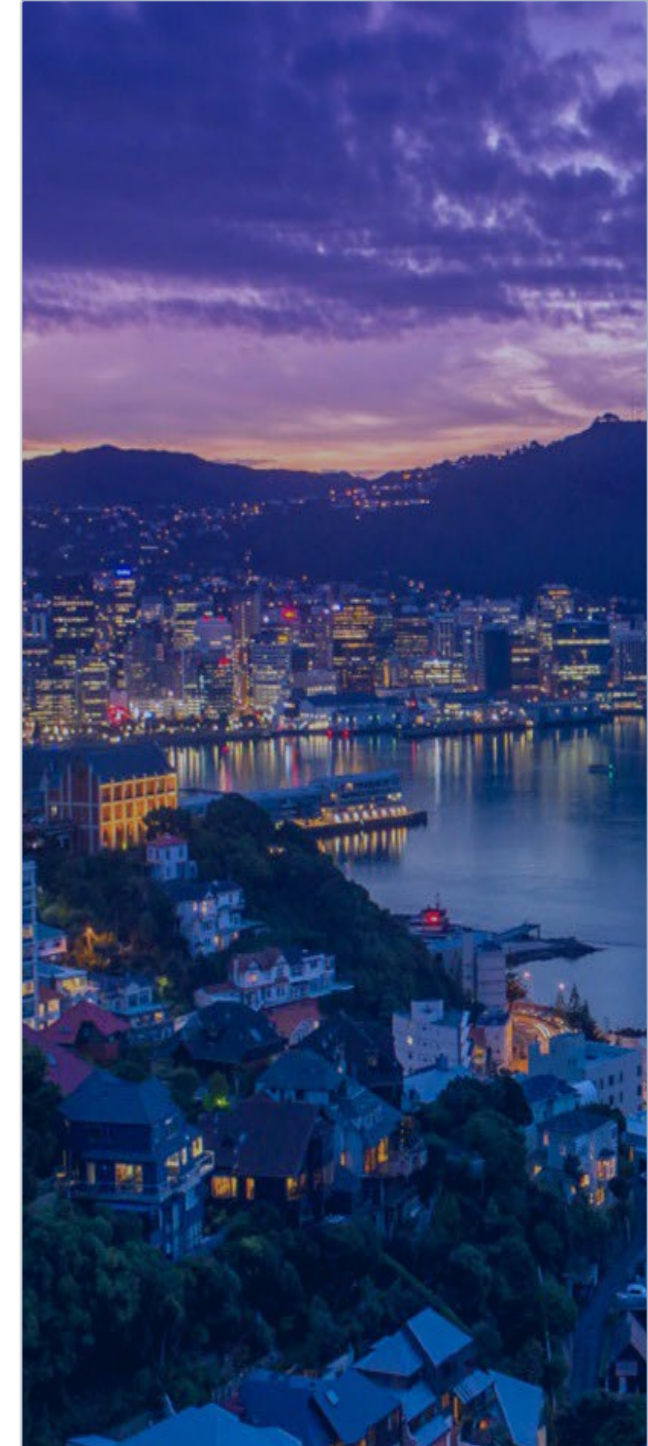


Collaboration and engagement

Wellington is (becoming) a magnet city

The below highlights how WNZ aligns to the magnet cities principles.

	<p>Attract young wealth</p>	<p>The key focus areas for WNZ are to contribute to attracting young wealth; support businesses growth and innovation that meets future workforce needs; and to grow partnerships and enhancing the city's creative reputation. For example, to ensure the most innovative and appropriate growth strategies are implemented for Wellington's flourishing screen industry, WNZ contributed to the draft screen sector 2030 transformation strategy, to inform national screen industry objectives. In November 2021, Wellington was awarded the UNESCO City of Film designation.</p>
	<p>Constant physical renewal</p>	<p>As Wellington prepares for an expected increase of 50,000-80,000 people over the next 30 years, WNZ has contributed to plans on upgrades to transform the city. This includes the City Streets program; up to 83 individual improvements across Wellington, and the <i>Lets Get Wellington Moving program</i> to reduce number of vehicles throughout the city with improved transport options (improved commuting routes including pedestrian and cycling).</p>
	<p>Definable city identity</p>	<p>With WNZ's destination management plan 2021-2031, the ambition is to make Wellington a zero-carbon city that is famous for experiences that ignite curiosity and that will make you think. This ambition is underpinned by a strategic framework and priority projects such as to develop local IP and to support the tourism industry transition to carbon-zero. Regarding WNZ branding, the agency leverages the style of branding used by Wellington City Council and clearly signifies unison between the two. WNZ website has its own logo font and can be distinguished as its own identity from the Wellington City Council. Formal documentation such as the statement of intent and annual reporting leverage the identity of the council. It is clear that WNZ and the council want to signify collaboration and partnership to audiences via this branding strategy.</p>
	<p>Connected to other cities</p>	<p>WNZ seek numerous ways to partner with industries and organisations including partnering with ImmigrationNZ to identify international opportunities and how to target markets to benefit the City of Wellington. WNZ has a specific focus on tourism; partnering with key tourism sector partners across the region and nationally to play an active role in developing, reimagining and transforming the tourism industry. For example, WNZ supported the initiative to train more than 2,300 travel agents in person, at Tourism New Zealand events to ensure consistent delivery and effective programs.</p>
	<p>Cultivate new ideas</p>	<p>CreativeHQ is New Zealand's leading provider of incubation, acceleration and innovation programs. Since inception, CreativeHQ has worked with more than 300 start ups and high growth ventures to develop their business concepts and commercialise opportunities, including pioneering the first acceleration program for Government in 2014 and establishing Wellington as a global GovTech hub.</p>
	<p>Fundraisers</p>	<p>WNZ funding activities are sourced from the two shareholding councils, from central government agencies who contract WNZ to perform specific services, and a range of commercial, private sector partners, and government partners. Funding partnerships include tourist operators and hotels to support destination marketing and business events attraction. However, WNZ receives its primary funding from its shareholding councils. As well as supplementing core funding, it is evident that commercial funding partnerships connect WNZ more directly with relevant sectors and ensure the work they do is relevant and accountable to those sectors. Per a funding agreement with Wellington City Council, WNZ has made a commitment to continuously measure, monitor, and report on a range of metrics that detail how the region is performing in key areas of WNZ interest, but for which WNZ only has a partial or no direct impact.</p>
	<p>Strong leaders</p>	<p>WNZ has strong leadership across the Executive team and the Board, as well as the close connection to the council. The strong leadership extends to the governance of the organisation. An appointment (by the shareholders) of an independent Board of Directors was made to govern the organisation and subsequent reporting is actioned through to the Wellington Regional Strategy Committee (WRS) which consists of mayors from territorial authorities across the region, and WCC and Greater Wellington Regional Council (GWRC) councillors. Further reporting includes annual reports that detail internal performance and staff pulse surveys. Risks associated with the successful delivery of WNZ's key focus areas and KPIs are detailed and reported to shareholders as part of the statement of intent.</p>



A snapshot of other economically successful cities across the globe

As detailed in KPMG's Magnet Cities report, these cities are examples of those that faced significant economic challenge(s), devised ambitious economic strategies and have reaped the benefits of strong, innovative leadership. While the report was produced in 2015, the principles and strategic insight on economic development is still relevant today.

The most progressive magnet cities offered their own risk capital to attract investment and funds. They capitalised city assets and leveraged balance sheets; simply, they 'put skin in the game'. Magnet cities found ways to become less reliant on national, provincial or state governments for financial help.

The cities showcased here pulled generations of young wealthy people, international investment and retained residents. Each city has a valuable economic development operation that is strategic and effectively collaborates with public and private enterprise. It is also important to note that these cities continue to be challenged economically, but have solidified the mentality and designed the tools required to bravely face these challenges, and turn them into opportunities.



Denver, USA

Population 2.9 million

Economic challenge: Oil and gas industry prices collapsed and respective companies went bankrupt. And the city was undiversified that contributed to a recession.

Economic strategy: Appointment of a new ambitious Mayor who delivered a new, additional international airport operating via an enterprise fund and issued tax incentives and grants to encourage developers and individual investors to buy and rehabilitate old buildings.

Economic benefits: Today, most Americans know Denver is the number one city for millennials. More than half of Denver's population have university degrees. As long as Denver continues to be a haven for young people who love to ski, hike and work hard, it will succeed.

Oklahoma City, USA

Population 1 million

Economic challenge: Due to banking crisis and industry decline and a lack of infrastructure, an entire generation of Oklahoma City's young, the city's future wealth creators, left for booming cities elsewhere.

Economic strategy: 1 cent tax increase applied to fund the 'Metropolitan Area Projects' – to invest into the city for physical improvements including to improve the quality of life and change the city's identity.

Economic benefits: The city's GDP growth rate outstripped the national average between 2000 and 2010. The city attracted new groups of energetic young people, with improvements in quality of life for existing residents choosing to stay in the city.

Changwon, South Korea

Population 1 million

Economic challenge: Demand instability from foreign companies, rising real estate prices – factories with high employment shut down operations.

Economic strategy: The Mayor decided to change the identity of the city – to become the Environmental Capital of Korea and to merge with 3 other cities.

Economic benefits: Benefits were realised quickly and economic growth has been remarkable. Between 2010 to 2013 Changwon's GDP increased by USD 7.9 billion.



Tel Aviv, Israel

Population 4.4 million

Economic challenge: To meet the unrelenting demand for roads and houses, the city expanded quickly and somewhat haphazardly.

Economic strategy: Delivered a strategic framework for the development of the city – almost entirely focussed on improving the quality of life for residents.

Economic benefits: GDP growth exploded. Tel Aviv is currently a city full of young, educated and highly ambitious residents – being a highly liveable city for the young, paved the way to Tel Aviv's current technology renaissance.

Christchurch, NZ

Population 405,000

Economic challenge: Limited residential options and unprofitable city tax scheme and serious environmental event.

Economic strategy: Diversify the economy, transform the city centre by attracting and retaining a new cadre of young professionals and to collaborate with the public to form a collective vision for the city.

Economic benefits: Named by Lonely Planet as one of the top ten travel destinations for 2013 largely due to the range of pop-ups, murals and infectious recovery spirit. The New York Times declared the city as one of the top places to visit during 2014.

Key insights for AEDA to consider

The noted findings generated from the economic analysis provide insight on some of the underlying reasons why BEDA and WNZ are successful agencies and significantly contribute to their respective economies.

These insights provide practical opportunities to make the most of what AEDA has to offer. With an agile operating model in place to deliver collaboratively with partners on a well defined strategic plan, greater economic benefits can be experienced across the city.

It is important to note that while these are both Australasian cities, there are key differences that should be considered when addressing these insights.¹ Differences include the amount of local, state, federal funding and private funding received, generated revenue, the size of the agency, and the breadth of remit each agency can operate within.

While there are valid reasons as to why AEDA are currently unable to capitalise on some of the same opportunities as these cities, the below considerations are non-funding related, have significantly contributed to the success of these cities, and still greatly apply to AEDA.

With the above considered, it is clear AEDA has been able to demonstrate effectiveness in responding to challenges, rapid changes to economic conditions, and to capitalise on Adelaide's economic priorities and opportunities, without some of the key advantages such as greater funds allocated to other successful cities. AEDA now has the opportunity to exercise more success in the future with the following learnings considered.



Organisational structure and governance

Both agencies are structured like organisations with an executive leadership team including a CEO and COO/CFO, and purposeful supporting functions.

Evident in the analysis is the respective councils' trust and empowerment toward the agencies to solely focus on the city's economic development, and remove unnecessary process and approval requirements.

This structure allows the agencies to be agile and exercise fast decision making, enabling greater clarity, coordination, efficiency, accountability, and adaptability. It also provides a clear governing and reporting framework that supports the agency to achieve goals and objectives effectively.

It is acknowledged that Adelaide's size and AEDA's annual budget is significantly smaller than Brisbane and Wellington, however opportunities to expand the current funding model to include more external sources could be more actively pursued.

There is also an opportunity to review the AEDA structure and improve governance processes to enable greater agility in decision making and delivery of key objectives.



Long-term strategic plan

These agencies utilise clear and comprehensive multi-year strategic plan(s), supported by detailed economic growth strategies.

Evident in these plans is the holistic approach to economic development. For example WNZ has developed an economic development framework that underpins all programs of work.

These agencies use their strategic plan to deliver numerous programs of work that drive significant innovation, investment and partnerships, as well as to deliver initiatives that directly promote the city.

AEDA currently develops an annual business plan and budget, however the provision of a longer term strategic plan and supporting economic growth strategy/policy, would provide clearer direction and funding stability and enable the Agency to plan broader strategic long term initiatives.

AEDA should also consider the elements of the magnet cities principles in the design and development of their strategic plan.



Agency collaboration

Collaboration between BEDA and WNZ and their respective councils is effective and consistent.

These agencies also collaborate on strategic planning, and WNZ specifically noted the importance of collaboration between councils and other parties to ensure all plans and strategies integrate, and information sharing occurs. Scale is achieved when collaboration occurs on economic development projects.

Both agencies also leverage council branding and identity. These councils are in partnership with the agencies, and the agencies are seen as providing the council with a strategic advantage.

The councils and agencies play significant but separate roles, and this concept is well defined, understood and supported by both parties. This collaboration has allowed for improved performance, competitive advantage, and successful delivery of initiatives.

There are opportunities for AEDA, the CoA, State Government, partners and other key stakeholders to collaborate more effectively in planning and delivering economic growth initiatives.



02

Governance & operating model analysis

The forming of AEDA

The below provides an overview of how AEDA was formed.

2008

Originating structure

The Economic Development function, Marketing and Communications team, and the Visitor Information Centre, originally resided within the CoA organisational structure. Advice and support for new and existing small businesses was provided through the Economic Development and Sustainability Program, and the Business Centre team.

The Rundle Mall Management Authority (RMMA), established in 2008 as a Council subsidiary, was funded by a differential separate rate paid by business and commercial property owners within the Rundle Mall precinct.

The RMMA included a Board of Directors with specialist expertise, and a team with the remit to deliver against their annual Business Plan and Budget, approved by the CoA and Council. The initiatives within this plan focussed on increasing and promoting economic activity within that precinct through various marketing activities, events and sponsorships.

The Precinct and Mainstreets management model in place consisted of eight local precinct groups, funded by the CoA. Stakeholder consultation conducted in 2019, found that precinct boundaries were fragmented, a sense of competition between precincts rather than collaboration, a duplication of resources, an inequitable funding model, and a disconnect to the overarching City vision and other council initiatives.

As a result, challenges and barriers were experienced. These included disparate teams, duplication of resourcing and effort, and no central team or structure driving economic development.

2019

Review into a new city-wide business model

In 2019, the CoA explored the merits and options for a City Wide Business Model, with the view to establish a single body that would be responsible for attracting local, interstate and overseas visitors, investment and employment, and new residents.

A feasibility study was conducted on behalf of the CoA, guided by a City Wide Business Model Advisory Group comprising CoA executive and management. The goal of the study was to propose a more efficient and effective model for whole of City business initiatives, that would enable a positive impact on the City economy, and provide a fit for purpose governance and funding model.

Extensive stakeholder consultation was undertaken to inform this study and recommendations. The study considered the economic benefits of transitioning from the present model and a comparison of the likely outcomes.

It also reviewed the operating models at the time of other South Australian organisations including the Jetty Road Mainstreet Committee, Goodwood Road Business Association, and RMMA, other Australian capital cities including Brisbane and Fremantle, and overseas entities including Wellington, Auckland Tourism Events and Economic Development, and the Golden Triangle (USA).

One of the governance options considered was for Council to retain administrative control of the model, however this was the lowest ranked option due to a perceived lack of business representation and responsiveness to adapt to commercial demands. The findings concluded that a separate section 42 subsidiary, funded by general rates, with the authority to manage and distribute its own funds, provided the most robust alternative to the current model.

The new collaborative city-wide business model was endorsed by Council in 2020, and is reflected in the CoA 2020-24 Strategic Plan as a key initiative of Outcome 2: Strong Economies.

This decision resulted in the existing Economic Development, Marketing, and Visitor Experience functions with the CoA structure, Precinct support, and the RMMA, merging to form the new AEDA.

2021

AEDA Charter

The AEDA was formed as a subsidiary of the CoA and officially commenced operations in January 2021, with a remit to:

- Accelerate economic growth in the City, by attracting investment and supporting businesses, festivals and events, as well as visitor, student and residential growth;
- Promote the City as a destination and increase its visitation and use by residents, workers, visitors and the community in general; and
- Position the Rundle Mall as the State's premier retail and commercial shopping precinct in order to sustain retail, business and economic viability.

The existing 2020-21 budgets for the previous functions were consolidated and transferred under AEDA's management.

The Agency is governed by a Board with responsibility to manage the business and other affairs, all relevant legislation and any delegations made to it. A decision of the Board is a decision of the Agency. The Board includes up to nine members, including the CoA Lord Mayor, an AEDA Advisory Committee representative, and up to seven members with a range of expertise, experience, and business ownership. Board membership is appointed by the CoA CEO, COO Corporate Services, and three CoA Council representatives.

The AEDA Advisory Committee was established in February 2022, and is represented by up to eight members with local precinct, small business, and industry sector representation. Its purpose is to enquire and report to the Agency on any matter within AEDA's functions and powers, including a formal mechanism for city businesses, main streets, precincts and other stakeholders to provide advice to the Board.

The Charter states that AEDA is to establish its own **Strategic Plan** (four years), Long Term Financial Plan (10 years), and Business Plan and Budget (ABP&B) each year that is approved by Council.

Current operating model - governance

The following section provides an assessment of the performance of AEDA against its Charter and Business Plan delivery, since its inception in January 2021, across the key operating model pillars.

Overview

The AEDA Board meets at least 8 times per year and is responsible for key decision making of the Agency, including authorised budget spend, grants, events, and promotional activities. The AEDA Advisory Committee meets at least quarterly, and is responsible for providing advice and City business representation to the Board. Most notably, the key topic of discussion has been the consolidation and restructuring of the City precinct model. The Committee have also commenced hosting a networking event series with City stakeholders to discuss various topics of relevance to help develop, improve, grow and promote the city.

AEDA's Annual Business Plan and Budget (ABP&B) is reviewed and approved by Council as part of the overall CoA annual budget process. A workshop was facilitated in March by AEDA staff with the Councillors to discuss planned initiatives, budget allocation, key success measures, and incorporate feedback and changes into the ABP&B for 2023/24.

Reporting of AEDA performance and progress is provided via:

- AEDA Board meetings (confirmed minutes are also available to Council members for information)
- CoA Audit Committee reporting
- Quarterly Council reporting via the CoA Audit and Risk Committee
- Annual report including financial statements
- More informally, through e-news.

Despite this frequency of reporting, there is a view held by some Councillors that they do not receive adequate updates, and communications with AEDA are not at the level of detail required. A recent decision of the AEDA Board now enables any CoA Councillors to attend AEDA Board meetings in an observer capacity, to gain greater insights and connections with the Agency and Board members. To date, only one Councillor has taken up the offer, and found the Board meetings to be very informative and worth while attending.

What's working well

- ✓ All stakeholders consulted were supportive of the current AEDA model for driving City economic activity and growth.
- ✓ The value of having a highly skilled and experienced Board advising on the economic direction of the city was also acknowledged by the AEDA team and in multiple stakeholder interviews. An example of value add was during the development of the Residential Action Plan, where key Board members through their trusted connections, were able to include major property developers in the consultation to understand the barriers to building in the city and inform how these could be overcome.

“The AEDA model, with a skills based Board works. Our credibility with the business community as a subsidiary is high, which allows us to achieve better outcomes.”

– stakeholder statement

Key challenges

- No overarching Economic Development (ED) Strategy or Policy currently in place to provide a clear vision and objectives, responsibilities for delivery, or align to State and Federal Government economic policy. This is a deliverable of the CoA Economic Policy function, outlined in the CoA 2022-23 Business Plan and Budget.
- No AEDA Strategic Plan or Long Term Financial Plan (LTFP) in place to provide overall strategic direction and a long term plan for the Agency. These are included as requirements of the AEDA Charter endorsed upon establishment of the Agency.
- There is a view that the Advisory Committee does not provide meaningful value and is an unnecessary layer of governance.
- Lack of formal process for 'out of session' decisions requested of the AEDA Board for approval.
- Councillors feel at arms length to key AEDA decision making and the allocation of grants and funding of different events across the city.
- This lack of strategy, clarity of purpose and the role that AEDA plays in driving economic growth of the City, is currently providing a level of confusion and frustration amongst key stakeholders including Councillors, external partners, and state government.

Key opportunities

- Develop City ED policy – the CoA and AEDA staff (including the Board) to work collaboratively, to ensure insights and expertise are considered and incorporated into a growth agenda that all parties support.
- Develop the AEDA Strategic Plan, to provide strategic direction and a four year plan of the key initiatives required to support the growth of the City economy.
- Develop the AEDA LTFP to provide long term financial stability to support the delivery of the Strategic Plan.
- AEDA MD and/or Chair to present the quarterly progress report to the City Finance and Governance Committee, to enable greater discussion and Q&A with stakeholders (rather than as just a Council information report for noting).
- The CoA Lord Mayor to share insights regarding AEDA Board discussions with Councillors (rather than just via E-News update), and encourage them to attend AEDA Board meetings to observe operations and build more positive relationships with Board members.
- Conduct a review of the purpose and value of the AEDA Advisory Committee and identify key improvement opportunities to enable greater alignment and contribution.

Current operating model – service delivery

Overview

The Agency is led by the Managing Director, who is currently part of the CoA Executive team and reports directly to the CoA CEO. It was noted that this position is currently under review, including a potential change of reporting line to the COO Corporate Services instead of the CEO, with dotted line reporting to the AEDA Board. As this a strategic role with the remit to drive economic development of the city, our view is that this change in reporting line should be carefully considered to ensure strong and visible AEDA representation at the CoA Executive level, and a high level of communication and collaboration between AEDA, the CoA and the Council.

The AEDA staff have a range of experience and expertise in retail, events, property, investment, business support, tourism, brand, and marketing.

The AEDA Board includes a group of highly skilled professionals with business experience and expertise across hospitality, property development, place making, business development, investment, events and tourism. As recommended in the Rundle Mall Program Performance Review, the Board could be further enhanced by including someone with contemporary retail expertise. It was noted that this will be a consideration during the upcoming AEDA Board member appointments for the coming term.

What's working well

- ✓ Talent attraction and development of AEDA staff, including young professionals who have joined the Agency to deliver key services.
- ✓ Agile and contemporary approach that has enabled authentic and valuable input more in touch with the market AEDA are trying to grow in the City.
- ✓ AEDA staff prefer working under the AEDA model than directly under a CoA organisational structure, as it implies a greater level of professionalism and presence within the business community, and provides them with direct access to a Board of SMEs who can offer relevant and timely advice, direction, and support in delivering the required projects and services that AEDA is responsible for delivering.
- ✓ The skills and expertise of the AEDA Board members and value they add was acknowledged in several internal and external stakeholder interviews. This expertise is seen as critical to building confidence and trust, and driving the City economic growth agenda.
- ✓ Excellent levels of business engagement, with a can-do and collaborative culture of AEDA staff who are smart, willing and passionate about what they do. In the old CoA structure, the Marketing team provided an account based services role to the Economic Development team, whereas now all the teams work together to deliver objectives and market the city.

Key challenges

- The level of 'red tape' required for decision making and funding approval for events and sponsorships by both the AEDA Board and Council, is limiting AEDA's ability to be agile and to quickly adapt to City community needs, driven by changing economic conditions and other factors.
- No dedicated Events team within AEDA, which places additional pressure on AEDA Marketing staff to organise and run major events with limited capacity and specialist events expertise. The CoA City Experience team manage and facilitate city wide events and projects. This team of 17 staff resides within the City Shaping directorate, but does not currently provide support for AEDA hosted events.
- Perceived reluctance of AEDA staff and the elected Council to communicate effectively and work together in a collaborative way. This has caused a breakdown of some relationships between AEDA, the CoA staff, Councillors and key City stakeholders that now needs to be rebuilt.
- The negative press and Council Chamber comments on AEDA causes high levels of staff frustration and disappointment. Despite this, morale and enthusiasm remains high as staff believe in the model and continue to work hard to deliver the program.
- The late timing of yearly budget process and approval by Council in late June then puts a huge amount of pressure on the team to plan and deliver key projects in a limited amount of time.

Key opportunities

Conduct a review of current AEDA resourcing and requirements, with a view to potential realignment and growth of current teams.

Include considerations to:

- Expand the AEDA Data and Insights function from one staff member to a team that can dedicate time to collaborate with the business community to understand their needs, and conduct more targeted data analysis, research, and properly measure economy performance and activity levels across the City.
- Investigate the options and benefits of merging the City Experience team into the AEDA model to provide efficiencies and more effective resourcing and expertise to drive city-wide large scale events.
- Mainstreets, Precincts, and Place Co-ordinators also currently reside within the CoA structure and could be better maximised in AEDA to provide insight and business outreach services.
- Develop streamlined (but structured) approval process to enable responsive decision making of key initiatives, events, grants and sponsorships by the Board, with the CoA and Council endorsement only required where necessary.

“Being able to deliver projects, with multiple stakeholders, within short time frames. Strong teams determined to meet strategic outcomes, effectively and efficiently.” – stakeholder statement



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Current operating model – people and process

Overview

AEDA has a team of 31 staff across Business and Investment, Marketing, and Rundle Mall Management who deliver a range of services including:

- Business support and investment
- Economic data and insights
- Events and Festival sponsorships
- Precincts support
- Residential growth
- Strategic partnerships
- Marketing the city
- Visitor attraction and information services
- Rundle Mall management and promotion.

AEDA partners with SATC, DTI, DPC, and the Property Council, provides funding to support Study Adelaide, Renew Adelaide, Business SA, Business Events Adelaide, Festivals Adelaide, SouthStart, City Precinct Groups, and sponsors major City festivals and events, to deliver economic growth initiatives across the City.

What's working well

- ✓ AEDA has built trust quickly with key stakeholders and hosted successful business summits, lunches and events. This is supported by the positive results from surveys conducted with City businesses indicating a high level of support and value.
- ✓ Collectively high level engagement and penetration of City businesses with a vast range of programs and activities delivered including a focus on the pandemic and post-Pandemic activities to reactivate the City from an economic lens.
- ✓ The Rundle Mall team were also recognised as doing a 'brilliant' job at delivering on their Plan and have implemented the majority of recommendations from the 2020 Program Performance Review report. The more holistic management of Rundle Mall through additional support by the Business Support and Investment team was also recognised, and anecdotal evidence indicates Rundle Mall Levy payers now receive a greater ROI compared to the previous RMMA services.
- ✓ AEDA is recognised and trusted by State Government and the market to provide key City economic data to inform insights and investment decision making. This was recently acknowledged in the State Government media release regarding the upcoming Illuminate Adelaide event, quoting *"figures from the Adelaide Economic Development Agency show an estimated \$365 million was spent across shops, cafes, restaurants and hotels in Adelaide's CBD in July 2022"*.
- ✓ Reactivation initiatives that have had a direct impact on the economy, including EatsVouchers and the Welcome to Adelaide Packs.

Key challenges

- A large amount of staff time is spent on coordinating event sponsorships that are small value and provide minimal return on investment.
- AEDA's sponsorship of activities that key strategic partners drive is not always recognised, nor AEDA's contribution visible to City stakeholders.
- No strong push for precinct reform, with varying views regarding where precinct management should reside (AEDA vs the CoA). This has not been an area of focus in the last couple of years due to the higher priorities of establishing the Agency and Covid response activities.
- There is a current view by some CoA staff and Councillors that all AEDA events and marketing should be co-branded to include the CoA logo, and acknowledge their contribution. This differs to views held by some AEDA staff and Board members, who believe business forums and services should be independent to the CoA brand, to provide greater credibility and encourage engagement and take up of AEDA services by City stakeholders.
- Without an overarching long term AEDA Strategic Plan or enabling economic development policy direction, it is challenging for the AEDA team to operate at a more strategic level, and be recognised as a key player in driving the City's economic growth agenda with external bodies.

“City Experience team being located within the CoA should be reviewed. Events are a key driver for economic impact, yet their focus is based on community and residents. – stakeholder statement

Key opportunities

- Review, expand, and strengthen alliances with key strategic partners to ensure value to money and outcomes align with AEDA purpose. Potential expansion to include: Committee for Adelaide, Universities, and the newly formed **State Government Economic Board**.
- This review should also consider the greater role AEDA could play in overseeing and coordinating the delivery of initiatives across these entities, to ensure alignment and common goals, maximise value and reduce duplication of effort.
- Investigate additional investment opportunities to fund AEDA initiatives and partner with State Government and external bodies to deliver more (and more diverse) economic growth focussed services and support to the City community.
- Develop a brand guideline, in collaboration with the CoA, to provide clarity and agreement around the use of the AEDA, the CoA, and combined logos on marketing materials, and inclusion of key AEDA, the CoA, and Council member representation, based on types of hosted events and activities.

AEDA business plan and performance

The AEDA Business Plan and Budget is funded by the CoA and partially by the Rundle Mall separate rate paid by businesses that reside within the Rundle Mall precinct. Funds from the separate rate are used only to support the actions for the Rundle Mall precinct and not the broader city.

AEDA's primary focus in the first years of operation, was to support the City and businesses during the Covid-19 pandemic through targeted response and recovery initiatives. This is reflected in the current and previous business plans. To respond to changing economic conditions, priorities and opportunities, AEDA also consults regularly with City business and community stakeholders on their needs and expectations. Where new initiatives or sponsorships and events funding is identified, AEDA adapts the budget allocation accordingly, and seeks AEDA Board and Council approval for any applicable changes required.

To date, AEDA has delivered on the majority of their business plan actions within budget. Further detail of key achievements is provided in Appendix 2. There is an opportunity for AEDA to be more strategic and growth focussed moving forward, underpinned by an overarching AEDA Strategic Plan that provides long term vision and direction.

	Key Focus Areas	Budget	Actual	Actions Delivered	Key Achievements / Measures	Comments
RMMA 2020-21 Business Plan	<ul style="list-style-type: none"> Covid response Precinct information hub Precinct growth Customer experience Rundle Mall branding 	\$9.8m: \$3.8m RM Levy \$3.9m CoA (5 months) \$1.7m RMMA (transfer) \$400k Other	\$231 surplus	35 of 37 (95%)	<ul style="list-style-type: none"> 20 festivals/events delivered 128 outdoor activation grants 88 volunteers serviced 51,918 visitor enquiries AEDA and 'experienceadelaide' socials established 4 City reactivation campaigns 7 precinct groups supported 335 businesses supported 	<ul style="list-style-type: none"> There was no AEDA ABP&B for this transition year. Delivery was based on delivering the existing RMMA Plan. \$1.7m of funds from RMMA and \$3.9m from the CoA were transferred to AEDA in January for the remaining 5 months of the FY. Review of RMMA Operating Agreement with the CoA (service levels) was postponed due to Covid response impacts. Four events and some visitor services were also cancelled due to Covid.
AEDA 2021-22 Business Plan	<ul style="list-style-type: none"> Covid response City growth Brand & marketing Information & data Visitor experience Advocacy 	\$13.7m: \$3.8m RM Levy \$9.3m CoA \$400k AEDA \$200k State Govt / Other	\$17k over budget	65 of 79 (82%)	<ul style="list-style-type: none"> 14 festivals/events delivered 75 volunteers serviced 24,878 visitor enquiries Inaugural AEDA Business Summit >350 attendees Inaugural Wellfest events attracted 13,000 patrons Quick Response Fund supported 17 events 92 shopfront improvement grants Residential Growth Action Plan Retail brand assessment study 4 Strategic Partnership grants awarded 12 partnership tourism & City activation campaigns 	<ul style="list-style-type: none"> Four events were cancelled due to Covid. Economic Research & Data Analyst joined the team to provide greater focus on city economic performance and insights. Rundle Mall hosted 425 events and was awarded 'Retail Precinct of the Year' by the National Retail Association. A Rundle Mall Program Performance Review was conducted with 28 recommendations, of which 22 were implemented same year. All Plan actions were commenced, with 14 remaining active or partially completed in areas of residential, student, visitor and business growth, establishment of CRM tool to support better communications, and visitor experience centre.
AEDA 2022-23 Business Plan (progress to end Q3)	<ul style="list-style-type: none"> Covid recovery Business investment Residential & visitor growth Rundle Mall Brand & marketing 	\$14.8m: \$3.9m RM Levy \$10.9m CoA	\$1.5m surplus against YTD budget	46 Plan actions	<ul style="list-style-type: none"> 34 measures - 8 achieved, 23 in progress 15 events held to date 146 shopfront improvement grants awarded 5 new event grant applications awarded 10 existing event grant applications awarded Adelaide Tourism Operators Program 	<ul style="list-style-type: none"> YTD (to end Q3) surplus is made up of sponsorships, contributions and grants, shopfront, materials, contracts & other expenses, and employee costs. Twitter was removed as a primary social media platform. 6 significant retail brands committed to opening stores in Adelaide, <i>Sheike, JD Sports, Uniqlo, Windsor Smith, Tag Heuer and Kookai</i>. Launch of Adelaide Tourism Alliance KPI removed due to SATC review. Experience Adelaide website KPI removed due to review of other metrics.
AEDA 2023-24 Business Plan	<ul style="list-style-type: none"> Business, Investment & Residential growth Visitor growth Rundle Mall Brand & marketing 	\$13.5m: \$3.9m RM Levy \$9.2m CoA \$400k Other	-	36 Plan actions	<ul style="list-style-type: none"> 27 measures 	<ul style="list-style-type: none"> An emphasis on recognition of partnerships funded through Strategic Partnership Program and with state government agencies and others. Significant streamlining of actions from previous year including inclusion of key recommendations from the Rundle Mall place vision project. More focus on outcomes, reduction of key actions and measures.

AEDA business plan and performance

The below details a selection of some of AEDA's key achievements, including how these align to the Magnet Cities principles, and key risk areas and opportunities for improvement.

Key achievements for 2022-23 (Q3)



Cultivate new ideas

Adelaide Fashion Week events attracted more than 800 guests with **retail spending up 5% year on year**.



Cultivate new ideas

161 businesses participated in the Eats Christmas campaign **generating a total spend of \$119.5k** in the city from Nov 2022 – Feb 2023.



Attract young wealth

Games Plus Scholarship launched to **assist business start ups in the video gaming sector**. To date, 10 scholarships have been offered.



Cultivate new ideas

Launched **two tourism partnership campaigns with Accor Australia and Wotif** targeting interstate and intrastate customers.



Strong leaders

Data4Lunch – series of events hosted by leading organisations, with presentations from key partners and more than **100 people in attendance**.



Cultivate new ideas

AEDA engaged a specialist 3rd party to **support 10 city based tourism operators through one-on-one coaching and implementation support**; to build capacity, drive demand and refine tourism product offerings.

Key delivery risk areas & challenges

- The ByADL online retail shopping platform was established in February 2022 and officially launched in December 2022. It has had limited take up of City businesses (around 80) to date. AEDA paid \$250k to Arcadier, the ByADL services and support provider, and the value it has provided has not been measured. There is a view that this was an unjustified investment decision at the time, and continued funding may not be merited if the expected benefits are not being realised. The proposed target in the draft AEDA 2023-24 Business Plan is to reach 200 City business retailers to achieve 2,000 consumer sales on this platform, with no detailed plan evident on how that will be achieved.
- AEDA invests approximately \$320k in the Wellfest Event Program each year. However it is not clear that the program is delivering on the intended outcomes. The service provider is based in Sydney and their contract has two more years to run.
- The CoA Strategic Plan has a priority action to deliver a new Visitor Experience Centre. Given rising construction and technology costs and potential changes in consumer behaviour following Covid, AEDA staff are undertaking due diligence on the model. The capital component of this project is fully funded by a federal Government City Deal allocation of \$4 million. However if the projected revenue in the operating model is not realised, there is a potential operating project impact for the CoA. It is also noted that SATC is considering development of a digital solution for SA, and there may be opportunities to collaborate with them and align projects to deliver a greater overall solution.
- There is a perceived focus of projects in the Plan to enhance popular, already busy and well tenanted parts of the city, at a cost to the traditional main streets such as King William Street that has high vacancy levels, lower quality tenancies, and average street appeal.
- Many key initiatives and events that occur in the City involve multiple stakeholders including State Government agencies. It can be difficult to measure the specific contribution that AEDA makes in delivering the economic outcomes of these major events, such as increased hotel occupancy levels and increased visitor spend in the City.

Key opportunities & future considerations

- Apply a more strategic focus during the planning process, by considering what key initiatives are required to achieve the desired outcomes and then determine the funding required to deliver, rather than starting with a set budget and then determining what can fit within it. If the ROI can be justified through appropriate business case then budget constraints should be challenged. For example, in the post-Covid environment with more major conferences being hosted in the City, AEDA could consider increasing funding to maximise flow-on opportunities such as tourism and complementary activities that support these events.
- In order to be more strategic, AEDA also needs a Strategic Plan to provide a long term view and direction, and inform the future annual business plans and budgets.
- Provide a more detailed breakdown of budget allocation and include robust measures of success in the AEDA Annual Business Plan that align specifically to planned actions, to provide greater transparency and accountability of spend and delivery.
- Identify obligations of ByADL contract and investigate options, benefits and risks of continuing to support this platform, or exiting the contract and transitioning the service out of AEDA to alternate provider.
- Reassess ambition and contractual obligations for Wellfest.
- Complete due diligence on the original plan and approach for the new Experience Adelaide visitor centre.



03

Growing and evolving AEDA

Growing and evolving into the next chapter

AEDA has provided and capitalised on valued economic development opportunities for the City of Adelaide and surrounding regions. However, for long-term sustainability, AEDA must transition from a Covid-response position to a strategic operation.

When looking to the future, it is apparent that AEDA faces considerable barriers that can cloud achievements and progress toward economic development opportunities. The agency currently lacks a strategic plan, specific economic development strategy or policy, or a long-term financial plan.

The below recommendations provide clear initiatives over the short and medium-to-long term that can support AEDA to move from a Covid-response agenda to a sustainable strategic business.

1

Quick wins

In no particular order, quick win recommendations, once implemented, will bring **immediate benefit** and impact to AEDA.

Recommendations allocated to strategic priorities are still important to begin designing in the short-term, but once implemented, the benefits will be realised in the medium-to-long-term and bring **significant benefit** and impact to AEDA.

Each recommendation is referenced and further detail can be found in Appendix 1.

Benefits realised immediately

- AEDA Managing Director and/or Chair to be invited to present the quarterly progress report to the City Finance and Governance Committee (4)
- Lord Mayor to share insights regarding AEDA Board discussions with Councillors and encourage attendance to AEDA Board meetings (5)
- Identify obligations of ByADL contract and investigate options to continue or exit (7)
- Reassess ambition and contractual obligations for Wellfest (15)
- Provide a detailed breakdown of budget allocation within the ABP&B that aligns actions to progress and accountability (8)
- Develop streamlined and structured approval between the Board, the CoA, and the Council (11)
- Develop a brand guideline, in collaboration with the CoA (14)

~6 – 12 months

2

Strategic priorities

Benefits realised in the medium-to-long-term

- Develop the AEDA Strategic Plan (2)
- Develop City Economic Development Policy (1)
- Develop the AEDA Long Term Financial Plan (3)
- Conduct a review of the purpose and value of the AEDA Advisory Committee (6)
- Revisit the original plan and approach for the new Experience Adelaide visitor centre (9)
- Conduct a review of current AEDA resourcing and requirements (10)
- Expand the AEDA Data and Insights function from one staff member to a team (10.1)
- Investigate the options and benefits of merging the City Experience team into the AEDA model (10.2)
- Explore moving Mainstreets, Precincts, and Place Co-ordinators to AEDA (10.3)
- Review, expand, and strengthen alliances with key strategic partners (12)
- Investigate additional investment opportunities (13)

~12+ months

Key next steps to maintain momentum

The below next steps are recommended for AEDA to maintain momentum and have clarity over what comes next.

1 Circulate review with AEDA team, the CoA and Councillors

To ensure transparency and accountability, encourage key stakeholders to engage and consider the outcomes of this review.

Further, AEDA should seek feedback from key stakeholders, either informally or via feedback meetings to discuss.

Encouraging the examination of this comprehensive and independent review allows AEDA to cultivate trust, accountability and transparency, and constructive dialogue with its key stakeholders that will contribute to its long-term success.

2 Consider a ways-of-working forum with the CoA

A ways-of-working forum that serves as a platform for AEDA and the CoA administration executive to openly discuss collaboration opportunities and challenges, co-create solutions, align processes, develop team norms, and foster a culture of continuous improvement and streamline inefficiencies.

This forum can address barriers, improve communication, and establish effective working relationships, ultimately improving collaboration and overall performance for both entities.

3 Prioritise quick wins for implementation

Prioritising quick wins is a key first step to ensure AEDA are focused and clear on what to implement first and what order best aligns with the agency's objectives. The prioritisation criteria should consider:

- Impact and benefit
- Feasibility (including resource allocation and effort required)
- Alignment to strategic goals
- Risks and dependencies
- Sustainability (while quick wins focus on immediate results, they should also align with long-term objectives and not create additional challenges or complexities).

04

Appendices



Appendix 1: Key recommendations - governance

Ref	Recommendation	Benefit to be realised	Delivery recommendation	Key responsibility
1	Develop City Economic Development policy	The CoA should work collaboratively with AEDA staff and the Board to ensure insights and expertise are considered and incorporated into the growth agenda that all parties support. Alignment to State Government ED policy is critical.	Strategic priority	CoA
2	Develop the AEDA Strategic Plan	To provide strategic direction and a four year plan of the key initiatives required to support the growth of the city economy, a long term view and direction, and inform the future annual business plans and budgets, with consideration for: <ul style="list-style-type: none"> • Key projects/initiatives required to achieve the desired outcomes • The funding required to deliver (rather than starting with a set budget and then seeing what can fit within) – if the ROI can be justified through appropriate business case then budget constraints should be challenged. For example, in the post-Covid environment with more major conferences being hosted in the city, AEDA could consider increasing funding to maximise flow-on opportunities such as tourism and complementary activities that support these events. 	Strategic Priority	AEDA
3	Develop the AEDA Long Term Financial Plan	To provide long term financial stability to support the delivery of the strategic plan.	Strategic priority	AEDA
4	AEDA Managing Director and/or Board Chair to be invited to present the quarterly progress report to the City Finance and Governance Committee	Noting that invitation to present to the City Finance and Governance Committee is at the discretion of the Committee Chair, this should be encouraged and supported by the CoA as a regular quarterly agenda item. This will then enable greater discussion and Q&A with stakeholders (rather than as just a council information report for noting).	Quick win	CoA
5	Lord Mayor to share insights regarding AEDA Board discussions with Councillors and encourage attendance at Board meetings	Additional communication other than just via e-news update, and to observe operations and build more positive relationships with Board members.	Quick win	CoA
6	Conduct a review of the purpose and value of the AEDA Advisory Committee	Identify key improvement opportunities to enable greater alignment and contribution of this committee, in line with the future direction / AEDA strategy.	Strategic priority	AEDA
7	Identify obligations of ByADL contract and investigate options to continue or exit	Investigate options, benefits and risks of continuing to support this platform, or exiting the contract and transitioning the service out of AEDA.	Quick win	AEDA
8	Provide a detailed breakdown of budget allocation that aligns actions to progress and accountability	Include robust measures of success in the business plan that align specifically to planned actions, to provide greater transparency and accountability of spend and delivery.	Quick win	AEDA
9	Revisit the original plan and approach for the new Experience Adelaide Visitor Centre	Investigate alternative options for providing in person and digital services to city visitors, including through collaboration with state government and/or other partners. Options analysis should provide detailed costings, expected benefits and outcomes, and include community consultation as input to the preferred model(s) and locations of service delivery.	Strategic priority	AEDA
15	Reassess ambition and contractual obligations for Wellfest Program	To ensure this initiative aligns with AEDA's strategic vision and the AEDA Charter.	Quick win	AEDA

Appendix 1: Key recommendations - service delivery

Ref	Recommendation	Benefit to be realised	Delivery recommendation	Key responsibility
10	Conduct a review of current AEDA resourcing and requirements	Provide an analysis to inform benefits of potential realignment and growth of current teams, as outlined below.	Strategic priority	AEDA
10.1	Expand the AEDA Data and Insights function from one staff member to a team	Dedicate time to collaborate with business community to understand their needs and conduct more targeted data analysis, research, and properly measure economy performance and activity levels across the city.	Strategic priority	AEDA
10.2	Investigate the options and benefits of merging the City Experience team into the AEDA model	Provide efficiencies and more effective resourcing and expertise to drive major events.	Strategic priority	CoA
10.3	Explore moving Mainstreets, Precincts, and Place Co-ordinators to AEDA	Provide insight and business outreach services.	Strategic priority	CoA
11	Develop streamlined and structured approval between the Board and the CoA	<p>To enable responsive decision making of key initiatives, events, grants and sponsorships by the Board, with the CoA and Council endorsement only required where necessary.</p> <p>Criteria for different levels of approval and escalation to be determined, and may consider factors such as the investment dollar value, risk level or impact to CoA, AEDA and/or external parties, whether the initiative is out of scope of the approved AEDA ABP&B, and urgency to deliver.</p>	Quick win	AEDA

Appendix 1: Key recommendations – people and process

Ref	Recommendation	Benefit to be realised	Delivery recommendation	Key responsibility
12	Review, expand, and strengthen alliances with key strategic partners	Ensure value for money and outcomes align with AEDA purpose. Potential expansion to include: Business Events Adelaide, Committee for Adelaide, universities, newly formed State Government Economic Board. This review should also consider the greater role AEDA could play in overseeing and coordinating the delivery of initiatives across these entities, to ensure alignment and common goals, maximise value and reduce duplication of effort.	Strategic priority	AEDA
13	Investigate additional investment opportunities	To fund AEDA initiatives and partner with state government and external bodies to deliver more (and more diverse) economic growth focussed services and support to the city community.	Strategic priority	AEDA
14	Develop a brand guideline, in collaboration with the CoA	To provide clarity and agreement around the use of the AEDA, the CoA, and combined logos on marketing materials, and inclusion of key AEDA, the CoA, and Council member representation, based on types of hosted events and activities.	Quick win	AEDA

Appendix 2: Key achievements (source: AEDA)

2020/21 AEDA/RMMA Key Achievements/Measures

- Delivered the City Business Support program in partnership with Business SA supporting 335 businesses
- Supported Renew Adelaide to launch 15 businesses adding 52.5 new jobs to the city's economy
- Supported 7 precincts groups through the delivery of the Mainstreet Development Program
- Delivered a pilot program of welcoming new firms to the city and connecting Executive staff of those firms with Council programs and executive staff
- Supported 128 business through the Outdoor Activation Grant program to enhance the presentation of their business
- Supported 20 events and festivals in the city through the funding of \$1.3m
- In response to COVID-19 over \$85,000 in quick response funding was administered to support events and festivals through the period
- Assisted over 51,000 visitor inquiries through the Visitor Information Services program and delivered the Adelaide Greeter Service and Cruise Ship meet and greet program
- Developed the AEDA Website and Communication Channels
- Promotional Campaigns and Activities:
 - Adelaide's Long Lunch: voucher program that administered 5,000 \$30 vouchers with a redemption rate of 42%
 - City Living Campaign: supported actions from the CoA Residential Growth Action Plan and promoted the city lifestyle as a driver to live in the city
 - Luxury Escapes Campaign: achieved \$24,000 worth of holiday packages sold in the city and North Adelaide
- Rundle Mall:
 - Rundle Mall continued to deliver its program of installations, experiences and activations under the auspices of AEDA
 - Welcoming the Adelaide Fringe Box office, Lunar New Year installation and hosted Urban Kitchen through Taste Australia.

2021/22 AEDA Key Achievements/Measures

- Inaugural AEDA Business Summit with over 350 attendees, 97% supported another Summit, 98% were extremely satisfied
- WellFest Adelaide inaugural event attracted over 13,000 patrons across the various elements of the core events
- Acceleration of Residential Growth work:
 - AEDA hosted two roundtable discussions, commissioned an analysis of economic benefit on increasing the city's population and a review of the Planning and Design code, reviewed previous initiatives and work being undertaken in other capital cities and undertook discussions with State Government agencies on potential policy changes and areas of collaboration
 - The Board subsequently endorsed a range of initiatives for Councils consideration that fed into the work being undertaken by CoA in developing policy to increase residential growth in Adelaide
- Through the Strategic Partnership Program 4 Strategic Partnership Grants were awarded to Renew Adelaide, Adelaide Convention Bureau, StudyAdelaide and Festivals Adelaide
- Citywide Shopfront Improvement Grants supported 92 businesses to upgrade and enhance the street appeal and accessibility
- Welcome to Adelaide Program supported new businesses with over 500 employees directly
- Business Support:
 - Supported more than 60 firms with potential employment of more than 2,000 staff on inward investment opportunities
 - Extended contract with Business SA to include State Government contribution – over 460 firms assisted through the initiative
 - 50 business participated in City Business growth Consulting package
- Events & Festival Sponsorship Program: administered funding of \$1.3m to 14 Events and Festivals
- Events Recovery Fund: Supported new and existing events through COVID-19. \$187.5k was administered to 6 expanding events and \$202.5k of funds administered as a quick respond fund to 17 events
- Visitor Information Services program assisted 24,878 visitors, with contribution of over 75 volunteers. Services included the Visitor Information Service, Mobile Visitor Service, Adelaide Greeters program, Cruise Ship meet and Greet, Central Market Booth and Adelaide Town Hall tours. A retail experience in the information centre was also launched.
- Tourism Partnerships: AEDA partnered with SATC, Luxury Escapes, Expedia Group and RAA Travel to deliver promotions
- Promotional Activities and Campaigns:
 - Go to Town Campaign: AEDA partnered with DPC, SATC and the Property Council to deliver the campaign
 - Hit the Town – Winter Campaign: crated more than 50 events and activations
 - Dinner's On Us – Voucher Campaign: 46,000 people entered the draw to win one of 5,000 \$30 dine in dinner vouchers at participating businesses. Total addition to city economy from the campaign was \$225,700.
 - \$30 Eats – Voucher Campaign: 97,000 people entered to win one of 25,000 \$30 vouchers. Total addition to city economy from the campaign was \$1,202,000.
 - ADLocal campaign supported more than 150 business in promotion with more that 690,000 video views
- Rundle Mall:
 - National Retail Association named Rundle Mall as the Retail Precinct of the Year
 - Rundle Mall engaged an external consultant to undertake a performance review and implemented 22 of the 28 recommendations
 - The precinct was supported by over 425 events and activations for events such as Vogue Fashion, Christmas, Black Friday, Boxing Day, Lunar New Year, Festival Season and Urban Kitchen.

Appendix 2: Key achievements (source: AEDA)

2022/23 AEDA Key Achievements/Measures (to date)

As at Q3:

- Rundle Mall:
 - Rundle Mall Performance Review - all 28 recommendations from the Rundle Mall performance review have been completed, with phases 1-5 of the Place Vision and Precinct Strategy also complete
 - MallFest: AEDA secured retail trading exemptions for each Saturday of the Fringe Festival between 5pm-7pm for MallFest. Foot traffic between these hours increased by 101%, with an 18% increase overall across the 5-week period when compared to the same period last year. Retail spend for February also increased by 10% year on year
 - Organic Bin in Rundle Mall pilot project launched: largest green bin trial in a retail precinct
 - Activations and Events have supported the precinct such as Black Friday, Christmas and Lunar New Year.
- Event & Festival Sponsorship: The strategic events fun has supported 15 events to date and the Events & Festival Sponsorship program funded more than a dozen events
- Welcome to Adelaide: over 1,100 staff from firms that were new to the City were supported through the Welcome to Adelaide program
- Shopfront Improvement Grants: 146 businesses were supported through the program to revitalise and upgrade their shopfront
- Adelaide Tourism Operators Program provided support to 10 city based operators via a 3rd party specialised through one on one coaching and implementation support. Results included the development of 14 new tourism products, 2 collaborative packages and the review and revitalisation of 25 tourism products
- Industry Briefings: AEDA held 3 data specific industry briefings to share information about the city's economic performance with key city decision makers
- Strategic Partnerships grants provided to Adelaide Convention Bureau, StudyAdelaide, Festivals Adelaide, SouthStart and Renew Adelaide
- Administered Mainstreet Development grants to Precinct Groups
- Delivered ADL Fashion Week, attracting 800 guests over the core events. In comparison to 2021 Vogue Festival numbers, total foot traffic in Rundle Street and Rundle Mall was up 3.5 per cent and 101 per cent respectively. Retail spending was up 5 per cent Year on Year.
- Delivered WellFest Adelaide – 58 city operators led events under the banner event, highlights including sold out Rundle Malls' biggest yoga session event
- Digital Marketplace; byADL: Australia's first citywide digital marketplace was launched with over 80 operators on boarder with more than 2000 products
- Tourism Partnership Campaign – Wotif: Through a partnership with Wotif an advertising package targeted interstate markets from 27 June – 11 August to generate travel bookings for Adelaide. Overall it generated 7240 pax, 6548 room nights, \$1.1M USD in booking revenue and 274 air tickets. These are all significantly up compared to the same time YoY
- Promotional Activities and Campaigns:
 - Destination Adelaide Campaign: campaign launched to attract regional SA and secondary metro Adelaide visitors to the City
 - \$30 Eats Christmas Edition: 3000 \$30 vouchers were distributed to support CBD and North Adelaide Businesses. 161 business participated in the program and the economic benefit to the city direct from the campaign was \$119,547.



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