14.2 Decision Reports

14.2.1 Community Wealth Building

Report Type	For Information
City Vision Goal/s	Prosperous Economy Places for People
Report Author	Senior Economic Development Officer, Corporate Services
Report Summary	This report provides an overview of Community Wealth Building (CWB) and outlines existing Council alignment to the approach.
Attachments	1. City of PAE Community Wealth Building Discussion Paper - Executive Summary [**14.2.1.1** - 11 pages]

RECOMMENDATION

Council resolves that:

1. **The report of the Director Corporate Services titled "Community Wealth Building" be received and noted.**
2. **Its existing strategies, policies and programs demonstrate alignment with Community Wealth Building principles.**
3. **Community Wealth Building outcomes continue to be delivered through its current strategic framework, with no significant change to the existing approach.**
4. **Future reviews of the City Vision and the Economic Development Plan will enable Council to consider strengthening Community Wealth Building approaches over time.**

Report

Background

The City of Port Adelaide Enfield's 4 Year Business Plan 2024–28 and Prosperous Economy Strategy and Economic Development Plan 2025–29 include a commitment to explore Council's role and opportunities in Community Wealth Building (CWB). This work supports Council's ambition to facilitate a more inclusive and equitable local economy.

SGS Economics and Planning (SGS) was engaged to prepare a Community Wealth Building Discussion Paper to strengthen Council's understanding of CWB. The Executive Summary provides an overview of what CWB is, outlines national and international case studies, reviews how CWB is featured in Council's existing strategies and policies, identifies barriers and opportunities to CWB, and presents the findings of consultation with local anchor institution representatives (Attachment 1).

Community Wealth Building

Community Wealth Building (CWB) is an economic development approach that seeks to strengthen how local economies function, by supporting local communities to become more sustainable through keeping money and opportunities close to home. It builds on traditional economic development approaches by placing greater emphasis on community benefit, including generating and retaining wealth within the local community, with a focus not only on growth, but on who ultimately benefits, supporting long-term economic resilience and positive social and environmental outcomes.

Anchor institutions, large place-based organisations such as councils, universities and hospitals are central to this approach due to their significant purchasing power and substantial local workforces.

The discussion paper describes CWB as consisting of five actionable pillars that form a coordinated framework. These are summarised in the table below:

Progressive procurement	Increasing opportunities for small and medium businesses to win work, capture a greater share of anchor institution spend, retain wealth locally and support local jobs and sustainable practices.
Fair employment and just labour markets	Supporting fair and accessible job opportunities for local people, particularly those facing barriers to employment and improving the benefits of local work.
Socially productive use of land and property	Using property, land holdings and other assets to support local businesses and community activity and deliver long-term local benefits.
Making financial power work for local places	Encouraging local investment and spending, so local savings and wealth support local businesses, jobs and community outcomes over the long term.
Plural ownership of the economy	Spreading wealth and opportunities amongst more locally owned businesses and expanding the role of cooperatives and mutuals such as employee, producer, or consumer-owned businesses.

City of PAE's current alignment with Community Wealth Building principles

As outlined in the discussion paper, analysis undertaken by SGS indicates that Council's strategic framework demonstrates strong alignment with CWB principles across a range of key strategic documents and policies. In particular, the City Vision 2024–34 establishes the long-term direction for a liveable and inclusive City, underpinned by community-focused decision-making. The Prosperous Economy Strategy and Economic Development Plan 2025–29 is a holistic plan that gives effect to this direction by supporting local suppliers, workforce development, training pathways and inclusive business models, with a clear focus on delivering community outcomes through a prosperous economy.

Council is already delivering CWB-aligned outcomes across the five pillars, with some areas more established and others still emerging. These efforts extend across multiple functions, including procurement, employment, asset management, grants, advocacy and place-based economic development. Examples of current alignment across the five CWB pillars are outlined below.

Progressive procurement
Council is using procurement as a lever to deliver community benefit. Its Procurement Policy extends beyond lowest-cost considerations by applying an expanded value-for-money approach, which gives favourable consideration to tenderers that demonstrate sustainability, equity, support for Aboriginal and Torres Strait Islander businesses and circular economy outcomes. In addition, the AUKUS Decision Framework commits Council to advocating for local businesses to access defence supply chain opportunities.

Fair employment and just labour markets
Council supports fair employment and workforce participation through direct pathway initiatives and partnerships. This includes providing work experience and traineeship opportunities within Council, as well as partnering with schools, education and training providers to support youth employment and pathways into emerging and future industries. In addition, the AUKUS Decision Framework includes a commitment to advocate for local training and employment investment to ensure the community benefits from this generational opportunity.

Socially productive use of land and property
Council's asset base supports community and economic outcomes through the socially productive use of land and property. The Asset Management Policy recognises the public good associated with Council assets, including social and environmental value, not just financial return. Council also provides community spaces and premises for community and business use at low or no cost. In addition, the Prosperous Economy Strategy and Economic Development Plan 2025–29 commits to delivering public realm enhancements and to using Council land and properties in strategic locations as a catalyst for private investment in the local economy.

Making financial power work for local places
Council directs financial support toward local economic and community outcomes through its Grants Program. This includes programs such as Small Business Growth, Business Activation, Creative Industries, Events, Environment, Heritage and Placemaking Grants. These initiatives support local businesses, workforce development, community activity and environmental outcomes and contribute to retaining and circulating wealth within the local economy.

Plural ownership of the economy
Plural ownership is an emerging area within the Council's 's current practice. The Prosperous Economy Strategy and Economic Development Plan 2025–29 includes a commitment to facilitate a more inclusive and equitable local economy, which provides a foundation for supporting alternative ownership structures that retain wealth locally. This includes potential opportunities to strengthen cooperative, mutual and social enterprise models over time. In addition, Council's small business support programs help broaden opportunity across a diverse base of locally owned enterprises.

Future activities and opportunities aligned with Community Wealth Building principles
In addition to the activities already identified above, Council has a further range of planned and in-progress initiatives that align with CWB principles. These activities demonstrate that elements of a CWB approach are already being advanced through current Council activities and that further opporuntities also exist. Examples include:

- Improved procurement reporting to track local spend and identify opportunities to increase local supplier participation;
- Continued refinement of the AUKUS Decision Framework to strengthen relationships with anchor institutions and advocate for tangible benefits for local businesses and residents through supply chain access, local employment, training and workforce outcomes;
- Development of a Local Area Plan, which will guide housing diversity, infrastructure, employment land and activity centres to support inclusive local economic growth and participation;
- Preparation of an Investment Attraction Plan, which provides an opportunity to attract investment that delivers greater local benefit and supports the retention of economic value within the region; and
- Delivery of the Port Civic Precinct and Mainstreet Activation Program, which will support the productive use of underutilised heritage spaces, address vacancies and contribute to local economic activity and place-based outcomes.
- Various programs at Yitpi Yartapuultiku, including a Rangers Program connecting Aboriginal youth to career pathway tasters, as well as partnering with education providers to support formal hospitality qualifications.

Together, these activities demonstrate that Council is already progressing outcomes consistent with CWB principles through its existing strategic framework. On this basis, it is recommended that Council acknowledge this alignment and continue delivery through current strategies, policies and programs, while using future review points, including of the City Vision and Prosperous Economy Stratgey and Economic Development Plan, to consider strengthening the approach over time.

City Vision Relationship

CWB is primarily aligned with the City Vision goals of Prosperous Economy and Places for People. As an economic development approach, CWB supports a prosperous local economy by increasing local participation in procurement, employment, investment and business ownership. It also contributes to inclusive and liveable places through community-focused use of land, assets and local infrastructure.

Exploring Council's role and opportunities in CWB for the City of PAE, delivers on a commitment in the Prosperous Economy Strategy and Economic Development Plan 2025–29.

Legislative Context and Related Policies

There is no specific legislative requirement arising from this report. Relevant strategic and policy context includes the City Vision 2024–34, the Prosperous Economy Strategy and Economic Development Plan 2025–29, the Four Year Business Plan 2025/26, the Procurement Policy, the Asset Management Policy, and the AUKUS Decision Framework. These existing documents and initiatives provide the principal policy basis for Council's continued delivery of activity aligned to CWB outcomes.

Stakeholder Engagement

The formation of the *Community Wealth Building Discussion Paper* involved interviews with representatives from the City of PAE, and the following anchor institutions: Port

Adelaide Football Club, BAE Systems Australia, ASC, Tauondi Aboriginal Community College, Coopers Brewery and People First Bank.

An Elected Member workshop held on 2 June 2026 outlined the context for considering CWB at the City of PAE. This included the circulation of the *Community Wealth Building Discussion Paper* produced by SGS Economics and Planning. Feedback from the workshop reinforced the importance of delivering outcomes that benefit the whole community and support local procurement.

Risk Management

As the recommended approach does not propose a significant change to Council's existing strategic direction, delivery approach, or resource allocation, no additional risks have been identified.

Financial Management

The existing 2025/26 operational budget has supported the current phase of work to explore opportunities for CWB at the City of PAE. The recommended approach is to continue delivering CWB-aligned activities through existing strategies, policies, programs and budgeted work plans. Current and planned initiatives such as grants, procurement improvements, activation projects and advocacy work will continue to be managed within approved budgets.

Professional Fees and Contractor Costs

Development of the *Community Wealth Building Discussion Paper* was undertaken within existing resources. A budget of $24,990 excluding GST, allocated in the 2025-26 Annual Business Plan and Budget was used to fund the paper produced by independent consultancy SGS.

Environmental and Social Impacts

CWB has potential positive social, economic and environmental impacts through greater local retention of wealth, improved access to employment and training pathways, support for local suppliers and businesses and more socially productive use of land and assets. Council's existing approach also supports broader environmental and circular economy outcomes through procurement settings and local investment decisions. The recommended approach enables Council to continue pursuing these benefits in an integrated way through its current strategic framework.

SGS Economics & Planning

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Community Wealth Building Discussion Paper

City of Port Adelaide Enfield

April 2026

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OFFICES IN CANBERRA, HOBART, MELBOURNE, AND SYDNEY ON THE COUNTRY OF THE NGAMBRI/NGUNNAWAL/NGARIGO, MUWININA/PALAWA, WURUNDJERI, AND GADIGAL PEOPLES.

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1.1 Introduction

SGS Economics and Planning was commissioned by City of Port Adelaide Enfield (PAE) to prepare a discussion paper on Community Wealth Building (CWB) in the local economy. This responds to growing interest in CWB amongst key stakeholders, as well as broader interest in how economic, social and political changes such as significant inbound investment, growing inequality and uneven patterns of advantage and disadvantage are affecting the Port Adelaide Enfield community.

The project aims to support Council to build an understanding of Community Wealth Building and determine what role (if any) it could play as a leading metropolitan local government to benefit the local community.

What is Community Wealth Building?

Community Wealth Building is an economic development practice that seeks to transform how local economies function. It seeks to generate and retain more wealth and opportunity for the benefit of local people. It comprises 5 pillars, which together form an integrated agenda for action on local economic development:

- **Progressive procurement:** Expanding opportunities for local businesses to capture a greater share of procurement spend by local anchors, linked also to securing labour and sustainability benefits.
- **Fair employment and just labour markets:** Maximising employment opportunities for disadvantaged groups and maximising the rewards from local employment.
- **Socially productive use of land and property:** Leveraging property, land holdings and other assets to support local business and community development and build local resilience,
- **Making financial power work for local places:** Investing local savings and wealth locally for legacy community, business, workforce and environmental benefits.
- **Plural ownership of the economy:** Spreading wealth and opportunities amongst more local businesses and expanding the role of cooperatives and mutuals such as employee, producer or consumer owned businesses.

When implemented together, these pillars move local economies closer to desired outcomes such as a reduction in monopolistic influence, fuller use of assets for the benefit of the local economy and more locally-held income, wealth, savings and reinvestment.

Anchor institutions are a key component of Community Wealth Building. Anchor institutions are large, spatially immobile commercial, public and/or social sector organisations that have a significant stake in a city, town or place, as distinct from businesses whose capital is ultimately mobile, and whose shareholders and decision-makers are generally not embedded in a particular place.[1] In the Australian context anchor institutions can include local authorities, local health services, universities, trade unions, Aboriginal Land Councils, housing associations, large local businesses, and volunteer and community sectors.

Due to their size and nature, anchor institutions have a material influence over the character of the local economy. By deploying capital and assets in ways aligned with the five pillars – by purchasing locally, providing good pay and conditions to workers, productively utilising their assets, deploying savings locally and engaging with cooperative business forms – anchors can drive the local realisation of CWB outcomes.

Community Wealth Building in Port Adelaide Enfield

Port Adelaide Enfield is a distinctive context within which to apply Community Wealth Building. PAE has a strong, diverse and evolving economic base, with major inbound investment expected in coming years, especially due to the AUKUS program. However, it also faces a range of structural challenges, including:

- Leakage of workers from the LGA.
- Mismatch between local residents' skills and locally available jobs.
- Relatively high socio-economic disadvantage concentrated around industrial areas.
- Lower numbers of new job creation.

CWB is a way to address these challenges. This is assisted by a number of positive attributes of the local economy, which increase the likelihood of successful CWB implementation.

- Strong base of anchor institutions aware of an expectation that their activities create community benefits.
- Diverse built form with a variety of land uses and opportunities for activation.
- Strong business base in productive sectors, increasing supply of opportunities for additional local procurement to be competitively captured by local businesses.
- Place-based employment enhancing 24-hour activation.
- Opportunities for increased economic activity to benefit lower-income, disadvantaged residents, especially through training and education from AUKUS and related supply chains.
- An engaged community and Council.

As noted above, AUKUS is key to both the risks and opportunities for CWB in the local area. This program will see tends of billions of dollars spent on the maritime and defence supply chain over coming decades, by anchors who are motivated to secure a social licence from the local community. This promised elevated levels of local investment and expenditure on local education, training,

[1] CLES & Preston City Council (2019) How we built community wealth in Preston – achievements and lessons, https://www.preston.gov.uk/media/1792/How-we-built-community-wealth-in-Preston/pdf/CLES_Preston_Document_WEB_AW.pdf?m=636994067328930000 .

employment and procurement. It also risks intensifying inequality, reducing amenity in some areas and reducing social cohesion.

1.2 Case studies

International case studies

Preston and Manchester in the UK offer examples of a highly mature application of Community Wealth Building. In Preston, Council has worked alongside six anchor institutions to develop a procurement network. Across the anchor institutions, the proportion of collective procurement spend in the local economy of Preston increased from 5 percent (£38m) in 2013 to 18.2 percent (£112m) in 2016/17 and in the wider Lancashire economy from 39 percent (£292) to 79.2 percent (£486m) in this period. In Manchester, deliberate efforts by Council to redirect anchors' local spend have steadily increased the proportion of total procurement spend in Manchester city from 51.5% in 2008-09 to 73.6% in 2015-16.[2] In 2019-20, £353 million (69.2% of annual spend) was circulated to Manchester-based organisations, generating job opportunities and forging stronger local supply chains.

Also in the UK, Barrow-In-Furness is a testbed of progressive engagement between a defence anchor – BAE Systems – and the local community. While in earlier years defence investment was associated with the 'hollowing out' of civic life and exacerbation of inequality, increased emphasis on local recruitment, training and procurement have revitalised the local economy and achieved greater benefits for the community. In Somerville, US, CWB has been the framework for the city Council and community groups to ensure local regeneration through industrial growth, new transport connections and a property boom does not displace existing residents.

National case studies

CWB is part of the economic development practice of all levels of government in Australia. Specific actions can be identified under each of the pillars, while an emerging set of local governments are developing CWB strategies that are differentiated from mainstream approaches to economic development. These include Inner West Council, City of Sydney Council and Mount Alexander Council.

In South Australia, the Barossa Co-op is a living example of CWB. What began as a single general store owned co-operatively by the community has evolved into one of South Australia's largest independent supermarkets, Barossa Fresh, alongside nine retail businesses including Barossa Mitre 10, Intersport Barossa, Barossa Betta, Barossa Toyworld, Barossa Lifestyle, Barossa Workwear and The Design Studio. The Co-op also owns and operates Barossa Central shopping centre, home to more than 30 specialty retailers across two sites in the heart of Nuriootpa, turning over $35M annually. Across its businesses, the mix of retail offerings continues to reflect and respond to the needs of the local community. Profits stay local – with members – and are reinvested to strengthen the organisation, repay debt and deliver direct community benefits.

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[2] CLES (2017), '*The power of procurement II: the policy and practice of Manchester City Council 10 years on*', https://cles.org.uk/wp-content/uploads/2017/02/The-Power-of-Procurement-II-the-policy-and-practice-of-Manchester-City-Council-10-years-on_web-version.pdf

Industrial co-operatives, such as HunterNet in NSW, and networks such as Edinburgh Industry Alliance in the City of Playford highlight how a co-operative, integrated approach to training, procurement operations between local businesses can strengthen their competitiveness and expand their ability to benefit from high levels of investment in the sector.

1.3 Community Wealth Building diagnostic

SGS conducted the CWB diagnostic in two parts:

- A review of existing strategic development and policy material; and
- Consultation with council and selected local anchor representatives.

Review of existing strategic development and policy material

Documents reviewed include:

- City of Port Adelaide Enfield Procurement Policy
- PAE Asset Management Policy
- PAE Prosperous Economy Strategy and Economic Development Plan
- PAE City Vision 2024-34
- PAE Decision Making Framework for AUKUS (2024)
- Greater Adelaide Regional Plan
- Local Area Plans

In general, these documents demonstrate strong alignment with Community Wealth Building. The intent of almost all documents is to achieve local community benefits, with consistent mention of moving beyond narrow definitions of value to empower a wider range of local actions and impacts. The PAE City Vision, in particular, endorses ‘transformation’ in the way the local economy works, which supports implementation of CWB actions. The Prosperous Economic Strategy and Economic Development Plan (PES/EDP) includes elements and action that align with CWB principles, most explicitly a commitment to 'explore our role and opportunities in Community Wealth Building for PAE'. Specific actions, such as the enhanced local procurement via the City’s Procurement Policy and Decision Making Framework for AUKUS are already progressing the CWB agenda.

Existing documents could be strengthened with more specific mention of CWB as an agenda for Council policy, and actions that are explicitly described as being in alignment with the CWB pillars. Monitoring, evaluation and learning practices could also be strengthened to ensure current actions are achieving their aims of strengthening CWB across the LGA.

Consultation with anchor representatives

SGS also interviewed eight large organisations that, with deliberate action, can shape the PAE economy. We probed on procurement and employment practices, opportunities for local suppliers, and other aspects related to Community Wealth Building principles – as well as identifying potential barriers and challenges to a fuller CWB embrace. Interviewed organisations were:

- Port Adelaide Enfield Council
- Port Adelaide Football Club
- BAE Systems Australia
- ASC
- Tauondi Aboriginal Community College
- Coopers Brewery
- People First Bank

Anchors were generally positive toward CWB, and were often progressing actions aligned with the CWB pillars. This is clearest in relation to progressive procurement, with large defence anchors in particular adopting sophisticated, ambitious local procurement and local supply chain and human capital development practices. Fair employment and just labour markets are also well-developed, with most organisations offering above-market pay and conditions and more generally seeking to be an employer of choice. Several anchors have or plan to undertake large investments in land, property, facilities and other assets, which have shaped the local economy, though do not consistently consider CWB outcomes when doing so.

Anchors were less engaged with the pillars of making financial power work for local places and plural ownership of the economy. This generally reflects structural features of Australia's regulatory and financial system, such as a consolidated superannuation system – which constrains some sector or spatially based choice of investments of retirement savings – and low awareness of the cooperative and mutual sector.

1.4 CWB barriers by pillar

While existing and future practice and aspirations across the LGA is well-aligned with CWB, there are barriers to successful implementation of the agenda. These include:

- Uneven understanding of CWB across LGA, Council and Council staff, which may constrain clear adoption and commitment to implementation.
- Many local businesses operate at a small scale and might not see the value of forming a co-operative.
- PAE is part of the Adelaide metropolitan economy, making it harder to identify or 'contain' wealth flows. Large investments are expected to be financed by institutional capital, with little by the way of place-based or community finance.
- There is a lack of major non-council public anchors that could engage with CWB agenda.
- There is tension between Council's procurement approach, which is seeking 'scale' efficiencies, and expanding opportunities for local small businesses.
- Limited scope for PAE Council to influence large developments like AUKUS (Federal/State Government focussed). More generally State Government policy has recently reduced Council's influence over land use and development decisions.
- Structural disadvantage can erode capacity for action or create tension if growth is exclusionary.

- Local providers of community and employment and training services can be reliant on external funding. When the available funding isn't adequate or available their ability to deliver the support needed to close workforce participation gaps can be limited.

1.5 Implementing Community Wealth Building in Port Adelaide Enfield

It is clear from the review of Council documents and engagement with local anchors that aspects of Community Wealth Building are already happening in Port Adelaide Enfield. A systematic or strategic approach, including linking and aligning actions, may lead to greater and compounding impacts.

Port Adelaide Enfield Council could lead Community Wealth Building in the local area. Council's economic and community vision is already highly aligned with the agenda, and it has ample resources and expertise to have a meaningful impact. However, Council is just one player in the local economy. Much of the potential for profound changes and opportunities arise from programs such as AUKUS, which involves state and federal government, multinational manufacturing companies and hundreds of billions of dollars of investment. It is therefore unrealistic to expect Council to take sole ownership of outcomes.

If it chooses Council could therefore adopt a staged approach with tiered levels of ambition to make meaningful progress on Community Wealth Building. This can be achieved using a 'three horizons' framework.

- The first horizon is concerned with protecting existing assets and strengths of the local economy – in this case it is about consolidating progress based on existing CWB initiatives, identified in this work.
- In planning to the second horizon, CWB practice is incrementally developed with a sharper and more radical focus. It has a particular focus on collaboration with willing anchors in Port Adelaide Enfield to expand the agenda and its impact beyond Council.
- Planning to the third horizon presents a transformational narrative and focus, with CWB as core to Port Adelaide Enfield's economic strategy. This requires a lifting of sights to contemplate new opportunities and agendas for CWB that are significantly advanced beyond current practice.

Section 6.2 contains an example implementation framework for Community Wealth Building in PAE.

1.6 Conclusion: the way forward for CWB in Port Adelaide Enfield

This discussion paper has sought to do several things. First, it aims to introduce Community Wealth Building, as an action agenda for economic development that works better for people, place and planet. This is supported by a review of international, national and local case studies highlighting the profound diversity in economic development practice that is already aligned with CWB.

A Community Wealth Building diagnostic highlights a mix of approaches to CWB across the LGA. This is fertile ground for further cooperation and concentration of Community Wealth Building by Council and others. This paper also seeks to provide a framework for Council to consider future engagement with and implementation of Community Wealth Building. It has done this through a 'three horizons' framework, with a staged agenda of example actions, at escalating levels of ambition, building on the findings of the CWB diagnostic.

Suggested next steps for Council in relation to integrating CWB more fully include:

- Preparation and delivery of a presentation to elected Councillors.
- A workshop (or series of workshops) with Council staff to further refine and discuss implementation of Community Wealth Building.
- Development of a Community Wealth Building policy for Council consideration and adoption.
- Further engagement with anchors consulted for this paper, as well as other anchors and stakeholders not yet engaged.