

ITEM 18. TECH STARTUPS ACTION PLAN - POST EXHIBITION

FILE NO: S102796.007

SUMMARY

The City's draft Tech Startups Action Plan (draft Action Plan) outlines how the City can create an environment which enables technology entrepreneurs to start and grow successful global businesses.

On 10 August 2015, Council resolved unanimously to place the draft Action Plan on public exhibition from 18 August 2015 to 11 November 2015.

The community engagement during this time ensured that members of the Sydney tech startup ecosystem were informed about the draft Action Plan and encouraged to provide comments which would inform the final version of the Action Plan.

The City engaged ecosystem participants and the wider community via events, briefings, advertising, printed materials, media, social media and the website www.sydneyyoursay.com.au with opportunity to provide feedback on the draft Action Plan provided via survey completion, online discussion forum participation or email submission.

During the exhibition period, 3,397 individuals visited www.sydneyyoursay.com.au, there were 1,178 downloads of the draft action plan and 450 copies of the draft action plan were distributed. In total, 344 individuals provided feedback via an online survey, 20 through an online discussion forum and 32 organisations and individuals emailed submissions.

Stakeholder feedback, including feedback received from key ecosystem participants such as the Australian Computer Society Foundation, AusIndustry, Fishburners, Funnel Ventures, Hetexted.com, Sydney, Reinventure, Springboard Enterprises Australia, Stone and Chalk, Sydney Founders Institute, Tank Stream Labs, University of Technology, Sydney, University of Sydney, This Week in Startups and TiE The Indus Entrepreneurs, demonstrated strong endorsement for the focus areas and specific projects detailed in the draft Action Plan.

A predominant theme of the feedback was the need for entrepreneurship skills and knowledge delivered through programs, workshops, meetups, seminars or international speakers. This supported a key focus of the action plan to create skilled and connected entrepreneurs.

Recommended changes to the draft Action Plan include:

- (a) bringing forward work to increase the number of investors
- (b) bringing forward work to review our procurement policies
- (c) moving back work to develop a website with information and resources
- (d) adding an action to investigate support for a makerspace
- (e) strengthening the wording around women's participation in the ecosystem
- (f) adding information about the Australian Securities Exchange, makerspaces, federal government policy and other organisations in the ecosystem

The ideas provided by participants will continue to be referenced in developing projects to meet the actions in the plan.

In advance of an adopted Action Plan, the City has supported: CeBIT business technology exhibition and conference; Springboard Enterprises Australia Accelerator; the Global Co-working Unconference Conference Australia; Startup Week Sydney; Piivot Startup Week events; Code Club Australia Camp; SydStart conference; and the startup Good360, which received a City of Sydney grant.

The City is also finalising with Lend Lease, as part of a Voluntary Planning Agreement, for the provision of office space for lease by the City as a business innovation space (currently identified by the City as tech startup space) at 182 George Street, Sydney. The space will comprise around 3,900sq.m of floor area and responds directly to feedback from ecosystem participants which highlighted the need for affordable office space and resulting opportunities to create a tech hub which would enable startups to connect, share ideas, mentor and partner with others.

The City also continues to hold a regular business seminar, Tech Startups 101, as well as increasing awareness of Sydney's entrepreneurs. The City is also working with the NSW State Government to collaborate or jointly deliver new programs.

The consultation results are detailed in Attachment A. The City's response to this consultation feedback, including the submissions, and recommended changes to the draft Action Plan are summarised in Attachment B.

It is recommended that Council adopt the Tech Startups Action Plan (incorporating recommended changes arising from the exhibition period), as shown at Attachment C.

RECOMMENDATION

It is resolved that:

- (A) Council note the results of consultation on the *draft* Tech Startups Action Plan as shown at Attachment A to the subject report;
- (B) Council note the response to the consultation, including the submissions received, on the draft Tech Startups Action Plan as shown at Attachment B to the subject report;
- (C) Council adopt the Tech Startups Action Plan as shown at Attachment C to the subject report; and
- (D) authority be delegated to the Chief Executive Officer authority to make amendments to the Tech Startups Action Plan in order to correct any minor drafting errors.

ATTACHMENTS

Attachment A: Draft Tech Startups Action Plan Consultation Results Report

Attachment B: Draft Tech Startups Action Plan Consultation Response Report

Attachment C: Tech Startups Action Plan

BACKGROUND

1. A strategic approach to community consultation ensured the City was informed by the community about the challenges and opportunities facing the Sydney tech startup ecosystem and the role the City could take in addressing them.
2. The consultation feedback demonstrated strong endorsement for the focus areas and specific projects of the draft action plan.
3. The methodology involved informal and formal consultation, pilot projects, support for industry initiatives, peer review and public exhibition.
4. The Draft Tech Startups Action Plan was on public exhibition from 18 August 2015 to 11 November 2015. The community had the opportunity to comment on the draft action plan by completing a survey, participating in an online discussion forum or emailing a submission.
5. The City engaged the community via events, briefings, advertising, printed materials, media, social media and the Sydney Your Say website.
6. For example: 110 people attended an industry forum; there were 2,064 engagements via LinkedIn; around 2,600 postcards were distributed including in the SydStart conference pack; 2 emails were sent to 2,000 City Business e-newsletter subscribers; and 7 media releases were produced.
7. The five areas of focus of the action plan are:
 - (a) build the entrepreneurial culture and community;
 - (b) create skilled and connected technology entrepreneurs;
 - (c) increase the density of the ecosystem;
 - (d) support technology entrepreneur's access to funding; and
 - (e) develop technology entrepreneur's access to markets.
8. The survey tested 15 proposed actions or specific projects across all of the five areas of focus. For example: supporting a startup festival or events to connect tech startups with investors and leveraging our sister city relationship with San Francisco and Guangzhou.
9. The online discussion forum covered four topics and aimed to capture in-depth comments on the Sydney tech startup ecosystem.
10. The consultation activity reached the target community as demonstrated in the number and range of participants, which included tech startup entrepreneurs, employees and supporters, professionals in corporate businesses, investors, educators and students.
11. In total, 344 people gave feedback via an online survey and 20 through an online discussion forum, while 31 organisations or individuals emailed submissions.

12. Organisations which demonstrated support for the action plan, provided feedback or project ideas included: Australian Government Department of Industry, Australian Computer Society Foundation, Atlassian, Aeona, AusIndustry, Canva, Fishburners, Funnel Ventures, Hetexted.com, Localizer.co, muru-D, University of Technology, Sydney, Reinventure, Springboard Enterprises Australia, Stone and Chalk, Sydney Founders Institute, Tank Stream Labs, The University of Sydney, This Week in Startups and TiE The Indus Entrepreneurs.
13. A high number of survey respondents considered the City's proposed actions or projects to be useful or stated that they agreed with them. This level of agreement ranged between 72% and 94%.
14. 91% of respondents considered suburbs within the City of Sydney's local government area to be best place for tech startups.
15. A low number of survey respondents considered the City's proposed actions or projects not to be useful or stated that they disagreed with them. This ranged between 0% and 14%.
16. A number of themes in the discussion forum, comments in the online survey and email submissions were identified. The comments in the survey and submissions were categorised into 12 'themes' and then by 'subtheme'.
17. The predominant theme was the need for entrepreneurship skills and knowledge delivered through programs, workshops, meetups, seminars or international speakers. This endorsed the focus area of the action plan.
18. Refinements to the plan based on consultation feedback are outlined in detail in Attachment B. These included reprioritising some actions: bringing forward work to increase the number of investors and reviewing our procurement policies. In turn, some actions will need to be implemented later. An additional action was to investigate support for a makerspace.
19. The wording was strengthened around women's participation in the ecosystem. Information about the Australian Securities Exchange, makerspaces, federal government policy and other organisations in the ecosystem was added.
20. Following the public exhibition period of the Draft Tech Startups Action Plan, the Australian Government announced the *National Innovation and Science Agenda*. The NSW Government also recently commenced work on its *Innovation Strategy*.
21. This new federal government policy has been referenced in the Tech Startups Action Plan and the actions reviewed to ensure they are in alignment. The City is also working with the NSW State Government to collaborate or jointly deliver new programs.
22. The ideas provided by participants will continue to be referenced in developing projects to meet the actions in the plan.
23. The City has supported relevant industry initiatives, in advance of an adopted action plan, including working with:
 - (a) Hannover Fairs Australia to support the CeBIT business technology exhibition and conference;

- (b) Springboard Enterprises Australia to produce the Springboard Accelerator;
 - (c) Third Spaces Group which produced the Global Co-working Unconference Conference Australia;
 - (d) Startup Week Australia which produced Startup Week Sydney;
 - (e) Piivot which coordinated a range of entrepreneurship education events;
 - (f) Code Club Australia Camp which was hosted in Town Hall as part of Startup Week;
 - (g) Freelancer, which produced SydStart conference; and
 - (h) the startup Good360, which received a City of Sydney grant.
24. Some of these initiatives continue to be supported by the City of Sydney. The City also continues to hold a regular business seminar, Tech Startups 101.
25. The City also plays an important role in advocating for increased government focus on and support for tech startups, as well as increasing awareness of Sydney's entrepreneurs by generating positive media stories as well as using external and internal communication channels.

KEY IMPLICATIONS

Strategic Alignment - Sustainable Sydney 2030 Vision

26. *Sustainable Sydney 2030* is a vision for the sustainable development of the City to 2030 and beyond. It includes 10 strategic directions to guide the future of the City, as well as 10 targets against which to measure progress. The Tech Startups Action Plan addresses the following strategic directions:
- (a) Direction 1 - A Globally Competitive and Innovative City – The Tech Startups Action Plan responds to all five objectives that support this strategic direction and, in particular: 1.2 – strengthen globally competitive clusters and networks and develop innovative capacity; and 1.4 – develop innovative capacity and global competitiveness.
 - (b) Direction 5 – A Lively and Engaging City Centre – The Tech Startups Action Plan addresses objective 5.5 – assist small businesses to locate and thrive in the city centre in order to ensure the city centre has a wide cross-section of businesses, as well as provide opportunities for young entrepreneurs.
 - (c) Direction 6 – Vibrant Local Communities and Economies – The Tech Startups Action Plan addresses objectives 6.3 – develop and support local economies and employment to encourage and foster entrepreneurial spirit and employment growth; and 6.5 – build opportunities for lifelong learning in new literacies as digital literacy is integral to a skilled, globally-connected community.

- (d) Direction 7 – A Cultural and Creative City – The Tech Startups Action Plan addresses objectives 7.3 – support the development of creative industries so that the city fosters globally competitive clusters: tech startups are focused on a global market, are found in the creative industries but can also be creative enterprises themselves.

Organisational Impact

27. The adoption of the Tech Startups Action Plan will allow relevant business units to develop projects which will address the actions and to do so with certainty. It will ensure the co-ordinated delivery and evaluation of the action plan and therefore the Economic Development Strategy.

Risks

28. In the absence of a Tech Startups Action Plan, there will be no strategic framework or projects to support the growth of the tech startup ecosystem and, in turn, the development of Sydney's economy and a skilled, globally-connected community.
29. Given the detailed and comprehensive community engagement that underpinned the development of the Draft Tech Startups Action Plan, delay in its adoption risks the high level of goodwill and support towards the City of Sydney by those who have a stake in Sydney's continued development as a prosperous and lively city.

Social / Cultural / Community

30. The Tech Startups Action Plan builds on the Economic Development Strategy which takes an integrated approach, recognising that the city economy is influenced by a range of factors, such as liveability and amenity, access to affordable housing for key workers and childcare for parents; a diverse and well educated community.

BUDGET IMPLICATIONS

31. The costs associated with the finalisation of the Tech Startups Action Plan have been included in the Research, Strategy and Corporate Planning budget for 2015/2016.
32. Provision has been made in the 2016/2017 budget for the delivery of priority projects across a range of business units. The funding of projects in later years will be incorporated into capital and future year's operating budgets.

RELEVANT LEGISLATION

33. Local Government Act, 1993.

CRITICAL DATES / TIME FRAMES

34. The Tech Startups Action Plan will be reviewed at the end of the first five years of being implemented.

KIM WOODBURY

Chief Operating Officer

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