

Review of the Townsville City Deal

Formal Review Report

NOVEMBER 2020





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BACKGROUND

The Townsville City Deal (the Deal), signed in December 2016, is a 15-year program of planning, reform and investment to boost the productivity and liveability of Townsville. It is a partnership between the Australian Government, the Queensland Government and Townsville City Council (the Deal Partners), and establishes Objectives and Initiatives to achieve the shared Vision for the city's future.

The Deal will help reposition the region's economy for sustainable growth, taking advantage of Townsville's historical strengths.

REGIONAL CONTEXT

The Traditional Owners of the Townsville City area are the Bindal and Wulgurukaba peoples, the first people to have lived in the Townsville City area. Following European arrival, Townsville was established principally as a port city to support the growth of mining and agricultural production in the region. It is surrounded by world-class natural resources, including the North West Minerals Province (base metals), upper Galilee and Bowen Basins (metalliferous and thermal coal), and a diversity of rich agricultural land featuring grazing, broad acre crops and horticulture. There is a significant Defence presence as well as the establishment of education and other institutions related to marine science. The catchment for Townsville stretches from Bowen in the south to Hinchinbrook in the north and Mt Isa to the west.

The wealth of natural resources linked by rail, road and port infrastructure allowed for the development of Townsville and built strong economic and social connections between the city and the region. Today, Townsville effectively acts as Queensland's second capital city, servicing the greater North Queensland region.

In more recent times, there have been mining boom and bust cycles, natural disaster events and structural shifts. These have had a profound impact on Townsville's economic and social wellbeing. The Deal aims to build resilience in the region to soften the impact of these cycles and attract new investments and grow knowledge-based and service-based industries for the region.

THIS REVIEW

AECOM, on behalf of the Deal Partners, has conducted a Formal Review of the first three years of the Deal. This Review analyses information from over 40 interviews with key government and non-government stakeholders identified by Deal Partners, as well as publicly available data and information provided by the Deal Partners. The Deal Vision, Objectives and Initiatives were evaluated based on the delivery and progress of the Deal's commitments and future opportunities.

The Review captures the Deal's overall achievements and identifies key findings and opportunities for improvement to continue to build on its successes to date.

EARLY SUCCESSES

- \$942.6M of funding has so far been allocated to Deal projects.
- Key projects contributed to the local economy through 12.2% Aboriginal and Torres Strait Islander workforce participation, 121 apprentices, 69.3% trade packages let to local subcontractors and suppliers. 83.4% of construction hours by local subcontractors (Stadium) and more than 1000 direct and indirect jobs (Haughton Pipeline Stage 1).
- Funding mechanisms for projects at the commencement of the Deal were simple and speedily initiated, enabling government funds to be directed where needed to commitments.
- Quick project successes were achieved through identifying and funding projects that were previously well developed.
- Identified and delivered Deal projects are providing a catalyst stimulus for additional investment and employment generation across Townsville.
- Stakeholders interviewed as part of the Review were highly satisfied with fast and effective collaboration and communication.

OVERVIEW OF THE DEAL

City Deals are the key mechanism identified by the Australian Government to develop plans for economic growth and commit to actions, investment, reforms and the governance needed to implement them.

On 13 June 2016, the Australian Government announced its commitment to establishing the first Australian City Deal in Townsville. On 9 December 2016, the Deal was signed and publicly announced.

There was significant support by all interviewed stakeholders for the initial Deal processes including the determination of commitments and the implementation plan. For all stakeholders, the initial Deal process was considered to be well coordinated, with initial stakeholder feedback informing Deal commitments. The development of the Deal was completed within the desired timeframe.

The signed Deal was a mix of infrastructure and non-infrastructure (i.e. planning and reform) project commitments, which enabled and committed funding by the Deal Partners. In addition, the Deal clearly linked funding commitments to achieving important outcomes.

There was early momentum and successes through rolling out mature projects through the Deal, with numerous commitments already reasonably advanced in their planning at the time of the Deal's commencement.

The Deal was also a catalyst for encouraging non-Deal activities and investment through building connections, camaraderie and a uniform focus by the Deal Partners that filtered through to these non-Deal activities, such as the CBD development surrounding the North Queensland Stadium.

ALIGNMENT WITH THE DEAL'S VISION, OBJECTIVES AND FRAMEWORK

The Deal's overarching Vision for Townsville is that it will drive economic growth over its 15-year lifespan, unlocking potential for the region and encouraging business and industry development to help Townsville become:



the economic gateway to Asia and Northern Australia



a global leader in tropical and marine research and innovation



a prosperous and highly-liveable city for residents and visitors.

The Deal's five Objectives are to be delivered through 16 commitments and nine future opportunities. These are grouped under six Initiatives representing Townsville's strategy for redirecting growth, highlighting Townsville's natural advantages and creating sustainable jobs and investment.

The Deal's Vision and Objectives are based on long-term change and activities. The commitments and activities are aligned with the Vision and Objectives. The Vision and Objectives are still highly relevant to maintain focus for the City.

The Deal's six Initiatives and their drivers are based on a long-term outlook (i.e. over the 15 year life of the Deal). Consequently, assessment against each Initiative is limited to how well the commitments, future opportunities and activities under the Deal have contributed to the achievement of the Initiative so far.

Vision	Grow the economy of Townsville by supporting the city to be, by 2030: <ul style="list-style-type: none"> the economic gateway to Asia and Northern Australia a prosperous and lifestyle rich city for its community and visitors a global leader in tropical and marine research and innovation 					
Objectives	1. Revitalise Townsville, particularly the CBD and Waterfront PDA areas 2. Activate industry and export growth 3. Support long-term growth of local businesses 4. Enhance liveability 5. Improve planning, coordination and governance					
Initiatives	Capital of North Queensland	Innovative and Connected City	Port City	Industry Powerhouse for the North	Defence Hub	Enabling Infrastructure
Commitments	North Queensland Stadium	Development Corporation for Townsville	Channel capacity upgrade	Townsville eastern access rail corridor (TEARC)	Defence industry consultation	Townsville water security, supply and use strategy
	Townsville entertainment and convention centre	Health and knowledge development strategy		Townsville Industrial Development Board		Managing energy cost and boost energy productivity
	International education and training destination	Public transport solutions		Acceleration of the State Development Area (SDA)		
	CRC for Developing Northern Australia	Smart City Strategy		Woodstock intersection upgrade		
Future Opportunities	Townsville workforce development plan	Smart solutions for Townsville city and suburbs	Port expansion	Maximise export opportunities	Defence investment pipeline	Review and deliver preferred water supply solutions
		Urban renewal and revitalisation		Supply chain prioritisation		Renewable energy innovation
Governance	Local partnerships for better Governance					

2.0

ALIGNMENT OF THE DEAL'S INITIATIVES

CAPITAL OF NORTH QUEENSLAND

The Review found that the commitments have achieved their initially established milestones. The North Queensland Stadium has hosted the first NRL match and inaugural concert, the headquarters of the Cooperative Research Centre for Developing Northern Australia has been established in Townsville, projects have been undertaken as part of the international education and training destination, and an options analysis for change to an entertainment, events and cultural precinct has been undertaken for the Townsville entertainment and convention centre. Under future opportunities, the Townsville Workforce Development Plan has been developed in collaboration with industry, focusing on four key industries.

INNOVATIVE AND CONNECTED CITY

The Review found that the commitments (with the exception of the Development Corporation for Townsville) under this Initiative achieved their original milestones. The health and knowledge development strategy and Smart City Strategy have been developed, a bus hub constructed in the Townsville CBD and Demand Responsive Transport being investigated. The objectives of the proposed Development Corporation continue to be met albeit through different avenues with the commitment to establish the Development Corporation put on hold and ultimately discontinued.

This Initiative is regarded as being critically important to the future of Townsville in transforming the economy to one supporting greater knowledge and service industries, and retaining and attracting talent to the city.

PORT CITY

The Review found that the commitment under this Initiative has exceeded the original milestones. The channel upgrade project has started construction, where the original milestone was the completion of the business case and has progressed to include the future opportunity.

The Port City Initiative is strongly linked to the Industry Powerhouse for the North Initiative. As a long-term asset, the decisions to invest and proceed with the channel upgrade required understanding of the future role and function of the port, the potential for growth in the region, including the North West Queensland Minerals Province, and an understanding of the shipping industry and capacity to attract a range of vessels to the port. This Initiative is highly dependent on, and beneficial to the success of the region, through encouragement and investment in the supply chain value proposition.

INDUSTRY POWERHOUSE FOR THE NORTH

The Review found that the commitments under this Initiative have achieved their original milestones. The Business Case for the Townsville Eastern Access Rail Corridor (TEARC) was completed on schedule and recommended preservation of the land corridor for future project delivery when sufficient demand is generated through the Port of Townsville. The ability of funding to be reallocated from the TEARC commitment to other related commitments was a positive indicator of the Deal's flexibility and effectiveness. The Townsville Industrial Development Board supports industrial development in Townsville, including development opportunities for the Townsville State Development Area. Agility and catalysing influence is occurring, for example, the funding commitment to the Woodstock Intersection Upgrade will support the subsequent development of the Lansdown eco-industrial precinct, encouraging further investment in industrial operations.

DEFENCE HUB

The Review found that the commitment under this Initiative met its original milestones, and has undertaken some of the activities under the future opportunity. Consultation and development of connections across the Defence sector and its supply chains is occurring. As this Initiative is related to building capability rather than project outcomes, the Deal provides a good mechanism to remove the barriers and allow for vertical and horizontal integration across stakeholders where this would be difficult to achieve outside a Deal structure.

ENABLING INFRASTRUCTURE

The Review found that the commitments under this Initiative have in some instances exceeded their original milestones. In particular, the water security, supply and use component has moved well beyond what was expected in the initial stage of the Deal to incorporate the future opportunity including the establishment of the water task force to the completion of the Stage 1 Haughton Pipeline and a Community Water Transition Package.

A draft energy strategy has been developed, however there are challenges on the scope of change that can be achieved by local government within the broader state and national energy policies and regulatory settings.

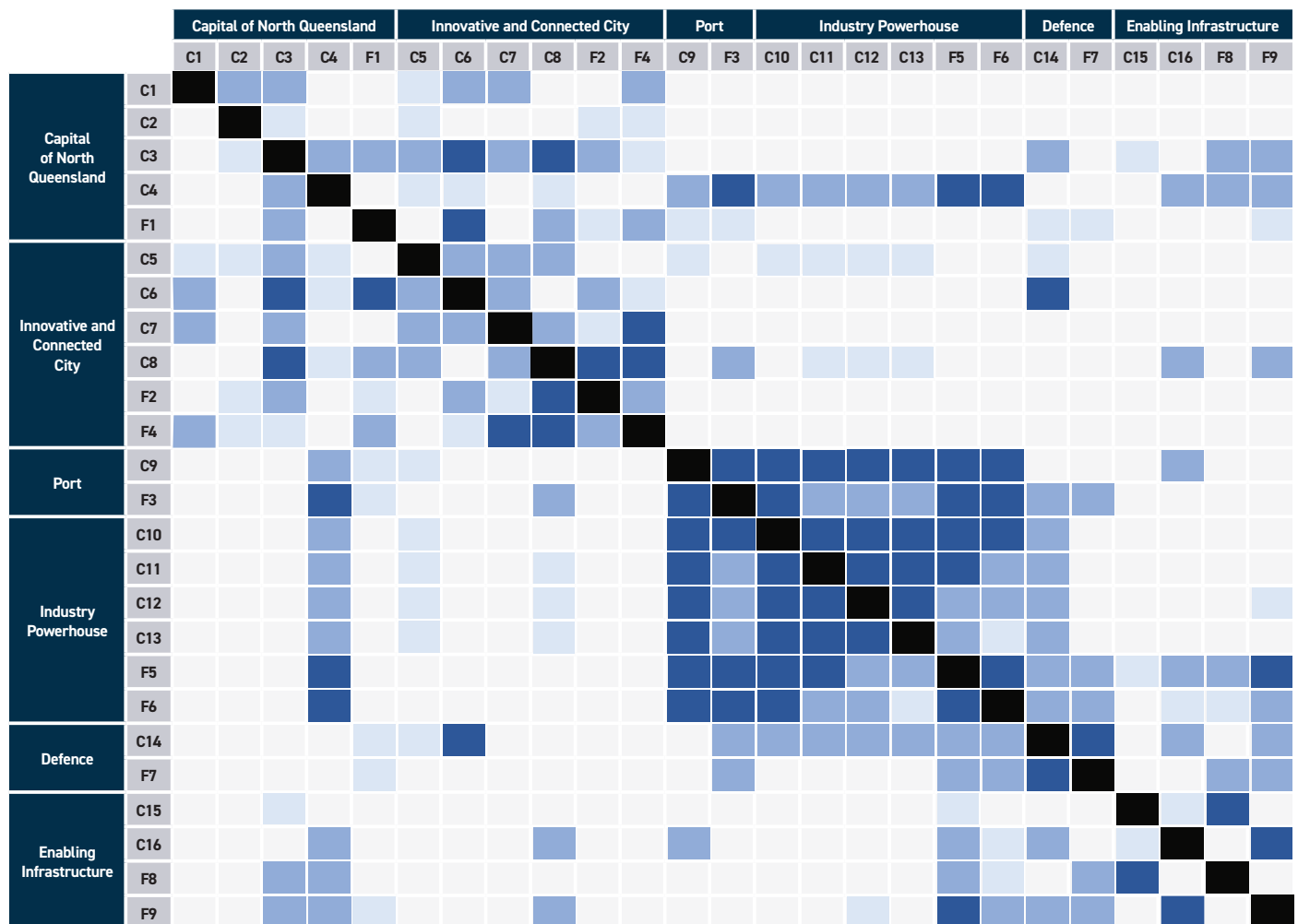
3.0

STRATEGIC SYNERGIES

The Deal functions best when the links between commitments are understood.

While commitments and future opportunities have been categorised under each Initiative, they are not limited to only meeting that Initiative, but also benefit other Initiatives as well as supporting the Deal's overarching Vision and Objectives. This cross-Initiative

and commitment impact is an important contributor to the overall value and benefit of the Deal. Their joint role in achieving the Deal's overall Vision should be explored in the future, along with consideration of how better to align with and leverage other policies, programs and investments outside the Deal.



● High Synergy ● Medium Synergy ● Low Synergy

C1 North Queensland Stadium
C2 Townsville Entertainment & Convention Centre
C3 International Education and Training Destination
C4 CRC for developing Northern Australia
C5 Development Corporation for Townsville
C6 Health and Knowledge Development Strategy
C7 Public Transport Solutions
C8 Smart City Strategy
C9 Channel Capacity Upgrade

C10 Townsville Eastern Access Rail Corridor (TEARC)
C11 Townsville Industrial Development Board
C12 Acceleration of the State Development Area (SDA)
C13 Woodstock Intersection Upgrade
C14 Defence Industry Consultation
C15 Townsville Water Security, Supply and Use Strategy
C16 Managing Energy Costs and Boost Energy Productivity
F1 Townsville Workforce Development Plan

F2 Smart solutions for Townsville city and suburbs
F3 Port Expansion
F4 Urban renewal and revitalisation
F5 Maximise export opportunities
F6 Supply Chain prioritisation
F7 Defence investment pipeline
F8 Review and deliver preferred water supply solutions
F9 Renewable energy innovation

INITIATIVES AND COMMITMENTS OUTCOMES SUMMARY

Key Successes

1. Rapid establishment of commitments and future opportunities.
2. A mix of infrastructure and non-infrastructure commitments (i.e. planning and reform) gained traction and built confidence in the Deal.
3. Adjusting commitments catered for changing economic circumstances and demonstrated agility and cooperation by Deal Partners.
4. Flexibility in the various Delivery Agencies establishing their own governance and delivery approach.
5. Delivery of commitments as outlined in the Implementation Plan has largely occurred in the required timeframes.
6. Future opportunities that were beneficial to this initial phase of the Deal were successfully undertaken.
7. Good collaboration between Delivery Agencies, Support Agencies and Deal Partners in pursuing and delivering the commitments.

Opportunities for Improvement

1. Revisit alignment of the Deal's Initiatives with broader policy initiatives and plans at a national, state and local level.
 - The Deal's Vision and Objective are relevant and valid for the past and future of Townsville. However the Deal's Vision and Objectives were established prior to the development of the North Queensland Regional Plan and other strategic policies.
 - Better outcomes could be achieved through alignment of national, state and local policies such as energy.
2. Identify the opportunities for better synergy and dependency across commitments. The cross linkages across commitments should be mapped and opportunities identified that contribute to the Deal's Objectives.
 - The commitments are aligned under the six Initiatives, however still appear to be somewhat siloed in their pursuit.
 - Deal wide benefits should be identified to demonstrate the total impact of the Deal is greater than the sum of its commitments.
 - The dependency and benefits of commitments that will enable or enhance other commitments to reach their full potential should be identified.

4.0

GOVERNANCE

All three levels of government are mutually accountable for the delivery of the Deal as outlined in the governance structure and mechanisms described in the following sections.

The Deal Partners are able to connect a range of government stakeholders together, as well as bring funding, networks and the commitment to support the intent and delivery of the Deal. There was a general consensus from stakeholders that the Deal Partners and associated agencies were perceived to be heavily committed to the Deal given the significant provision of resources and funds. The strengths of each Deal Partner also differed, from local representation and 'living the Deal' to state-level policy setting, and remote, flexible management.

LEADERSHIP GROUP

The Leadership Group is responsible for overall Deal leadership and is ultimately accountable (on behalf of their respective level of government) for delivery, including the resolution of any issues escalated by the Executive Board. There has been less need for the Leadership Group to meet formally during this initial phase of the Deal, with changes and progress largely governed by the Executive Board working on the agreed commitments.

EXECUTIVE BOARD

The Executive Board is responsible for overseeing implementation of the Deal and accountable to the Leadership Group. The Board is supported by a Working Group responsible for the day-to-day coordination of the Deal's implementation, preparing the annual progress reports and interim dashboard reports, as well as dealing with routine operational matters.

LOCAL PARTNERSHIP FORUM

The Local Partnership Forum has been established under the Deal to ensure Townsville stakeholders are engaged throughout the implementation of the Deal.

The local participants often sit on numerous committees and key information is both formally and informally shared on ongoing and planned Deal Initiatives. However meetings of the forum have not been as frequent as expected due to a range of extenuating circumstances, including the 2019 flood.

DELIVERY AGENCIES

Delivery Agencies identified under the Deal and its Governance Plan are responsible for leading the ongoing delivery and monitoring of their respective commitment or future opportunity.

Delivery Agencies are responsible for the establishment and delivery of governance arrangements as required to achieve a commitment or future opportunity. They also engage regularly with stakeholders.

The Delivery Agencies successfully managed their Deal delivery responsibilities with minimal impacts through major risk events such as the 2019 North Queensland floods, election cycles and government department changes.

Some opportunities committed to at the commencement of the Deal did not have clear modes of delivery, business cases or lead proponents. This sometimes presented a challenge to the Delivery Agencies in achieving some opportunities, and was generally related to the emerging projects and future opportunities that were not fully defined or scoped.

GOVERNANCE OUTCOMES SUMMARY

Key Successes

1. Governance Plan accurately outlines the processes governing the Deal Partners and various groups within the Deal.
2. A clear mechanism, robust business case and continuous inter-agency and government communication enabled quick, appropriate funding.
3. Management of the day-to-day delivery of the Deal commitments is effective.
4. The model appropriately delegates the delivery of the commitments to those agencies with specific expertise.
5. The governance structure caters to the different maturity levels of the commitments.
6. Effective reporting on delivered commitments.
7. The model managed major events such as natural disasters, election cycles and machinery-of-government changes with minimal impact to the delivery of the commitments.

Opportunities for Improvement

1. Improve transparency and accountability in making future decisions and commitments.
 - The establishment of the Deal occurred in a short period of time, and drew on many different inputs to develop the final commitments. Going forward, the governance process should include how future decisions are made, a rationale for the inclusion of future opportunities in the Deal and provide greater detail and transparency on the process to revise or discontinue commitments or promptly elevate future opportunities.
 - To allow for faster change and adaptability for the Deal, the Deal Partners should consider the Objectives rather than the outcomes to measure progress in the Deal.
 - There should be a documented approach to be able to continually evaluate progress against achieving the Objectives and Initiatives of the Deal.
2. Continue to align policy conflicts to accelerate implementation of Deal's activities and commitments.
 - Assisting in smoothing out processes among the three levels of government can be a major contributor that the Deal Partners can bring to the Deal.

5.0

REPORTING

Reporting is described in the Governance Plan. The Governance Plan also provides a protocol for media and public communications activities during the ongoing implementation of the Deal. There are two formal reporting mechanisms, a public Annual Progress Report and an internal six-monthly progress report dashboard. Reporting by way of project-specific updates has sometimes occurred through the release of joint media statements by the three Deal Partners.

RELEVANCE OF REPORTING

The Annual Progress Report is the main communication with the public on the progress of the Deal, supported by engagement through the Local Partnership Forum.

This report shows the progress of the commitments and presents a time series of selected economic indicators, noting that not all changes in these indicators can be attributed solely to the influence of the Deal.

The Review found the reporting of the Deal through the existing communication pathways, while providing an update based on the commitments, is not reporting on the overall benefits of the Deal. In addition, interviews conducted indicated the local stakeholders do not feel as well informed regarding the Deal's progress and its overall contribution to Townsville.

REPORTING OUTCOMES SUMMARY

Key Successes

1. Establishment of working groups, committees and reporting of progress and activities.
2. Engagement of many different stakeholders for commitments.
3. Knowledge sharing by being part of committees under the Deal is acting as an important information pathway.
4. Annual Report outlines performance of the commitments and identifies other relevant key activities outside the Deal.
5. Internal dashboards provide good indication of commitment tracking.

Opportunities for Improvement

1. Review opportunities for improved external communication and reporting processes.
- The communications approach should be reviewed and enhanced, particularly in how the Deal's Initiatives and Objectives are achieved with timely and accurate reporting and communicating the benefits and potential contributions of the commitments. This includes maximising value for the Deal Partners to promote their involvement.
 - This could include a dedicated Townsville City Deal web page with a live dashboard and other opportunities to build a Townsville City Deal "brand".

6.0

CONSEQUENCES OF THE DEAL

ECONOMIC MEASURES

Economic measures have been identified to help track the progress of the Townsville economy, and more specifically, the success of the Deal. A key challenge is ensuring that the indicators provide an accurate and regular assessment of underlying economic performance in the region and that they provide insight into the success of the Deal in the short and long-term.

The economic indicators identified in the Deal¹ are summarised following.

Economic indicator	2016	2017	2018	2019	Change from 2016
Gross regional product (GRP) \$ per capita	57,194	65,029	71,650	72,760	+27%
Jobs (employed residents)	94,600	104,700	108,000	108,500	+15%
Unemployment rate Townsville	11.3%	8.5%	8.5%	8.0%	-3.3%
Unemployment rate Youth	19.4%	19.5%	17.3%	18.5%	-0.9%
Unemployment rate Indigenous	17.2%	n/a	n/a	n/a	n/a
New private investment into Townsville (\$M)	607	570	671	482	-21%
Throughput of Port of Townsville (Mt) ²	9.2	6.9	6.8	7.0	-26%
Community perceptions of amenity	3.34/5 (in 2015)	n/a	n/a	n/a	n/a
Tourism industry investment and attraction - Overnight visitors (M)	1.329	1.228	1.284	1.585	+19%
Tourism expenditure (\$M)	986.3	861.4	832.2	945	-4%

MEASUREMENT OF VALUE

Broadly, the indicators which are reported in the Annual Progress Reports are showing trends towards more positive outcomes for Townsville. The economic indicators used to measure the success of the Deal are suitable and have been applied to minimise volatility in the data.

However, how much of this trend is attributable to the specific commitments under the Deal versus other factors cannot easily be determined. The development of quantifiable benefits will assist in ensuring the Deal is resulting in outcomes that are aligned with the Objectives. The measures of value should include liveability measures in addition to economic indicators.

While a range of indicators that show the value of the Deal should be considered, there is no existing evaluation approach that captures the whole value of the Deal. There are no indicators linked specifically to the Vision, Objectives and Initiatives.

¹ City Deal – Townsville, p. 9

² Queensland Nickel Ltd in 2016 prior to closure used to contribute 3Mt/yr to the port throughput.

ECONOMIC MEASURES SUMMARY

Key Successes

1. Indicators are broadly suitable to measure performance of Townsville.
2. The Deal is clearly delivering on a number of its indicators whilst several remain challenging.
3. Metrics are updated when more accurate data is provided.

Opportunities for Improvement

1. Benchmarking where possible be undertaken for economic indicators to include under or overperformance.
2. Establish a coordinated, integrated (across government) and evidence based approach to TCD performance evaluation of the Deal. This could be achieved by delegating responsibility to an appropriately qualified and equipped government authority.
3. Review and expand existing Indicators to cover economic, demographic and social.
 - While it is beneficial to have indicators that are simple, they must be able to determine whether the Deal's actions and activities are meeting the Objectives. Use of existing dashboards such as the Townsville Liveability Dashboard, the NQRP measures that matter and National Cities Performance Dashboard should be considered for their relevancy to the Deal.
4. Remove measures that are no longer or infrequently available, i.e. amenity and Indigenous unemployment. The latter can be considered when census data is released.

WHAT IS SUCCESS FOR TOWNSVILLE

The Townsville City Deal represents a place-based approach to economic development for three levels of government to work together for the improvement of Townsville. The Deal would benefit from a methodology to test success from the perspective of the community.

The place of Townsville in the broader regional context is also critical in assessing the benefit of the projects and activities. The success of Townsville is strongly linked with the region and the economic projects outside of Townsville.

A range of opinions were gathered from stakeholders on what they considered to be a successful Deal. These are summarised as the Deal must:

- be able to articulate a clear future state for Townsville. To achieve this, the Vision needs to be a cohesive approach that is adopted by the three levels of government.
- create a level of trust and collaboration across the three levels of government.
- agree on the strategies in the Deal, the key priorities including operational and infrastructure development, and acceleration of components that will drive economic development for the city.
- bring the parties to the table and focus on the intent of the agreement and creating a sense of willingness to progress and focusing on delivering outcomes.
- coordinate the three levels of government to align policies without conflicting with each other, as well as aligning resources and abilities.
- from the perspective of the people of Townsville, gain better outcomes (economically and liveability) for the city.

IMPACT OF THE DEAL

There are clear benefits from the Deal with many of the commitments already completed:

- The completion of the North Queensland Stadium has generated employment and created a catalysing effect for revitalisation of the CBD.
- The transport hub creates positive connectivity outcomes and will benefit mode share shifts.
- The concept and benefit of 'smart cities' and therefore a smart Townsville is being communicated within the city.
- The Port channel upgrade is beneficial in establishing a suitable environment for industry investment in the region.
- Numerous strategies under the Deal have been developed, with supporting steering committees and boards outlining future activities.
- The range of projects are a good mix of infrastructure and future positioning.

The Deal has brought focus and fast-tracked funding to Townsville that was in need of urban and economic renewal. It has acted as a catalyst for further development such as improved pedestrian connectivity within the CBD and construction of the future North Queensland Cowboys high performance centre and proposed Hotel within the Stadium precinct.

OTHER ACTIVITIES IN TOWNSVILLE

As noted in the Annual Progress Reports, the Deal stimulates confidence and investment in Townsville, which leads to other activities outside the Deal contributing to the Deal's Vision and Objectives. There has been a significant number of strategies and policies developed since the signing of the Deal, as well as both private and public investments, which support economic development and reform.

Specific opportunities under these external activities may contribute to achieving the Vision and Objectives and align with the Deal's Initiatives, and could be considered for elevation into the Deal if suitable.

IMPACTS OUTCOMES SUMMARY

Key Successes

1. The commitments and future opportunities are aligned with achieving the Deal's Vision and Objectives.
2. The future proofing and robustness of the Vision and Objectives caters for changing circumstances.
3. Progress towards the Objectives is being achieved through commitments, future opportunities and other enabling activities.

Opportunities for Improvement

1. Establishment of overall measures of Deal success.
- The Vision and Objectives need to be detailed in relation to what is the future desired state for Townsville as a result of the Deal's Initiatives and commitments.
 - These measures and targets should be based on the SMART approach.

7.0

THE NEXT PHASE OF THE DEAL

CONTINUING RELEVANCE OF OBJECTIVES AND INITIATIVES

The Deal has created an opportunity for better alignment of the key players for Townsville's development, bringing the Deal Partners together to maintain the integrity of the Deal's purpose.

The Vision and framework is considered to be valuable for directing the future stages of the Deal. This Review has found that the Objectives are mostly being met and are considered to still be relevant. Ongoing endorsement and commitment to the Deal by all levels of government will continue to evolve the Deal towards the transformation of Townsville.

The purpose of the Deal should continue to drive consideration of future activities. This includes the promotion of Townsville and expanding on new ways to invest in new technology, new development areas and incentives to make it happen. The focus in the future should include social infrastructure projects.

In assessing the inclusion of future activities, it would be beneficial to understand what each partner considers to be required for the future of Townsville, what is the intent of the activity, and what the implications are for the broader government bodies. The inclusion of industries that could be captured by the Deal should also be considered where they present the best opportunities for leverage, investment and job growth. The Deal structure provides long-term opportunities for sunrise industries and comparative advantages for more traditional industries.

POTENTIAL IMPROVEMENTS

One of the roles of the Deal is to ensure that bureaucratic processes across the three levels of government are reduced and streamlined. The governance structure could streamline any processes which may be overly complex and not aligned with the intent of the Deal. There is a fine balance between ensuring that the Deal structure is agile and able to change, while ensuring there is adequate governance and structure to support decisions and approvals.

The alignment of the Deal with the range of policy and strategy documents that have been developed since its formation will be a key contributor in guiding any future opportunities.

For the Deal's future activities, further work could be undertaken to develop clear understanding of the relevant parties, ensuring the right people are at the table, what the stakeholders' expectations are, what they wish to achieve, the relevant political pressures, and how the networks held by the Deal Partners could be best used. There should be sufficient time put aside for this identification to occur.

Informal connections should be encouraged. These have been formed through the various committees and could be used to accelerate progress and information flow.

Key performance indicators should be established for the Initiatives, and a clear roadmap developed that articulates the current and future activities.

A process to elevate future opportunities and approve new commitments should be developed and be based on a continuous improvement cycle of the Deal. Any approval process should only be given to those activities that are clearly in the scope of the Deal (as aligned to the Vision, Objectives and established Initiatives), potentially with a staged approach so that thresholds have to be met to continue to be included. Activities should be regularly reviewed against the Deal's Vision and Objectives, with fast response should an activity not be included or not performing.

The Deal's commitments and activities should be based on building confidence and certainty in Townsville and the region. Greater clarity is required concerning changes to the Deal, which should happen as necessary (using a fail fast approach to minimise the impact of non-returning investment in both time and resources) with the joint consideration of the Deal Partners. There should be a 'stay the course' attitude for commitments in the Deal and only when they do not serve the intent of the Deal should they be reconsidered.

Finally, in these rapidly changing times, this report suggests the Leadership Group should meet on an annual basis to determine if the direction of the Deal is still appropriate to the prevailing economic and social circumstances faced by Townsville and its people.

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