



## **Workforce Growth Plan**

### **Operating Guidelines**

- 
- Workforce Relocation and Organisation Expansion Program
  - Public Sector Employment Program
  - Education Institution Attraction Program
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## Document Approval

This procedure has been compiled by the Economic Development Unit within the Policy and Strategy Division to assist in the administration of the Organisation Attraction and Expansion Program and the Education Institution Attraction Program.

Approved by	Date
EMT	17/1/06

## Document Control

### Contact for Enquiries and Proposed Changes

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## Record of Issues

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Draft		Template	Business & Risk Analyst - Bryce Rogers
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Version 1.3	17/01/06	Amendments incorporating Education Institution Attraction Program	Senior Economic Development Officer- Dominic Pangallo

## Document Distribution

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# **1 Introduction**

## **1.1. Purpose**

This operating guidelines is an administrative document which provides staff with direction for the managing and delivering Council's:

- Workforce Relocation and Organisation Expansion Program;
- Public Sector Employment Program; and
- Education Institution Attraction Program.

## **1.2. Legislative and corporate requirements**

Any relevant legal requirements, where applicable, will have precedence over these guidelines.

# **2 Administrative policy**

The Workforce Relocation and Organisation Expansion Program is one of five key recommendations contained in the Workforce Growth Plan adopted by the Strategy and Policy Committee on 30 May 2005. The specific recommendation is to "establish a proactive workforce relocation and business expansion function within Council to assist organisations not located in the City to relocate their operations into the City. This includes attracting 'anchor' organisations to develop and generate employment."

The Public Sector Employment Program is another of the five key recommendations. The specific recommendation is to "Establish and work towards an agreed target with the State and Commonwealth Governments regarding the number of public sector employees to be located in the City."

The Education Institution Attraction Program is one of a number of key actions contained in the Student Growth Plan adopted by Council on 10 October 2005. It aims to to proactively increase supply of student places by attracting new institutions and supporting the growth of existing institutions.

# **3 Roles and responsibilities**

The programs will be managed and delivered by the Economic Development Unit. Each potential relocating organisation will be provided with a case manager from the Economic Development Unit.

As the programs encourage Council services to be provided to relocating or expanding organisations in an integrated and holistic manner, other units of Council will be involved in the implementation of the program on a case by case basis relating to their functional areas of responsibility.

Where the project has a financial consideration, approval within existing financial delegations will be the responsibility of the General Manager, Policy and Strategy.

# **4 Program objectives**

The Workforce Relocation and Organisation Expansion Program seeks to increase the number of workers in the City by 2,000.

The Public Sector Employment Program seeks to increase the number of workers in the City by 1,500.

The programs will match the needs of organisations not currently operating in the City with the expanding commercial property market and the C&D Grade Property Refurbishment Program where appropriate.

Assistance will also be considered for City-based organisations which are seeking to increase their number of workers.

The Education Institution Attraction Program seeks to proactively identify and attract new institutions and assist existing ones to grow in a direct interventionist manner with the ultimate aim of increasing student numbers. Consideration will be given to all educational sectors including VET, schools, international schools, registered training organisations, foundations and universities.

## **5. Assistance provided through the programs**

### **5.1. Eligibility**

Assistance will be considered on a case-by-case basis for organisations (including educational institutions) which are already located within the City but are looking to increase their number of workers or students.

Retrospective support for relocations or expansion activities which have already occurred or which have physically commenced will not be considered.

Eligibility does not imply that an organisation will automatically receive assistance through the programs.

#### *Workforce Relocation and Organisation Expansion*

Organisations which can be assisted are those that are not currently operating in the City and which meet one or more of the following criteria:

- Can act as “anchors” to develop and generate employment across their industry sectors;
- Provide niche or specialty services which add to the vitality of specific sectors;
- Have the potential to develop strong support chains with businesses in other states and other parts of South Australia;
- Can benefit from new opportunities that a City-based location can provide (with tangible flow on effects to the broader State economy);
- Operate within one of the State Government’s priority industry sectors;
- Is a State or Commonwealth Government agency.
- Are franchises not located in the City; and
- Complement sectors in which the City has locational strengths.

#### *Education Institution Attraction*

Institutions which can be assisted are those that are not currently operating in the City and which meet one or more of the following criteria:

- Education institutions with an international focus that have an interest in locating in SA that can by virtue of their standing in the marketplace attract other institutions, specialist providers or industries to the State or the City.
- Education institutions with industry links or strong research capabilities
- Education institutions wishing to establish unique national flagship courses.
- English Language and Foundation schools that can provide specialist support for overseas students to prepare them for tertiary study in Adelaide.
- VET/Registered Training Organisations which provide services that meet identified needs in skills shortage areas and provide niche learning opportunities.
- Schools that wish to increase student numbers by the provision of a wider curriculum, specialist learning and international student programs.

## 5.2. Nature of Assistance

The programs will provide a case management service which will facilitate and support the relocation and growth of individual organisations. The programs do not provide direct financial assistance to organisations other than reimbursing services for purposes outlined below.

The type of assistance which will be provided is summarised in the list below. It is important to note that each individual organisation may have different requirements. Therefore the assistance listed below should be viewed as indicative rather than prescriptive. The nature of assistance provided will be guided by a business case prepared with that individual organisation. Such business cases will be informed by the specific needs of the individual organisation and the broader information gained from the research component of the programs.

Activities which may be supported through the programs include:

- Development of a case for investment in the City, tailored to individual business opportunities;
- “Packaging” specific sites/buildings in order to make them suitable for investors/tenants in priority industry sectors;
- Assistance with Council processes;
- Assistance and advice on government incentive schemes;
- Participation in Enterprise Adelaide business development programs and networking opportunities;
- Sourcing of location – advice on land and commercial facilities;
- Advice on lease, buy, design and construct options;
- Training and recruitment costs for new employees;
- Assistance with specific enabling infrastructure;
- Feasibility studies, including research on student demand and preferences;
- Piloting or trialling tailored student support and welfare programs;
- Specific attraction initiatives – which may include consideration of tailored improvements to Council owned public realm, familiarisation visits for organisations which may potentially relocate, advocacy and visits to organisation headquarters by staff to present the business case for relocating into the City.

The programs will not support rate holidays or provide rate subsidies to relocating organisations.

Where a reimbursement for services is provided, this will be paid in instalments and linked to specific milestones or targets and will be paid only when those milestones or targets are met.

The final milestone for all projects providing a reimbursement for services will be the acquittal of funds. A minimum of 25% of project funding will be held back and will only be paid when evidence of acquittal is received by Council.

The following are required for acquittal:

Where the financial contribution exceeds \$5,000 the organisation will need to provide an independently audited financial statement. This statement will identify Council’s reimbursement and the expenditure of funds against the agreed project proposal developed by Council and the organisation.

Where the reimbursement for services is less than \$5,000 the organisation will need to provide invoices and receipts matching the contribution to expenditure.

### **5.3. Limit of Assistance**

The programs can be categorised as delivering services to three broad groupings of organisations:

- Organisations seeking to relocate but not requiring support which involves a financial consideration for Council. These firms will be provided with support by a case manager appointed from within Council's Economic Development Unit (including Enterprise Adelaide)
- Organisations seeking to relocate and requiring services with a financial consideration for Council. These firms will be provided with a case manager appointed from within Council's Economic Development Unit (including Enterprise Adelaide). These organisations will not be provided with direct financial support but may be provided with a suite of services to facilitate the relocation. Eligible firms may receive services up to the value of \$750 per additional employee with a limit of \$75,000 per organisation assisted (subject to funds being available in each financial year).
- Organisations already located in the City and seeking to grow will be case managed by staff from Enterprise Adelaide. Eligible firms may receive services up to the value of \$500 per additional employee with a limit of \$50,000 per organisation assisted (subject to funds being available in each financial year). Assistance will be targeted to firms which are experiencing significant growth through the pursuit and development of new opportunities.
- In the case of education institutions, the business case developed will guide the nature and limit of assistance to be provided.

### **5.4. Identifying Suitable Organisations**

The programs will identify potential organisations in both proactive and reactive manners.

#### **5.4.1. Proactive identification**

Council will proactively seek organisations to relocate into or within the City. A strong marketing campaign will be developed to support this (refer Section 6).

Economic Development Unit staff will identify and target organisations which may be potential candidates to relocate to a City location. The basis for this identification will be the criteria for eligibility articulated in Section 5.1. Following identification, these organisations will be contacted to ascertain their locational intentions and potential.

Strong linkages will be formed with the Department of Trade and Economic Development; Department of Premier and Cabinet; Department of Further Education, Employment, Science and Technology (DFEEST); Education Adelaide and Invest Australia to

enable potential organisations to be recognised early in their locational decision making processes.

Where a potential relocation is of state significance and the State Government is already working with that organisation, Council will adopt a supporting role and value add through the program to the State's negotiations.

All organisations which are located in the City and indicated in Council's Land Use and Employment Survey that they are planning to grow in the next two years, will be contacted to ascertain their business requirements and potential assistance needs.

#### **5.4.2. Reactive identification**

The program will respond reactively to queries regarding relocation. It is expected that this type of inquiry will emerge through Enterprise Adelaide, Office of the CEO/Lord Mayor or through the Development Assessment Unit, however other units of Council may be the initial point of contact for relocating organisations. To ensure all potential inquiries are handled expeditiously, information about the program will need to be communicated throughout Council.

### **5.5. Process**

#### **5.5.1. Applications**

There will be no formal application process for the programs. A project proposal unique to the requirements of the organisation being supported will be developed. This will be jointly developed by the organisation seeking to relocate/expand and the Economic Development Unit.

Although each proposal will reflect the unique requirements of each case, projects will include as a minimum:

- the nature of assistance required;
- the estimated cost of providing that assistance;
- the net increase of workers or students in the City resulting from the relocation;
- proof of financial viability of the relocating organisation; and
- information regarding the organisation's growth intentions.

#### **5.5.2. Assessment of Applications**

Applications for support will be assessed within Council's Economic Development Unit. Recommendation for support will be the responsibility of the Manager, Investment with approval to be provided by the General Manager Policy and Strategy.

Where the relocation/expansion has a financial consideration for Council, approved financial delegations will apply.

### **5.5.3. Allocation of Assistance**

Assistance will be allocated to those organisations which meet the eligibility criteria. Support which involves a financial consideration for Council will be assessed in the order in which they are received.

### **5.5.4. Implementation**

The organisation's relocation or expansion activity must be substantially completed within six months of notification of approval.

### **5.5.5. Verification and Follow-Up**

Upon completion of the relocation/expansion, the recipient organisation must notify Council and provide evidence of the increase of workers or students in the City.

When the relocation has been satisfactorily completed and the net change in worker or student numbers in the City has been verified, the Economic Development Unit will recognise the project as completed. Although the project is recognised as completed, the Economic Development Unit will continue to provide post-project contact for a minimum period of six months.

Six months after assistance for relocation and/or expansion has been completed a final check of the net increase in workers or students will be undertaken.

## **6. Promotion**

Promotion associated with the Workforce Relocation and Organisation Expansion Program and the Education Institution Attraction Program will include:

- Development of an investment and business prospectus;
- Direct marketing to industry sectors identified as having strategic importance to the City;
- Customised approaches to specific target organisations (including franchises) and specific educational institutions;
- General promotion to raise awareness of the programs; and
- Promotion of the City as a place of choice to operate and grow an organisation;

The promotion of the Public Sector Employment Program will be more targeted and will involve direct contact with decision makers in government agencies.

## **7. Monitoring and Review**

### **7.1. Indicators of effectiveness**

The effectiveness of these operating guidelines will be assessed by the number of additional workers and students attracted into the City through these programs; and

### **7.2. Procedures/timelines for review**

A review of these operating guidelines will be undertaken at the end of every second financial year.