

# AEDA Charter Amendments

Strategic Alignment - Enabling Priorities

Public

Tuesday, 21 November 2023  
City Finance and Governance  
Committee

**Program Contact:**  
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**Approving Officer:**  
Michael Sedgman - Chief  
Operating Officer

## EXECUTIVE SUMMARY

Council at its 26 April 2023 meeting resolved that the Charters for both the Adelaide Economic Development Agency (AEDA) and the Adelaide Central Market Authority (ACMA) be internally reviewed for consistency where applicable.

A report on the findings of the internal review was presented to Council at its 26 September 2023 meeting at which Council resolved to defer consideration of the proposed changes to the AEDA Charter until the matter was discussed by the AEDA Board.

At its 27 October 2023 meeting the AEDA Board considered the findings of the internal governance review and approved the proposed amendments to the Charter.

If Council approves the proposed amendments to the AEDA Charter, in accordance with Schedule 2 of *the Local Government Act 1999* a copy of the amended Charter will be provided to the Minister for Local Government and the amended Charter will become effective from the date the notice of amendment is published in the Government Gazette.

Amendments are also sought to the AEDA Advisory Committee Terms of Reference for Council's approval. The AEDA Board endorsed the proposed amendments to the Terms of Reference at its 26 July 2023 meeting. Once approved the amended Terms of Reference will be provided to the AEDA Advisory Committee members and published on the AEDA website.

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## RECOMMENDATION

The following recommendation will be presented to Council on 28 November 2023 for consideration

THAT THE CITY FINANCE AND GOVERNANCE COMMITTEE RECOMMENDS TO COUNCIL

THAT COUNCIL

1. Notes the table of proposed amendments to the Charters of the Adelaide Central Market Authority and Adelaide Economic Development Agency as set out in Attachment A to Item 7.2 on the Agenda for the City Finance and Governance Committee held on 21 November 2023.
2. Notes that at its 26 September 2023 meeting Council endorsed the proposed changes to the Adelaide Central Market Authority Charter.
3. Approves the amendments to the Charter of the Adelaide Economic Development Agency as set out in Attachment B to 7.2 on the Agenda for the City Finance and Governance Committee held on 21 November 2023.
4. Authorises the Chief Executive Officer to make any necessary or desirable typographical or syntactical revisions to the amended Adelaide Economic Development Agency Charter as set out in Attachment B to Item 7.2 on the Agenda for the City Finance and Governance Committee held on 21 November 2023 before any notification of amendment is made in the Government Gazette. If any such revisions are made,

then it is the version as revised which will become the Charter upon publication in the Government Gazette.

5. Notes the amended Adelaide Economic Development Agency Charter will be provided to the Minister for Local Government.
  6. Notes the amended Adelaide Economic Development Agency Charter will be effective from the date the Charter is published in the Government Gazette.
  7. Approves the amended Terms of Reference for the Adelaide Economic Development Agency Advisory Committee as set out in Attachment C to Item 7.2 on the Agenda for the City Finance and Governance Committee held on 21 November 2023.
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## IMPLICATIONS AND FINANCIALS

City of Adelaide 2020-2024 Strategic Plan	Strategic Alignment – Enabling Priorities
Policy	Amendments are proposed as arising from the internal governance review to standardise, where applicable, the Adelaide Economic Development Agency (AEDA) Charter [Link 1 view <a href="#">here</a> ] and the Adelaide Central Market Authority (ACMA) Charter [Link 2 view <a href="#">here</a> ]. Amendments are also proposed to the AEDA Advisory Committee Terms of Reference [Link 4 view <a href="#">here</a> ]
Consultation	Not as a result of this report
Resource	Not as a result of this report
Risk / Legal / Legislative	Pursuant to Schedule 2, Part 1, Section 3 of the <i>Local Government Act 1999 (SA)</i> (the Act), a Council proposing to amend a charter of a subsidiary of Council must furnish a copy of the charter, as amended, to the Minister, ensure that a copy of the charter, as amended, is published on a website determined by the Chief Executive Officer and ensure that notice of the fact of the amendment and a website address at which the charter is available for inspection is published in the Government Gazette.
Opportunities	Not as a result of this report
23/24 Budget Allocation	Not as a result of this report
Proposed 24/25 Budget Allocation	Not as a result of this report
Life of Project, Service, Initiative or (Expectancy of) Asset	AEDA operates under Section 42 of the Act until such time as Council resolves for a subsidiary to be wound up. Pursuant to Section 3(4) of Schedule 2 of the Act, a subsidiary charter may be reviewed by Council at any time. In accordance with clause 3.5.6.2 of the AEDA Charter, the Terms of Reference of the Advisory Committee will be approved by the Council.
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. Council at its meeting on 8 February 2022 approved amendments to the Charter of the Adelaide Economic Development Agency (AEDA) to:
  - 1.1. Simplify the long list of legacy Powers, Functions and Duties without detracting from the objects and purposes of the Agency
  - 1.2. Simplify the provisions relating to the prescription of the Membership of the Board to ensure flexibility to deal with a need for particular skill sets from time to time
  - 1.3. Provide greater clarity around the employment relationship for all staff.
2. The amended AEDA Charter [Link 1 view [here](#)] came into operation when it was published in the Government Gazette on 24 February 2022.
3. It is noted that BRM Advisory was engaged to review the ACMA Charter in 2021 and drafted the revised Charter for consideration by the ACMA Board and Council. Subsequently, BRM Advisory was engaged to review the AEDA Charter to ensure the AEDA Charter was consistent with the ACMA Charter.
4. Differences between the two Charters in clauses including the number of Council members on Board Member selection panels, limits to a number of terms served by Board Members, and who can appoint Board Members in the event of a vacancy during a term are as a result of Council decisions.
5. Council at its meeting on 26 April 2023 resolved: “That the Charters for both the Adelaide Economic Development Agency (AEDA) and Adelaide Central Market Authority (ACMA) be internally reviewed for consistency where applicable.”
6. Council at its 26 September 2023 meeting approved the proposed amendments to the ACMA Charter and in relation to the AEDA Charter’s proposed amendments, resolved “that the proposed changes to the Adelaide Economic Development Agency charter will be deferred until the matter is discussed by the Board of AEDA and Council”.

## Discussion

7. The internal governance review recognised there are a number of differences between the Charters that are specific to the relevant subsidiary. These differences include:
  - 7.1. Objects and Purposes
  - 7.2. Powers, Functions and Duties
  - 7.3. ACMA to establish a Traders Representation Committee and AEDA to establish an Advisory Committee and the relevant membership of each
  - 7.4. Funding of ACMA.
8. The review has also identified a number of differences between the ACMA and AEDA Charters including clarity of wording in different clauses, the different titles - General Manager and Managing Director - for the person appointed by the City of Adelaide to the role to manage the business of the subsidiary, governance matters relating to appointment of Board Members, delegations to the General Manager / Managing Director and Reporting.
9. Attachment A is a table outlining the differences in the current ACMA and AEDA Charters and proposed amendments to either the ACMA or AEDA Charters to ensure consistency. Key amendments include:
  - 9.1. Amending the AEDA Charter to have two Council Members on the Board Selection Panel to be consistent with ACMA
  - 9.2. Amending the ACMA Charter to set a limit of three consecutive terms for reappointment
  - 9.3. Amending the ACMA Charter to have casual vacancies appointed by Council not the Council’s CEO
  - 9.4. Amending the ACMA Charter to clarify that all employees of the Authority are employees of the City of Adelaide
  - 9.5. A new clause in each of the ACMA and AEDA Charters advising each Board will determine annually if Council Members can attend Board meetings as an observer
  - 9.6. Amending the title of the AEDA Managing Director to AEDA General Manager to be consistent with the ACMA General Manager.

10. The only governance clauses that are different between the ACMA and AEDA Charters if the proposed amendments are approved are:
  - 10.1. Clause 4.4.1 relating to the maximum number of Board Members which for ACMA is seven and for AEDA is nine.
  - 10.2. Clause 4.11.14.1 relating to quorum for meetings of each subsidiary. The ACMA Charter states the quorum is four Board Members. The AEDA Charter states the quorum is half the total number of Board Members plus one.

#### **Proposed changes specific to the AEDA Charter**

11. The internal review of the AEDA and ACMA Charters to ensure consistency where applicable between the two charters was undertaken at the same time that the external reviews of AEDA by Deloitte and KPMG were conducted.
12. The external reviews did not recommend any amendments to the AEDA Charter.
13. The proposed amendments to the current AEDA Charter are shown as tracked changes in [[Link 3 view here](#)].
14. The proposed amended AEDA Charter is shown as **Attachment B**. If approved by Council a copy of the amended Charter will be provided to the Minister for Local Government and notice of the amended Charter will be placed in the Government Gazette. A copy of the amended Charter will be made available on the AEDA website.
15. At the 27 October 2023 Board meeting the AEDA Board noted the findings of the internal governance review on the ACMA and AEDA Charters and approved the amendments of the AEDA Charter as set out in **Attachment B**.

#### **AEDA Board Consultation**

16. At its 27 October 2023 Board meeting, the AEDA Board considered the proposed amendments to the AEDA Charter as recommended by the internal governance review and confirmed they were supportive of the Charter amendments.
17. Given Residential Growth is a priority of the current Council and at various times has been discussed, including in the City Finance and Governance Committee meeting relating to the AEDA Reviews, the AEDA Board considered its role in Residential Growth and how it is referenced in the AEDA Charter.
  - 17.1. The AEDA Charter directly refers to residential growth in clause 2.4.1 that states *'the objects and purposes of the Agency are: to accelerate economic growth in the City of Adelaide by attracting investment and supporting businesses, festivals and events, as well as visitor, student and residential growth'*. It is also mentioned within the *Powers, Functions and Duties* section of the Charter as per clause 3.1.2 that indicates a duty of the Agency is *'to position the City of Adelaide as an attractive investment opportunity for commercial and residential property development'*.
  - 17.2. The Board discussed residential growth and the role of AEDA in this area and noted that driving economic growth through residential growth was important given the work from home environment and the importance of positioning the city as a business and residential area to attract investment.
  - 17.3. The Board concluded that the City of Adelaide is the lead for residential growth in the city and AEDA should support residential growth by promoting the city via investment attraction and marketing, and subsequently agreed that no changes to the Charter were required in relation to Residential Growth.

#### **Proposed amendments to the AEDA Advisory Committee Terms of Reference**

18. The current Terms of Reference for the AEDA Advisory Committee [[Link 4 view here](#)] were last reviewed and approved by the AEDA Board and Council in February 2022.

19. Clause 4 of the Terms of Reference outlines the membership of the Advisory Committee, namely:  
“A representative from the collective of the Precinct Groups within the City of Adelaide.  
A small business representative.  
Representatives from across the following sectors – education, retail, culture / arts, health / wellbeing, entrepreneur / space / cyber technology and youth.”
20. When the Terms of Reference were prepared in 2021, the identified sectors were an outcome of stakeholder consultation to be complimentary to the skills and knowledge of existing AEDA Board members at that time.
21. With the recent expiry in terms of office of three Board Members and appointment of new Board Members, the skills and knowledge mix of the AEDA Board has changed.
22. It is proposed that the AEDA Advisory Committee Terms of Reference state that the Committee members would be representatives from a broad range of sectors within the City of Adelaide and complimentary to the skills and knowledge on the AEDA Board.
23. It is also proposed that the membership of the Advisory Committee be amended from ‘consisting of eight members’ to consisting ‘of **up to** eight members’ to accommodate for situations such as a member resigning and the time needed to recruit.
24. In addition to the proposed amendment within the Membership clause, the following syntactical and typographical amendments are proposed:
  - 24.1. Clause 7.2 Advisory Committee Representative on the Advisory Committee should read Advisory Committee Representative on the AEDA Board.
  - 24.2. Clause 7.4 Quorum – Amending the quorum to five Committee Members to meet the requirement that ‘The quorum for any meeting is half the appointed Advisory Committee members plus one, rounded to the nearest whole number’.
  - 24.3. Update the Table of Contents.
25. The proposed amendments to the Terms of Reference were endorsed by the AEDA Board at its meeting on 25 July 2023.

#### **Next Steps**

26. Subject to Council’s approval of the proposed amendments to the AEDA Charter, a copy will be provided to the Minister for Local Government and notice of the amended Charter will be published in the Government Gazette and on the AEDA website.
27. Subject to Council’s approval of the proposed amendments to the AEDA Advisory Committee Terms of Reference, a copy will be provided to the AEDA Board and Advisory Committee members and published on the AEDA website.

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## DATA AND SUPPORTING INFORMATION

**Link 1** – Charter of the Adelaide Economic Development Agency 2022

**Link 2** – Charter of the Adelaide Central Market Authority 2023

**Link 3** – Adelaide Economic Development Agency Charter with tracked changes amendments

**Link 4** – AEDA Advisory Committee Terms of Reference with tracked changes amendments

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## ATTACHMENTS

**Attachment A** – Table of proposed amendments to the ACMA and AEDA Charters

**Attachment B** – Proposed amended Adelaide Economic Development Agency Charter

**Attachment C** – Proposed amended AEDA Advisory Committee Terms of Reference

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- END OF REPORT -