The following responses address specific areas outlined in the terms of reference relating to local economic development initiatives in Victoria.

Examine the range of existing local economic development programs being carried out in Victorian municipalities.

Maroondah City Council (MCC) undertakes many programs and initiatives to support local businesses. These initiatives are outlined in the ‘Business & Development Strategy & Action Plan’ which is revised on an annual basis. This strategy focuses on achieving positive outcomes in 10 key action areas:

- Encourage Buying Locally
- Support Local Employment Opportunities
- Communicate Effectively with Business
- Enhance Business Directory
- Network and Improve Business Skills
- Provide Information for Businesses
- Improve and Support Retail Sector
- Support Development of New Businesses
- Develop Key Regional Projects
- Promote Maroondah and Investment Attraction

As an overview, the following key initiatives were undertaken in 2011/12:

**Maroondah Business Analysis**

The Maroondah Business Analysis is a detailed survey of 270 local businesses to determine their future employment, training and growth aspirations. This data is being used by Council to determine how it could engage with key stakeholders to positively impact on these key areas. The final report outlines 27 recommended future actions to assist local businesses to grow and expand their employment capabilities.

**BizMaroondah Website**

The BizMaroondah Website is a ‘one-stop-shop’ for local businesses to find out information about business assistance, local programs and how to effectively promote their business to the wider region. In October 2011 the new BizMaroondah website was launched with new content, branding and improved functionality. Since the launch, this site has attracted over 9,000 monthly page views from an average 1,600 visitors each month.

**BizMaroondah Directory**

A key element of the BizMaroondah website is the Maroondah Business Directory. This easily searchable on-line database is utilised by businesses and residents to find local businesses. Since the launch of the new site in October 2011, the number of new businesses listed on the directory has increased by 10.4%.
Sponsorship Partners

The Unit partners with local businesses to assist in the delivery of Business Week and the BizConnect Networking and Event series. For the first time these partnership opportunities were encapsulated in a professionally designed partnership proposal document. These partnerships have proven to facilitate the Unit’s objectives in assisting local businesses to connect and create opportunities for local business commerce and employment.

Maroondah BizWeek

The Maroondah BizWeek is the premier event on the local business calendar, providing inspirational keynote speakers, training and networking opportunities. In 2011 over 550 attendees attended – of these 42% were surveyed about what they gained from the Week. 97% of businesses indicated that they had learned new or improved business skills by attending the events and 88% agreed that they had gained new knowledge to assist them in their business.

Business Networking Events & Training

The BizConnect Event and Networking Series consists of a number of keynote addresses. The aim of this series is to facilitate new business connections and gain inspiration from high profile successful people. In the past year, Council has also hosted 9 training sessions. Feedback gathered from all sessions highlighted that on average over 90% of all attendees stated that what they had learnt has led to an improvement in their business skills.

Small Business Support

As well as providing training, networking and promotional opportunities for local businesses, Council also provides programs targeted specifically at small emerging businesses. The Welcoming New Businesses to Maroondah Program provides support, training and promotion for businesses that have started or located in Maroondah in the past 12 months. In addition Council also hosts Small Business Clinics with the support of the ‘Small Business Mentoring Service' provided by the Victorian Government.

Communication with the business community

A priority of Council is to increase the awareness of the services and programs provided to support local businesses. This is undertaken via a number of initiatives. Two key ways in which the Unit communicates with businesses is the BizMatters magazine (a copy of the most recent BizMatters newsletter is included) and the bi-monthly BizMails sent electronically to local businesses. Over the past year, 13,000 BizMatters and over 164,000 BizMails were sent to local businesses.
Improved delivery of land use and development planning

Both new and existing businesses often cite delays and complexity of planning approvals (Red Tape) as significant factors impacting on their operations. In light of these concerns MCC has invested significant time and resources to improve the processes, efficiency and customer service outcomes related to its statutory planning function. While MCC is not the only Council striving to improve its service delivery we are encouraged by the significant progress made in this area as Maroondah is now one of the top performing metropolitan Council’s in relation to timeliness and delivery for statutory planning, and in the last quarter 83% of its planning decisions were issued in less than 60 statutory days. Furthermore MCC has committed processes and resources which ensure major projects in the activity centres are facilitated and delivered in an efficient manner. Initiatives such as these are simple but effective ways that MCC is showing support for its local business community.

Identify the barriers to local economic development, including compliance costs for business and planning delays, in operating in local municipalities and develop solutions to address these barriers.

The type of barriers faced by local businesses often depends on where that business is situated within the growth cycle. There is no doubt that businesses require simplification with respect to the process for determining planning decisions. It is equally important however, to move beyond examining ‘regulatory issues’ and review what other growth constraints are being experienced by local businesses and how government at all levels may provide support.

Maroondah City Council is focused on identifying the impediments to business growth at the local level. The following two pieces of research clarify these impediments as identified by local businesses.

Maroondah Business Analysis

The Maroondah Business Analysis (MBA) sought evidence to better facilitate the employment of local people within local businesses. It was anticipated that by sampling businesses with questions relating to growth aspirations and employment and how potential employment demand could be filled, Council would be able to understand and play a greater role in containing local jobs to local residents.

The MBA also provides key indicators where for the establishment of new partnerships and initiatives to minimise real barriers to future growth or expansion of local businesses. The MBA highlighted a number of key factors inhibiting business growth:

- 45% of businesses indicated that they anticipated prospective candidates would not have the skills required to fulfil vacancies;
- Businesses want to and would prefer to recruit locally, but there is no easily accessible tool to allow this to occur;
- SME’s that are ‘employment ready’ still experience hesitation with respect to candidate screening and selection and lack the skills to confidently recruit;
- 40% of recent and start-up businesses report expansion constraints at their current place of business and need further advice about how expansion can occur;
- 29% of home-based businesses would like to expand into commercially located premises but are hesitant to do so given the cost of expansion.
Business Issues survey

The ‘Business Issues Survey’ involved over 300 businesses and was conducted in 2010. It provided Council with an overview of the issues currently facing businesses within the municipality. Businesses were asked to identify, from a given list, the key issues that may negatively impact on their business in the next 12-18 months.

<table>
<thead>
<tr>
<th>Key Issue/s</th>
<th>Indicated as a perceived negative impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic downturn/consumer uncertainty</td>
<td>78%</td>
</tr>
<tr>
<td>Cost of compliance and government ‘red tape’</td>
<td>43%</td>
</tr>
<tr>
<td>Management of Cash flow/liquidity issues</td>
<td>41%</td>
</tr>
<tr>
<td>Limited knowledge of government assistance</td>
<td>41%</td>
</tr>
<tr>
<td>Limited local customer base</td>
<td>38%</td>
</tr>
<tr>
<td>Risk of employing new staff in current climate</td>
<td>33%</td>
</tr>
<tr>
<td>Lack of promotional opportunities</td>
<td>31%</td>
</tr>
<tr>
<td>Availability of finance</td>
<td>27%</td>
</tr>
<tr>
<td>Industry skills shortages</td>
<td>25%</td>
</tr>
<tr>
<td>Keeping up with innovations in IT</td>
<td>23%</td>
</tr>
</tbody>
</table>

To minimise the impact of the issues highlighted above, businesses indicated that Government could:

- Provide specific assistance to small-medium enterprises to improve the outcomes of recruitment
- Support initiatives that focus on employing local residents in local businesses
- Outline the assistance available or relevant regulations for businesses in each phase of their development. More specifically as they relate to:
  - New businesses
  - Growing businesses i.e. moving into commercial premises
  - Employment of staff for the first time
- Outline in ‘plain language’ the expectations and processes involved in making planning decisions.
- Provide information to businesses in face-to-face forums rather than primarily on-line.
Examine ways in which municipal councils and the Victorian Government can jointly support local economic development, enhance and promote employment and attract new investment, especially in localities with emerging economic potential.

Maroondah City Council has a strong history of partnering with the Victorian Government to support business and facilitate enhanced public spaces for the community.

Melbourne @ 5 million supports a network of ‘Activity Centres’ of varying roles and functions to allow for their strategic planning and development. Within Maroondah, Ringwood is designated as one of six Activity Areas and Croydon Town Centre is identified as a Major Activity Centre.

Ringwood Activity Area (RAA)

Extensive planning and design policies, structure plans and guidelines have been developed for the Ringwood Activity Area (RAA) to support the future development of this precinct.

Significant levels of investment from both government and the private sector, planned redevelopment of Ringwood Station and the Town Centre and the completion of EastLink all reinforce the long-term plan to encourage and manage sustainable growth of the RAA.

The State Government has also committed $60 million to provide improved safety and public transport around Maroondah Highway, incorporating a new bus interchange. The commitment of government at all levels has also encouraged strong private sector investment within the RAA.

Queensland Investment Corporation, the owner of Regional Shopping Centre Eastland, also have approval to commence ‘Stage 5’ plans which will increase their existing site by an additional 87,508 sqm of net floor area. This includes 60,000 sqm of new retail space, a new town square and library building and two 8-storey towers, one as a 150-bed hotel and the other as office space (approximately 15,000sqm of floor area). The announcement that Costco will open a 14,500sqm outlet in Ringwood by August 2013 further demonstrates the commitment to strengthen the positioning of this key regional centre.

Confidence in the future growth potential of the Ringwood area has also been evident in the levels of new investment within the local housing market.

Finally Council Officers note that this substantial longer term strategic planning for Ringwood has had the ongoing support of the local business community as it provides a cohesive framework for the expansion of the centre where residential, retail, office, and light industrial opportunities are located in complementary and efficient locations. This plan is working, and we are now concerned that it will be undermined by some unforeseen consequences arising from the proposed reforms to the Business Zones announced by the Minister for Planning on 11 July this year.

In particular, we are concerned that the proposed Commercial Zones are effectively promoting Ringwood as a mixed use precinct with no coherent retail, office or other commercial land use strategy. By way of example we note that the core retail area of Ringwood will now be designated as a Commercial 1 Zone which is a zone where offices and other non retail uses are encouraged to locate in competition of the retail shops. This shopping core (or retail experience) was designed to be one of the key drivers or core attractions of activity around.
There are a number of other examples of the proposed Zone reform leading to unforeseen consequences that will undermine the long term strategic and economic planning for Ringwood and we urge that this matter be given serious consideration.

**Croydon Town Centre**

The Croydon Town Centre was also nominated as a ‘Major Activity Centre’ in the Metropolitan Strategy, *Melbourne 2030*. A structure plan has been developed to direct and manage the anticipated increased growth and activity in and around the Town Centre, and to ensure that it occurs in such a way that reflects the aspirations of the people who live, work and visit the precinct.

The following objectives for the long-term goals for this area include:

- Strengthening the retail, business, industrial and community roles of Croydon and providing for a diversity of housing types;
- Enhancing the activity and local identity of Croydon through high quality, innovative building design;
- Creating safer and more vibrant streets and spaces for people to enjoy;
- Ensuring ease of movement and access for all forms of transport, particularly pedestrians, cyclists and public transport.

Confidence in the future growth of this precinct is demonstrated by the proposed redevelopment of Croydon Central Shopping Centre which would more than double the floorspace area to 28,200m2. If constructed this development (which has been placed on public display) is forecast to create 837 permanent new jobs, an additional 346 during the construction phase, add 875 car parking spaces and revitalise this commercial precinct.

Lastly, we again note that as with Ringwood, there a number of examples of the proposed Zone reform leading to unforeseen consequences that will undermine the long term strategic and economic planning for Croydon.
Recently Maroondah City Council was invited by the Melbourne East Committee of Regional Development Australia (RDA) to prioritise future projects which are aligned with the Melbourne East RDA Regional Plan and would benefit from additional Government support. The following priorities focus in and around the Ringwood Activity Area (RAA) and how all levels of government could continue to work in partnership to enhance the future potential of the RAA.

**PROJECT TITLE:** Ringwood Regional Aquatic & Leisure Centre (RRLAC) – incorporating the Victorian State Diving Centre.

**BRIEF DESCRIPTION:**

Following the closure of the Ringwood Aquatic Centre on 30th June 2012 the construction of the $46.5 Million RRALC by Maroondah City Council will provide a new State level multipurpose aquatic and recreation facility offering a diverse range programs and services to local, regional and state wide catchments.

The facilities will include a 50-metre Olympic size swimming pool, a diving facility to FINA standards, a learn to swim and leisure pool with play area, café, gymnasium, warm water therapy pool, spa, sauna, crèche and health and wellness centre.

The centre will be the first in Victoria to have a dedicated ‘dry diving’ training facility, including foam pits, harnesses, sprung floors and trampolines to cater for beginners through to high performance athletes. It will also incorporate an indoor 10m metre dive tower, with Melbourne Sports & Aquatic Centre (MSAC) being the only other indoor Victorian centre to house such a facility.

Developed in partnership with the Victorian Government, Diving Victoria and Diving Australia the centre will be home of the Victorian State Diving Centre and host regional, State and National sporting competitions. It will also cater for the growing needs of the regional community through increasing participation in physical activity and social connection programs.

Located in the centre of Melbourne’s East, Ringwood is a Central Activities Area (CAA) and this project will bring more visitors to the regional precinct, as well as stimulating investment in commercial and residential development. The project will directly create approximately 300 jobs during construction and 120 ongoing jobs once the centre is open. The centre is expected to attract more than 700,000 visitors each year.

This project addresses the following Melbourne East RDA Regional Plan priorities:

- Theme 1.5 Create Employment
- Theme 2.1 Focus of World-class Education
- Theme 4.3 Physical and Mental Wellbeing
- Theme 4.5 Investment in Sport, Recreation, Hospitals and Health
- Theme 5.2 Employment Hubs
- Theme 6.3 Promote Sustainable Design
PROJECT TITLE: Ringwood Town Centre Learning and Cultural Centre

BRIEF DESCRIPTION:

In partnership with the State Government and Queensland Investment Corporation (QIC), Maroondah City Council will be provided with a world’s best practice Town Centre and Library, Learning and Cultural Centre, in the heart of the Ringwood Central Activities Area as part of QIC’s $500M commercial development of the precinct.

Located immediately opposite Ringwood Train Station and regional bus interchange, the new Centre will be a regional hub for information about services provided by all levels of government and all service providers. It will provide educational opportunities for a diversity of providers at Secondary and Tertiary levels and the regional community. It will provide a regional art gallery with exhibitions and performance spaces catering to regional artists and travelling shows. The new Town Centre will integrate with the Learning and Cultural Centre and will be a vibrant space combining informal gathering with programmed activities. It will be a destination of choice attracting a broad regional catchment. The facilities will stimulate investment in the Ringwood Central Activities Area.

This project addresses the following Melbourne East RDA Regional Plan priorities:

Theme 1.1 The Innovation and Knowledge Capital
Theme 2.1 Focus of World-Class Education
Theme 2.2 Improve Linkages
Theme 4.4 Arts and Culture
Theme 5.2 Employment Hubs
Theme 6.3 Promote Sustainable Design

PROJECT TITLE: Regional Business Incubator and Support Centre

BRIEF DESCRIPTION:

The Melbourne East RDA Regional Plan has identified the need for strategically placed Business Incubators and Business Support Centres to assist home based and fledgling businesses. The Ringwood Hub will create a business and employment service in combination with the stream of educational and community services and initiatives delivered through the new Town Centre Learning and Cultural Centre. The Maroondah Business Analysis (MBA) serves as a pilot in understanding the micro and home based business sector with evidence that one-third of local businesses are home based (HBB’s). The MBA survey results show that 30% of HBB’s would move to a commercial setting if support was provided, thus strengthening the case for a Ringwood Regional Business Incubator and Support Centre.

The establishment of a Ringwood Regional Business Incubator and Support Centre in addition to other centres strategically located in Melbourne’s East is key in achieving business growth and employment outcomes for the Eastern Metropolitan Region.

This project addresses the following Melbourne East RDA Regional Plan priorities:

Theme 1.4 Grow Business
Theme 1.5 Create Employment
Theme 2.2 Improve linkages
Theme 2.3 Address Skill Shortages and Career Pathways
Theme 5.2 Employment Hubs
Lastly, we again note that there are a number of examples of the proposed Zone reform leading to unforeseen consequences that will undermine the long term strategic and economic planning for both Ringwood and Croydon. We urge that this matter be given serious consideration, lest it undermine the long term successful planning already undertaken.

Investigate best practice local economic development initiatives relevant to the terms of reference.

A key priority of Council is to enhance potential local employment opportunities. A myriad of Regional, State and Federal reports indicate broad themes of how such growth can be facilitated, but often these findings do not contain specific recommendations to address local issues. The ability to isolate local issues and local findings is critical in the development of locally focussed initiatives.

Funded by Council, with support funding from DPCD, the recently completed Maroondah Business Analysis (MBA) is a key element in ensuring that Council continues to deliver best practice initiatives.

The findings included:

- 44% of employees indicated strong employment prospects over the next 12 months.
- The average number of new staff for these businesses is 2.1 with forecasts indicating approximately 6,300 new local positions over the next 12 months.
- 1,522 of these positions are ‘entry-level’ in sectors such as Cafe/Restaurants, Personal Services and Retail.
- New and recent start-up firms have a much greater likelihood of recruitment in the short term;
- 78% of emerging businesses will undertake training in the next 12 months;
- 26% of businesses support entry-level positions with on-the-job training;
- Businesses want ‘job ready’ candidates, with 63% emphasising ‘soft skills’ as critical;
- 54.5% of businesses operating for less than 5 years are planning to recruit new staff in the next 12 months;
- Employers are willing to consider candidates from a variety of disparate groups;
- The Property & Business Services sector, Cafe & Restaurants, Personal Services and Health are the emerging sectors for Maroondah;
- 64% of those working in and operating these businesses are women;

The Maroondah Business Analysis is a clear example of how local issues have been identified, with the findings shaping and re-defining future projects to support local business.

With respect to supporting best practice economic development initiatives, assistance from the State Government to recognise and support those projects that have been developed as a direct result of demonstrated, researched local need is requested. Such an approach would recognise that local issues are often unique to a municipality and a focus on the local context is important in contributing to regional or State-wide based initiatives.