

Draft City of Adelaide Economic Development Strategy, Competitive, Sustainable, Connected

Strategic Alignment - Strong Economies

Public

Tuesday, 7 November 2023
City Planning, Development and Business Affairs Committee

Program Contact:
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Approving Officer:
Ilia Houridis, Director City Shaping

EXECUTIVE SUMMARY

The purpose of this report is to present a draft City of Adelaide (CoA) Economic Development Strategy: Competitive, Sustainable, Connected (the draft Strategy), for the purpose public consultation.

The draft Strategy is informed by a workshop held on 3 October 2023 at the City Planning, Development and Business Affairs Committee ([Link 1](#)) and Council's Draft Strategic Plan 2024-2028.

The draft Strategy forms a key deliverable of the independent reviews of the Adelaide Economic Development Agency (AEDA) as presented to the City Finance and Governance Committee on 17 October 2023 ([Link 2](#)) and endorsed by Council for public consultation on 24 October 2023. As per that decision, the draft Strategy has been developed in close collaboration with AEDA for implementation by May 2024.

The timing of the draft Economic Development Strategy will enable it to inform Council's 2024/25 annual business plan and budget process and preparation of a strategic plan and business plan by AEDA.

RECOMMENDATION

The following recommendation will be presented to Council on 14 November 2023 for consideration

THAT THE CITY PLANNING, DEVELOPMENT AND BUSINESS AFFAIRS COMMITTEE RECOMMENDS TO COUNCIL

THAT COUNCIL

1. Endorses the draft City of Adelaide Economic Development Strategy: Competitive, Sustainable, Connected contained in Attachment A to Item 7.4 on the Agenda for the meeting of the City Planning, Development and Business Affairs Committee held on 7 November 2023, for the purpose of public consultation.
 2. Endorses the draft City of Adelaide Economic Development Strategy, Engagement Plan contained in Attachment B to Item 7.4 on the Agenda for the meeting of the City Planning, Development and Business Affairs Committee held on 7 November 2023, for the purpose of public consultation.
 3. Authorises the Chief Executive Officer to make minor grammatical and technical amendments to the documents contained in Attachment A and Attachment B to Item 7.4 on the Agenda for the meeting of the City Planning, Development and Business Affairs Committee held on 7 November 2023.
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IMPLICATIONS AND FINANCIALS

City of Adelaide 2020-2024 Strategic Plan	Strategic Alignment – Strong Economies This report directly supports Strong Economies as it provides a draft of the City of Adelaide’s new Economic Development Strategy for discussion. The draft Strategy aligns with the economic pillar in Council’s draft Strategic Plan 2024-2028.
Policy	This report is related to the development of a new City of Adelaide Economic Development Strategy which includes policy statements for economic development.
Consultation	If the draft Economic Development Strategy is endorsed for the purpose of consultation, targeted stakeholder and broad community consultation will be undertaken in accordance with Council’s Community Consultation Policy. Internal consultation to develop this Strategy occurred across the City of Adelaide, Adelaide Central Market Authority (ACMA) and AEDA.
Resource	Resourcing for implementation of the City of Adelaide Economic Development Strategy will be considered through Council’s annual business plan and budget processes.
Risk / Legal / Legislative	Not as a result of this report
Opportunities	The development of an Economic Development Strategy will clarify Council’s role in economic development and set strategic directions for Council, City of Adelaide and its subsidiaries for implementation.
23/24 Budget Allocation	Not as a result of this report
Proposed 24/25 Budget Allocation	The Economic Development Strategy will inform Council’s 2024/25 annual business plan and budget process and the preparation of a strategic plan and business plan by AEDA. The cost for implementation of initiatives proposed for 2024/25 is estimated at \$150,000.
Life of Project, Service, Initiative or (Expectancy of) Asset	The proposed City of Adelaide Economic Development Strategy has a ten-year planning horizon and four-year delivery focus from 2024-2028.
23/24 Budget Reconsideration (if applicable)	Not as a result of this report
Ongoing Costs (eg maintenance cost)	Not as a result of this report
Other Funding Sources	Not as a result of this report

DISCUSSION

Background

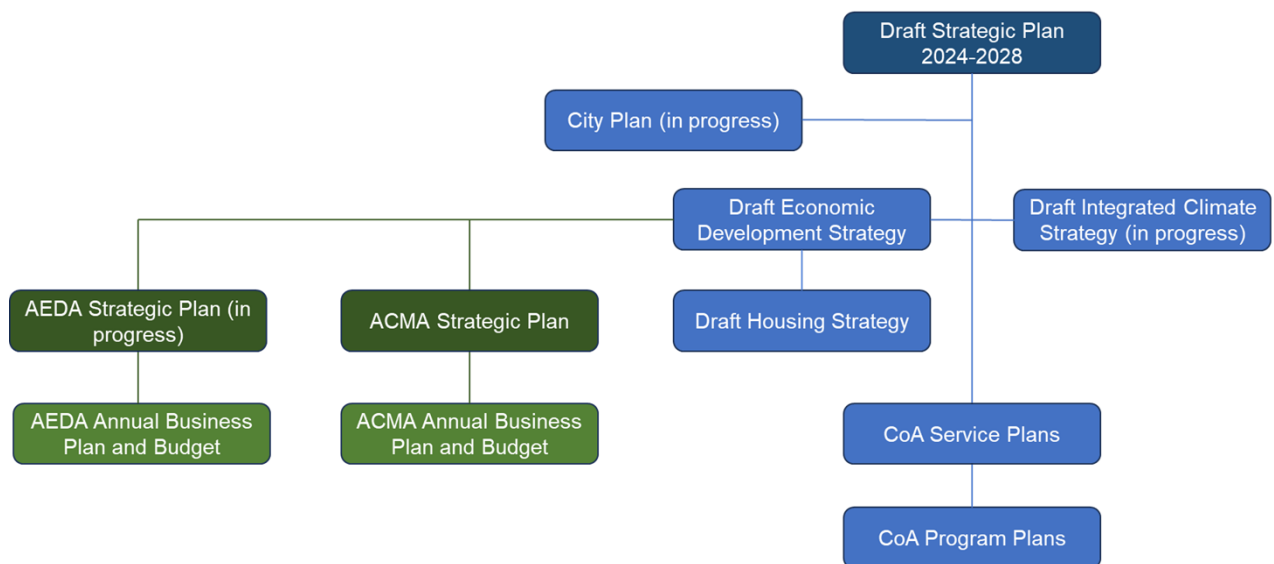
1. The [City Planning, Development and Business Affairs Committee \(CPDBA\) ToR \(Link 3\)](#) was established in January 2023 and its purpose includes: *To review and, if necessary, guide the development of a city-wide economic development strategy and a local heritage strategy and policy.*
2. The CEO gave an undertaking to review the strategic policy framework on 10 May 2022.
 - 2.1. On 11 August 2022, Corporate Services updated Council Members via E-News that the opportunity for an 'Economic Development Policy' had been identified and advising Council Members that work had commenced on the Policy. Council's caretaker period commenced on 6 September 2022.
 - 2.2. The last City of Adelaide economic policy/strategy was the Economically Prosperous City Strategy 2012-2016.
3. City of Adelaide plays a distinct role as the social, commercial, cultural and civic capital and heart of South Australia. The impacts of climate change and global events in recent years have and will continue to challenge cities. It is essential therefore as a capital city to be guided by a strong economic development strategy which allows the city to be responsive to change and is in alignment with community ambitions.
4. City of Adelaide is focussed on economic development which stimulates business and investment activity in the city, to enable a more diversified and resilient economy and improve community well-being. As South Australia's capital city, we are a significant contributor to the State's Gross Regional Product at over 17%, and any economic development occurring in the city will impact Greater Adelaide and South Australia.
5. As a capital city council, City of Adelaide is heavily influenced by movements in the global economy and the Council alone, has little influence over the macro-economy. The City of Adelaide can act to shape its local economy and the State's economy more broadly through its role as South Australia's capital city.

Consultation to Inform the Draft Strategy

6. The draft Strategy contained in **Attachment A**, is informed by a workshop held on 3 October 2023 at the City Planning Development and Business Affairs Committee and Council's draft Strategic Plan 2024-2028, which states under its economy pillar:
 - 6.1. ***Growing, innovative and responsive.*** *In ten years, Adelaide will have strengthened its role as the economic focal point of the state, attracting investment and talent from around the world. New and diverse industries will complement our existing economic strengths and city businesses will be successful.*
7. The draft Strategy is informed by targeted engagement and research priorities for the City of Adelaide:
 - 7.1. Targeted engagement sessions across City of Adelaide Administration and with AEDA.
 - 7.2. Targeted external consultation and research, including:
 - 7.2.1. Economic Profile – preparation of an Economic Profile for the City of Adelaide to inform Council's Strategic Plan 2024-28 (completed in June 2023).
 - 7.2.2. Housing Research – CoA Housing Audit and Need Analysis which considers economic and economic development factors relating to housing in the CoA (June to September 2023).
 - 7.2.3. City Plan – City Plan Studio Sessions including Magnet City and New Urban Form (September 2023).
 - 7.2.4. Night Time Economy – University of Melbourne's Melbourne Centre for Cities Night Shift Project Team (commenced May 2023).
 - 7.2.5. Capital City Committee of Lord Mayors Economic Development and Research Working Group – Night Time Economy Research and Quarterly Pulse Reports (ongoing).
 - 7.2.6. South Australian Economic Statement – State Government through discussions on the South Australian Economic Statement ([Link 1](#)) (July 2023).

Draft Economic Development Strategy

8. The draft Strategy is focused on how the City of Adelaide can enable economic activity rather than delivering economic outcomes directly and is supported by a suite of Council's policies, strategies and plans, as follows:



9. The draft Strategy contains three goals to position the City of Adelaide as Competitive, Sustainable and Connected:
 - 9.1. **Goal 1: A Competitive City – amplifying our world-wide appeal to attract talent, residents, tourists and investment**
City of Adelaide is globally competitive and known to be good place to do business, work and live.
 - 9.2. **Goal 2: A Sustainable City – an accelerated transition to a sustainable and decarbonised economy**
City of Adelaide leads the transition to sustainable business ventures, decarbonising the economy and building growth of green industries.
 - 9.3. **Goal 3: A Connected City** - where local businesses are connected to their neighbourhood
City of Adelaide connects local businesses with visitors and residential neighbourhoods as a curator and activator. We are a city where people are connected, where business networks thrive, and our visitors enjoy unique and authentic experiences of Adelaide life.
10. Each goal has key outcomes, and its progress and success will be assessed by its impact on economic growth, employment, community wellbeing and climate resilience.
11. The draft Strategy extends across the operations of Council and its economic subsidiaries of AEDA and the ACMA. It also serves as strategic direction for the city to partner and collaborate on economic development across the city and North Adelaide.

Next Steps

12. Pending decision by Council, consultation on the draft City of Adelaide Economic Development Strategy: Competitive, Sustainable, Connected, will be undertaken as outlined in **Attachment B**.
13. Consultation is planned to commence from late November 2023, with a summary of consultation to be presented to a Committee of Council by March 2024.
14. The draft City of Adelaide Economic Development Strategy: Competitive, Sustainable, Connected, is targeting finalisation by May 2024.

DATA AND SUPPORTING INFORMATION

Link 1 – City Planning, Development and Business Affairs Committee, Tuesday, 3 October 2023 ([LINK](#))

Link 2 – City Finance and Governance Committee, Tuesday, 17 October 2023 ([LINK](#))

Link 3 – [City Planning, Development and Business Affairs Committee \(CPDBA\) ToR](#) ([LINK](#))

ATTACHMENTS

Attachment A – Draft City of Adelaide Economic Development Strategy: Competitive, Sustainable, Connected

Attachment B - Draft City of Adelaide Economic Development Strategy, Engagement Plan.

- END OF REPORT -