

Our Corporation

AEDA 2025/26 Business Plan and Budget

This workshop seeks to provide Council Members' with information regarding:

- AEDA's 2025/26 Business Plan and Budget; and
- The basis for the AEDA Board's position of 9.5% of rate revenue to deliver obligations under the AEDA Charter and Council's Economic Development Strategy

Adelaide Economic Development Agency

Steve Maras, Chairperson

Greg Ratsch, General Manager



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ADELAIDE

Key Messages

- City of Adelaide Administration has allocated additional funding to AEDA, lifting the proposed budget allocation from \$8.91m to \$9.964m (which now equates to 6.96% of rate revenue).
- AEDA has developed a draft 2025-26 Business Plan and Budget for consultation working within the parameters of a \$9.964m budget but the Board notes this is inadequate to fund its obligations to deliver Council's Economic Development Strategy.
- The basis of the 9.5% figure is outlined in this presentation.

AEDA Allocation



AEDA allocation proposed at CF&G 18 March	\$8.910m	6.2%
Transfers subsequently identified		
+ Precinct activation (precinct review)	\$0.822m	
+ Winter Weekends	\$0.093m	
+ Spendmapp subscription	\$0.044m	
+ Other	\$0.095m	
Allocation currently proposed	\$9.964m	6.96%

2025/26 Business Plan Focus



- Deliver obligations under Council's Economic Development Strategy assigned to AEDA:
 - Increase the number of people visiting the City by enhancing promotion, developing new reasons to visit, continued investment into business events and supporting the local tourism sector (CoA EDS Goal 1)
 - Investing in a program of events and festivals, supporting the night time economy and working with the City of Adelaide to increase employment opportunities in the creative industries (CoA EDS Goal 5)
 - Increasing investment attraction and continuing investment into strategic partners (CoA EDS Goal 6)
- Continuing to reposition and develop Rundle Mall given the competitive environment with on-line trading and other centres
- Open a technology driven Visitor Experience Centre
- Support precinct-level activity and enhance promotion of local area activations
- Articulating the City's positioning with the soon to be released State Brand and flowing that through marketing campaigns and messaging
- Enhancement of AEDA's data and insights function

Program Plan budget with 6.96% rate revenue allocation



	2024/25 Q2					Proposed 2025/26			
	\$'000	FTE	Inc.	Exp.	Total(N)	FTE	Inc.	Exp.	Total(N)
Operating Budget									
Revenue			4,417		4,417		4,528		4,528
Employee Costs		31.6		(4,676)	(4,676)	34.6		(5,178)	(5,178)
Materials				(4,436)	(4,436)			(5,381)	(5,381)
Sponsorships				(3,249)	(3,249)			(3,346)	(3,346)
Depreciation				(88)	(88)			(48)	(48)
Finance Costs				(6)	(6)			(4)	(4)
TOTAL		31.6	4,417	(12,455)	(8,038)	34.6	4,528	(13,957)	(9,429)
Activity View									
General Manager AEDA		2.0		(572)	(0,572)	2.0		(546)	(546)
Business and Investment		7.0		(2,618)	(2,618)	10.0		(3,610)	(3,610)
Marketing		8.0		(1,917)	(1,917)	8.0		(2,144)	(2,144)
Rundle Mall Management		9.6	4,398	(4,391)	7	9.6	4,518	(4,518)	0
Visitor Economy		5.0	19	(2,957)	(2,938)	5.0	10	(3,139)	(3,129)
TOTAL		31.6	4,417	(12,455)	(8,038)	34.6	4,528	(13,957)	(9,429)

AEDA Proposed Budget at 6.96%



- **Continuation of existing programs:**
 - Strategic projects: Rundle Mall Music Program, tourism product identification (second year of a two year program)
 - Core BAU: business and investment, general marketing, data & insights, visitor economy
 - Grant programs: Mainstreet development grants, events & festivals sponsorship, strategic partnerships
- **New initiatives**
 - Articulation of City brand, visitor centre transition, investment attraction, extension of data and insights role
 - Addition of program associated with precinct review (transfer from City Culture)
- **Discontinuation of:**
 - **Commercial Events Fund (due to funding into the sector via Events & Festivals Sponsorship)**

Operating Activities		
	2024/25 (Q2)	2025/26
Adelaide Fashion Week	-310	-489
Business Growth - Business Support	-172	-177
Data & Insights	-198	-182
Event & Festival Sponsorship	-1,932	-1990
General marketing	-408	-420
Mainstreet Development Grants	-184	-190
Strategic Partnerships	-1,109	-1142
Visitor Growth - Tourism Projects	-180	-198
Total	-4,493	-4,788
Other Activities (embedded in Program budget)		
	2024/25 (Q2)	2025/26
Visitor Information Centre Operational	-150	-150
Visitor Information Centre Transition	0	-50
Precinct Review transfers	0	-822
Total	-150	-1,022
Strategic Projects		
	2024/25 (Q2)	2025/26
Rundle Mall Live Music	-100	-100
Tourism Product Identification (Year 2)	-133	-150
Commercial Events Fund	-500	0
City Brand	0	-100
Partner Marketing	0	-75
Investment Attraction	0	-100
Total	-733	-525

Delivering Council's Economic Development Strategy – The basis for 9.5% allocation of rate revenue

Base Budget	9,964
+ EDS Goal 1: More than a gateway to SA	955
+ EDS Goal 2: A thriving economy for all	300
+ EDS Goal 3: Adelaide as a centre for education & collaboration	500
+ EDS Goal 5: Australia's festival & creative capital	1,200
+ EDS Goal 6: An easy place to do business	1,620
Additional funding to deliver EDS requirements	4,575
Total Funding	14,529

This equates to 10.16% of rate revenue.

The initial calculation of 9.5% did not include transfers associated with the precinct review. If the \$0.822m for this is removed, the allocation would equate to 9.58% of rate revenue.

Delivering Council’s Economic Development Strategy – The detailed basis for 9.5% allocation of rate revenue



EDS Goal	EDS Action	Proposed AEDA led initiative	Cost
EDS Goal 1: More than a gateway to SA	Promote growth in the number of 4&5 star and boutique hotel beds in the city to support an increase in the number of international visitors	Demand led Strategy: SATC Partner Marketing	\$225k
	Partner with the Adelaide Airport to promote Adelaide as a destination and increase direct flights to Adelaide		
	Partner with the SATC on marketing and promotion strategies to sell Adelaide’s unique attributes and emerging opportunities		
	Partner in the development of a more diverse range of tourism products and new experiences	North Terrace Visitor Enhancement	\$150k
		Tourism Product identification (additional for full program)	\$80k
	Promote Adelaide’s reputation for delivering great experiences through enhanced destination marketing	Enhanced metropolitan and interstate marketing	\$300k
Increased General Marketing		\$200k	
EDS Goal 2: A thriving economy for all	Partner on programs that enable night time activation and support our workers and businesses of the night time economy	Evening Economy	\$300k
EDS Goal 3: Adelaide as a centre for education and collaboration	Enable connections between business & industries well poised to capitalise on the benefits of a circular economy.	ClimateTech cluster program	\$500k
	Promote Adelaide’s green credentials to attract new climate tech industries		
	Enable universities and industry to grow and support the development of current and emerging sectors such as medical, technology, creative and professional services sectors	Innovation Places program (see Goal 6)	

Delivering Council’s Economic Development Strategy – The detailed basis for 9.5% allocation of rate revenue

EDS Goal 5: Australia’s Festival and Creative Capital	Promote our creatives & creative city status through marketing, storytelling & showcasing events in partnership with the State Government	Marketing of creative sector	\$150k
		AFW (additional expansion)	\$200k
		Creative sector showcasing events	\$150k
	Enable arts, culture and music through programs that support events & festivals	Commercial Events Fund	\$500k
		Event Leveraging	\$200k
EDS Goal 6: An easy place to do business	Enable small businesses to grow and medium enterprises with aspirations to upscale	Strategic partnerships program: Tier 2 (Business support)	\$800k
	Enable businesses to grow by piloting projects, research and offering grants that support small and medium enterprises		
	Promote collaboration between key city institutions including the universities, Lot 14 and Bio-Med City to achieve economies of scale and scope through specialisation	Innovation places program	\$260k
	Promote key institutions such as university entrepreneur hubs and business growth centres as well as Lot 14 and BioMed City, and look to where we can support new and innovative start-ups		
	Partner with key stakeholders to progress economic development & growth outcomes across all sectors to increase city contribution to GSP	Broadened Strategic Partnerships program	\$400k
	...actively attract new medium enterprises to South Australia	Broadened Investment Attraction function	\$160k