



ECONOMIC FRAMEWORK THEME PAPERS

**Analysis insights, themes
and recommendations**

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Acknowledgement of Country

I acknowledge the Wurundjeri Woi wurrung People who are the Traditional Owners of the Land. I recognise their continuing connection to Land, Water and Culture. I pay my respects to Elders past, present and emerging.

*Artwork by Natasha Ellis-Corrigan, proud Jinibara/Bundjalung woman.
Aboriginal artist from Jinibara Designs.*



BACKGROUND

Darebin's Council Plan 2021 – 2025 sets a strategic direction for a prosperous, liveable and flourishing future. There has never been a more important time for Council to better understand business experience and priorities. We are delivering a new Economic Framework that will help make Darebin a great place to do business and support community health, wealth and happiness.

Process to date

- We have engaged with Darebin's economic ecosystem broadly in preparing for the Economic Framework, ensuring early directions were underpinned by local intelligence:
 - Round Table engagement and the Economic Summit were delivered in 2023
 - A stakeholder workshop and business survey were delivered in June 2024
 - 980 individual comments have been gathered to date from 355 stakeholders representing 14 Darebin industries (noting this does not include the Stakeholder Workshop 2 or Fishbowl Engagement)
- Economic analysis was undertaken by SGS Economics, ensuring economic data and trends were considered, and summarised into a Data and Research report
- Four key themes iteratively emerged as providing a unique strategic scaffold to drive economic wellbeing for Darebin
- Case study research was undertaken to allow us to gain insight from others

The following Theme Papers distil the strategic engagement and research undertaken to date and provide considered strategic recommendations and potential lighthouse projects to revitalise Darebin's economy.





FOUR KEY THEMES TO REVITALISE DAREBIN'S ECONOMY

**Small
business**

**Mainstreets
& activity
centres**

**Health &
education**

**Enterprise
clusters**



SMALL BUSINESS



Key problems to be solved

98% of business is small, 60-70% are micro/sole trader and they have low resilience

Business feels increasingly isolated and seeking connection with local supply chains

Only 17 businesses have more than 20 employees, loss of one would have big impact on economy

Key engagement findings

- Increasing costs, inflation commercial rents, land tax, rates forcing business to raise prices for customers
- Desperate for networking opportunities to connect with peers and localise supply chain
- Attracting and retaining skilled staff an issue
- Staffing numbers have largely remained the same
- Scaling fees and permits to business scale
- Provide training support in website SEO to improve business website 'searchability' and online profile
- Training in basic business education, marketing, advertising and social media for new business

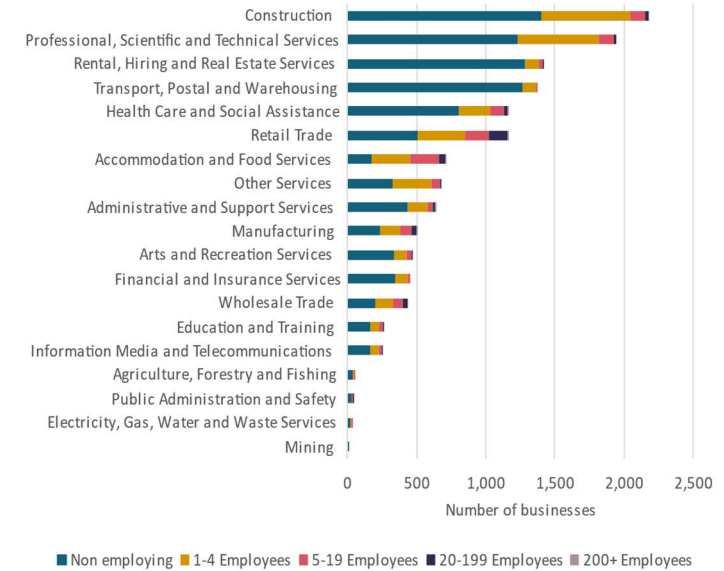
Case study findings

- Empowering networks with grant fundings will achieve greater collective and systemic impact than providing grants to individuals
- Grants unlock additional resource investment, volunteerism and co-contribution
- Shared challenges drives collective action and networking which supports a more resilient system.

Key research findings

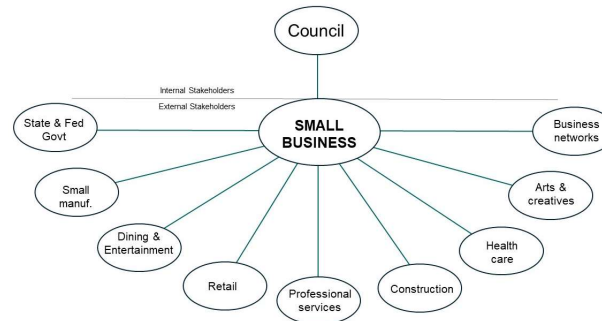
- Darebin is underpinned by the strong small business sector (including retail and local services but also in home-based professional and trades and light industry service sectors)
- 98% of Darebin's economic ecosystem is small business. 60-70% are micro/sole trader and are vulnerable to shock low resilience
- Only 22% of Darebin residents work in Darebin representing significant employment leakage
- Local small business growth has plateaued
- Increasing costs impacting all industries
- Council has low awareness and underdeveloped relationships with x 16 big businesses
- Council property assets generally underutilised or have single service focus that could present an opportunity for small business landscape

Number of Darebin businesses by employment size



Source: SGS Economics and Planning (2024) data from ABS Census 2016 and 2021 – Place of work data

High level key stakeholder map

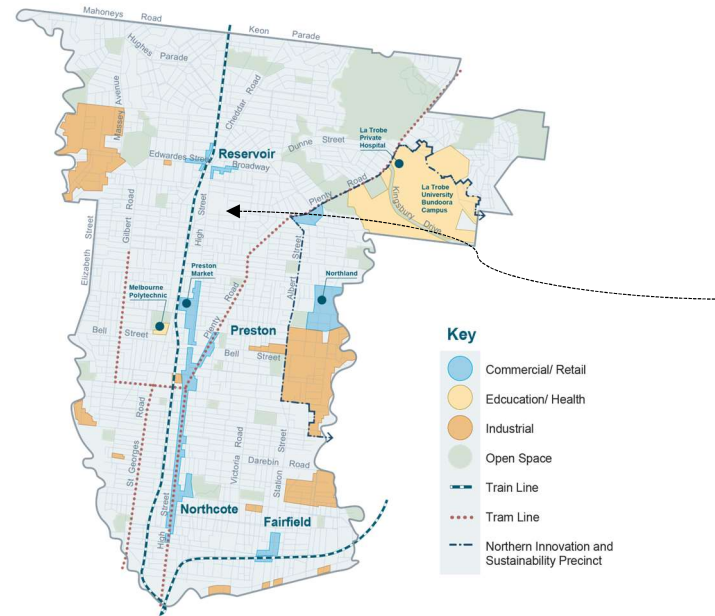


SMALL BUSINESS

GOAL - Enable partnerships, that supports business of all scales to partner for sustainable growth and workforce equity

Strategic recommendations

- Form a Darebin Business Network to:
 - Connect business for peer-to-peer support and localize supply chains
 - Promote industry champions / achievements and grant opportunities provided by third parties
 - Facilitate business peer-to-peer mentoring to help small business to learn, grow and scale
 - Partner with local providers to provide and assistance to small businesses and entrepreneurs – e.g. start-up support, business planning
 - Partner with local co-working hubs to develop special offers for network members
- Explore potential of Council assets to support business meeting spaces and shared work-spaces



- Establish relationships with big employers, health and higher education to explore interest in Anchor Network
- Collaborate with Anchor Network to plan for local workforce development and job pathways for youth, CALD, First Nations and disability to build an equitable workforce of the future
- Reduce regulatory burden to ensure permitting is scaled to fit
- Revitalise Darebin's business concierge

Lighthouse projects

1. Establish a Darebin Business Network that supports networking, enables small business to participate in economic partnerships and scale
2. Explore partnerships with Darebin co-working spaces to enable discounted access by Darebin Business Network members
3. Research a business case for integrating business meeting spaces and shared work-spaces in Council assets
4. Explore interest and formalize an Anchor Network to facilitate partnerships with big Darebin employers
5. Facilitate project with Anchor Network to plan for local workforce development with vulnerable communities to build an equitable workforce of the future

MAINSTREETS & ACTIVITY CENTRES



Key problems to be solved

- Consumer & business confidence trending down
- Activity centre customers not local, only 15-20% of visitors are from Darebin
- Online spend still a challenge to bricks and mortar. Youth unemployment high – 12.8%

Key engagement findings

- Places and communities are diverse, welcoming and inclusive
- Darebin's Mainstreet's are the 'coolest' in Melb
- Improve amenity of local centres to make destinations more attractive to visitors
- More local events and activation to visitors and keep them longer
- Whole of Darebin free Wi-Fi including connectivity.
- Provide connections and improve collaboration to achieve local group buying power

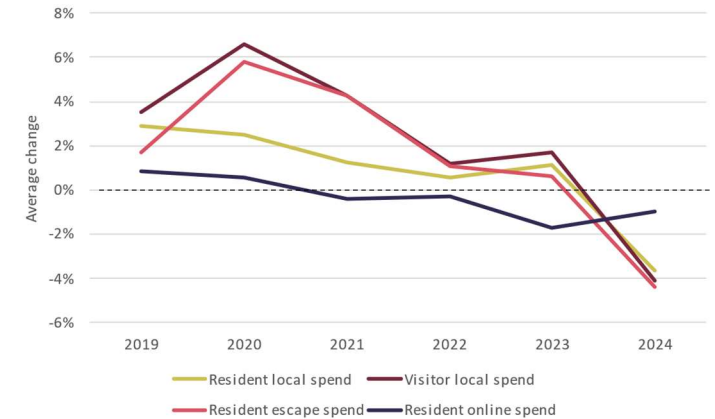
Case study findings

- Develop a compelling shared vision for activity centres to activate collaborative network, strengthen social and economic systems
- Empowering youth to lead participatory activation, with mentoring and 'buddy' model
- Provide grants to activate networks
- Using indigenous frameworks to address local challenges and empower vulnerable cohorts

Key research findings

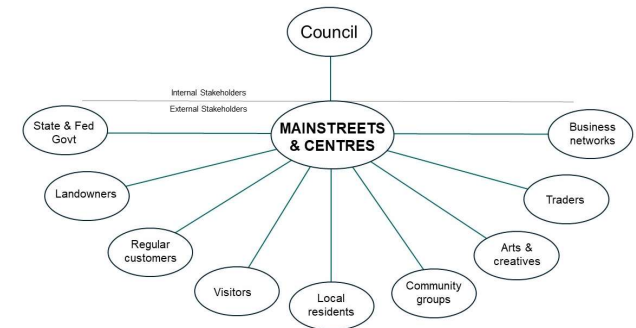
- Residents and visitors spending has declined at an average of -4% this year
- Online spending remains a challenge for bricks-and-mortar retail
- Local spend in last 12 months demonstrates leakage:
 - Residents local spend \$1.2 BIL
 - Residents escape, escape spend was \$1.8 BIL, predominantly in City of Melbourne on dining, professional services and grocery
- Special rate precinct activity centre visitation stats:
 - Northcote – \$2.1 MIL visitors a year, 17% visitors from Darebin. Dining & entertainment top industry
 - Fairfield - \$2.3 MIL visitors a year, 15% visitors from Darebin. Dining & entertainment top industry.
 - Preston - \$2.9 MIL visitors a year, 17% visitors from Darebin. Department stores & clothing top.
 - Preston Market – \$1.2 MIL visitors a year, 22% Darebin
 - Reservoir – \$4.2 MIL visitors a year, 18% visitors from Darebin. Grocery stores & supermarkets top industry
- Spendmapp & Localis source data*

Average change in resident local, visitor local and resident escape spend in Darebin



Source: SGS Economics and Planning (2024) data from ABS Census 2016 and 2021 – Place of work data

High level key stakeholder map

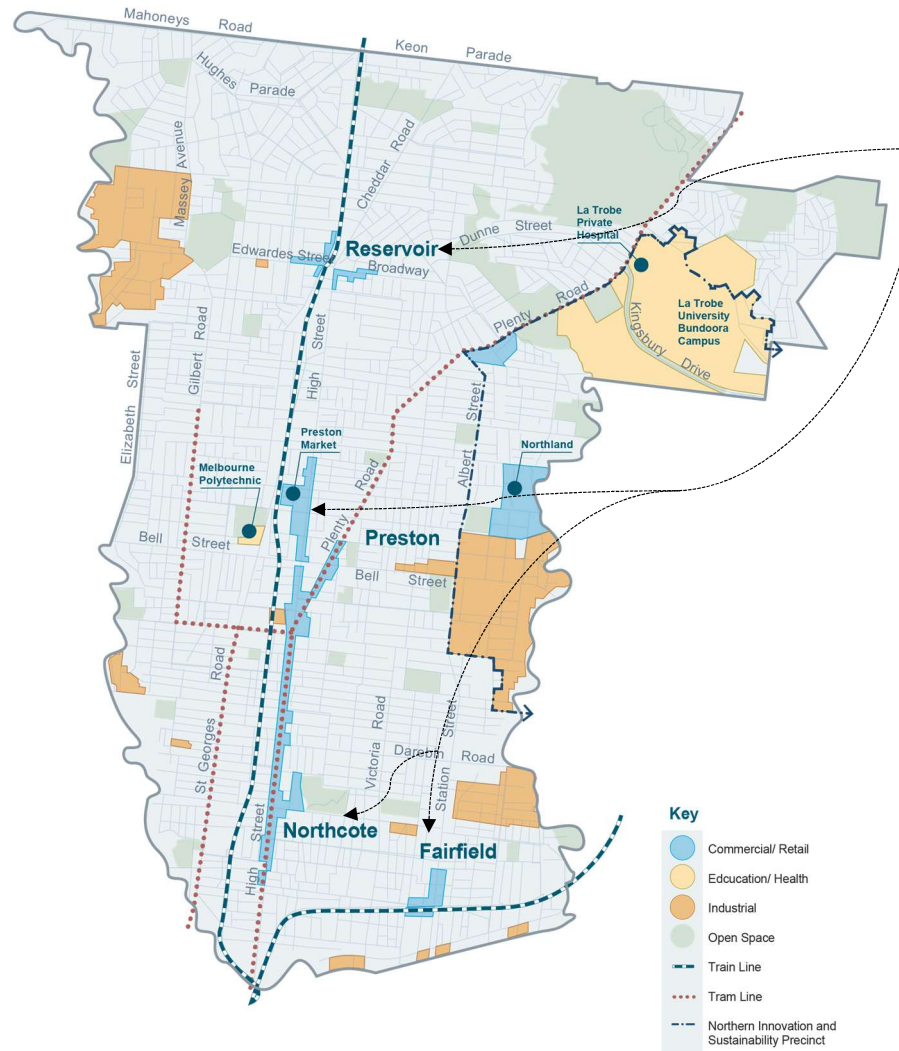


MAINSTREETS & ACTIVITY CENTRES

GOAL – Collaborate for social and economic revitalisation and grow local stewardship and visitation.

Strategic recommendations

- Collaboratively develop shared place visions that amplify unique strengths, activate local communities and drive social and economic revitalisation
- Revive shop local campaigns to increase local visitation and reduce economic leakage
- Empower local communities and grow locally-led activation skills and culture
- Grow destinational visitor economy
- Provide placemaking and activation grants
- Reinvigorate shopfront vacancy program
- Increase amenity of key activity centres
- Capitalising on the Preston Activity Centre integrated planning scheme to increase residential development



Lighthouse project map

1. Develop Shared Place Visions to guide collaborative social & economic revitalization and reconnect with local customers in activity centers
2. Review and revitalise Darebin's award-winning Active Spaces program to proactively address shopfront vacancy increase
3. Advocate for extension of Special Rates precinct boundaries in Rezza
4. Developing locally-led place activation skills and provide placemaking grants to empower locally-led activation ecosystem
5. Empower youth placemaking network

HEALTH & EDUCATION



Key problems to be solved

Darebin's key growth industries (health & education) not well supported by allied clusters of local support/supply chains

Only 22% of Darebin residents work in Darebin – skilled local employees are hard to find

Key engagement findings

- Improved public transport networks and connectivity between health, education and manufacturing precincts
- Attract investment to the growing care economy and social enterprise sector
- Networking events, innovation workshops /hackathons for cross collaboration between Universities and providers

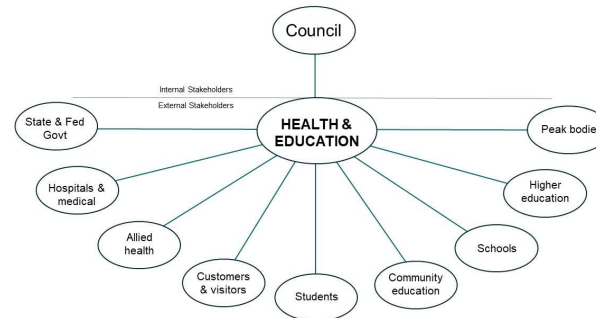
Case study findings

- Develop a compelling shared vision for the precinct that partners can buy into
- Forge strong partnerships between government, leading research institutions, and private enterprise to leverage collective resources and expertise for long-term development.
- A formalised network between large scale employers can provide a powerful agent in shaping the economy and creating impactful employment and wellbeing outcomes

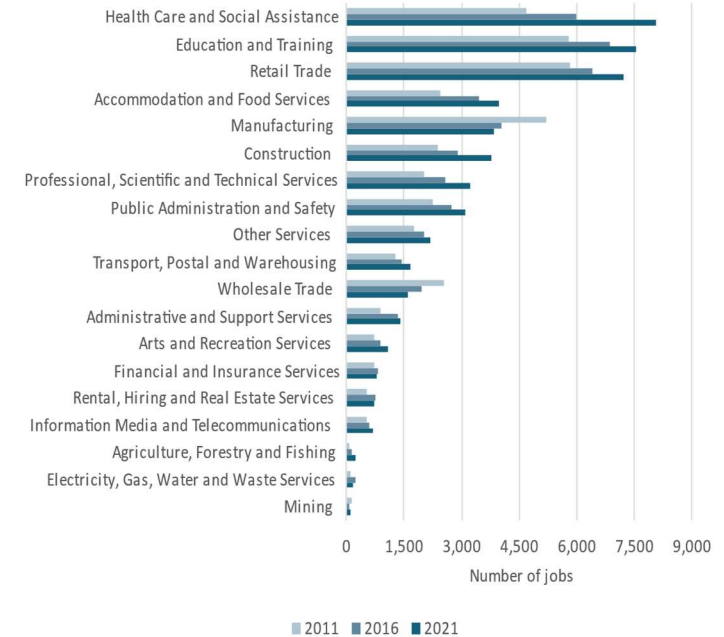
Key research findings

- Darebin's key growth industries include health, education and retail
- Health care and social assistance sectors have grown, fuelled by gaining population, partially attributed to Latrobe private hospital
- Allied health and care networks to support localized supply chains are a critical / undercapitalized on opportunity for the sector
- Shift towards the knowledge economy is growing professional services sector
- Education is a strong asset of Darebin, with La Trobe University and Melbourne Polytechnic offering diverse research, tertiary and vocational study opportunities.
- Northern Innovation & Sustainability Precinct (previously NEIC) is a priority economic opportunity for Darebin with collaborative partners Banyule Council, Latrobe University and Northlink.

High level key stakeholder map



Employment by industry in Darebin



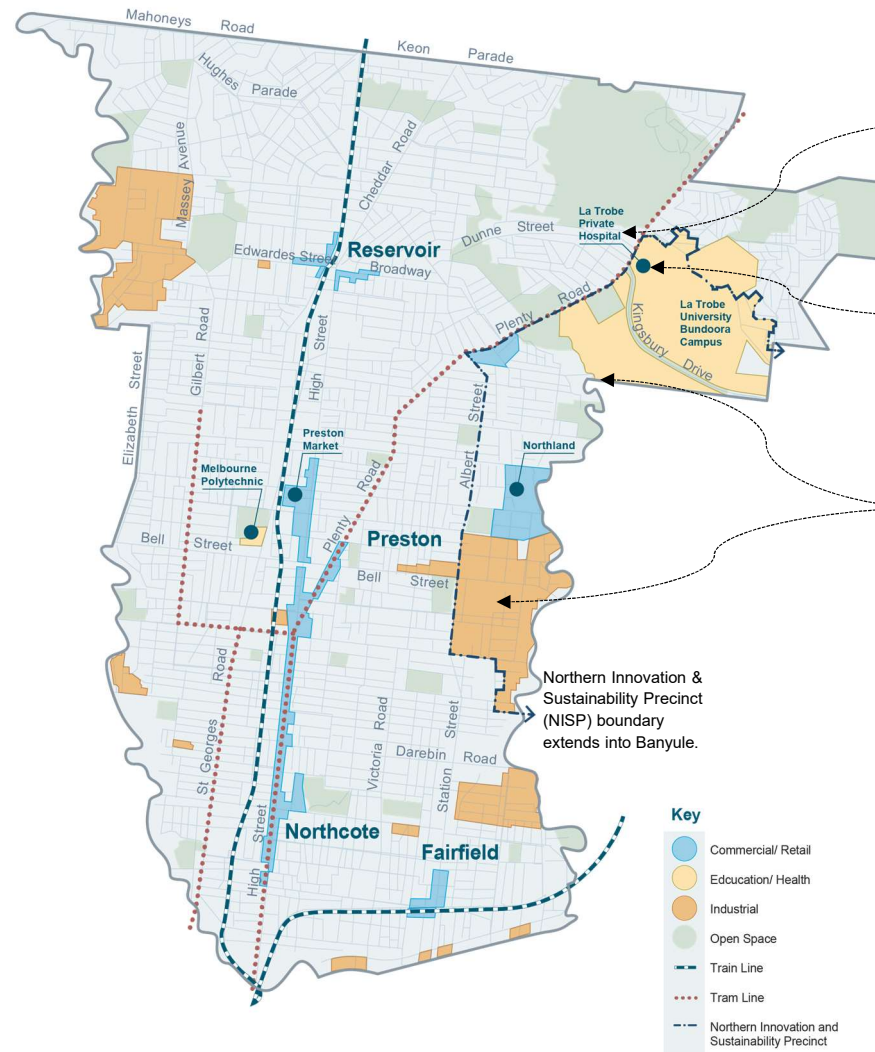
Source: SGS Economics and Planning (2024) data from ABS Census 2016 and 2021 – Place of work data

HEALTH & EDUCATION

GOAL - Mobilise partnerships, clusters and localised supply chains to grow community wealth in Darebin

Strategic recommendations

- Identify, promote and grow local allied clusters to strengthen localised supply chains in proximity with health providers
- Formation of allied health network groups to strengthen localized supply chains
- Grow relationships and formalize partnerships with hospitals, education and other big business to solve systemic problems and grow employment and wellbeing for youth and vulnerable communities
- Collaborate with strategic partners to submit funding application on the Northern Innovation & Sustainability Precinct
- Attract talent and skilled workforce within the Northern Innovation & Sustainability Precinct
- Support better transport connection between education providers, health providers and other major employers



Lighthouse project map

1. Define an allied health cluster around Latrobe Hospital, develop vision and investment attraction prospectus
2. Grow citywide local allied health and care networks to wellbeing grow supply chains
3. Northern Innovation & Sustainability Precinct (NISP) funding submission in with La Trobe University, Banyule Council & NorthLink to drive social, economic and sustainability outcomes in the North
4. Explore interest in formalised Anchor Network partnerships with big Darebin employers

ENTERPRISE CLUSTERS



Key problems to be solved

Declining industries (e.g. manufacturing) are transitioning and considering moving out of town where lot sizes are bigger

Emergent enterprise clusters undefined – Darebin strengths undercapitalised on and opportunities lost

Key engagement findings

- Supply shortages, adapting/transitioning to new technologies
- Funding resources to support innovation in advanced manufacturing
- Strong sustainability interest with Darebin business
- Connection to investment opportunities for advanced manufacturing R&D
- Collaboration for group buying power
- Reservoir industrial precinct could become a hub for wholesale food
- Sustainable & advanced manufacturing emerging in Rezza Industrial Precinct

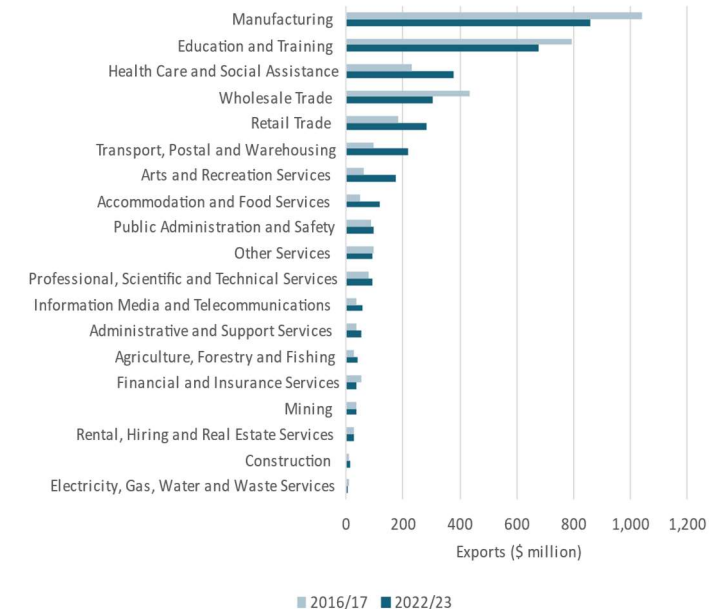
Case study findings

- Develop a compelling shared vision for the precinct that collaborators and investors can buy into
- Resist residential zoning to enable long terms jobs and employment.
- Balance economic development with environmental considerations to foster a vibrant and sustainable economic community

Key research findings

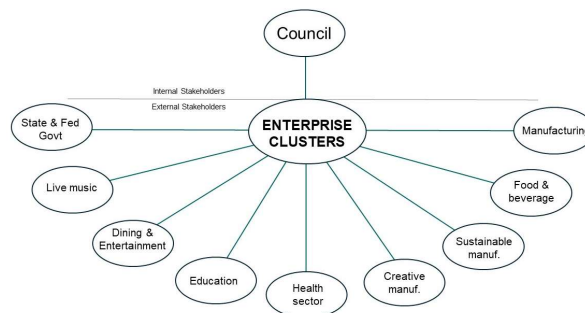
- Manufacturing is Darebin's top exporter. It is experiencing decline in exports and employment but still plays a vital role in the Darebin economy.
- Preston and Reservoir good locations for hospitality/wholesale food production/distribution (similar to Newlands Rd in Coburg North)
- Reservoir provides strong opportunity for last mile distribution
- Some creative manufacturing sectors have experienced modest growth in recent times. These includes sectors such as furniture manufacturing, beverage manufacturing, clothing - small scale and are dependent on a local, creative workforce.
- Unique informal clusters undercapitalised on include live music, dining, cultural dining, creative manufacturing and sustainable manufacturing

Total exports by industry of Darebin



Source: SGS Economics and Planning (2024) data from ABS Census 2016 and 2021 – Place of work data

High level key stakeholder map



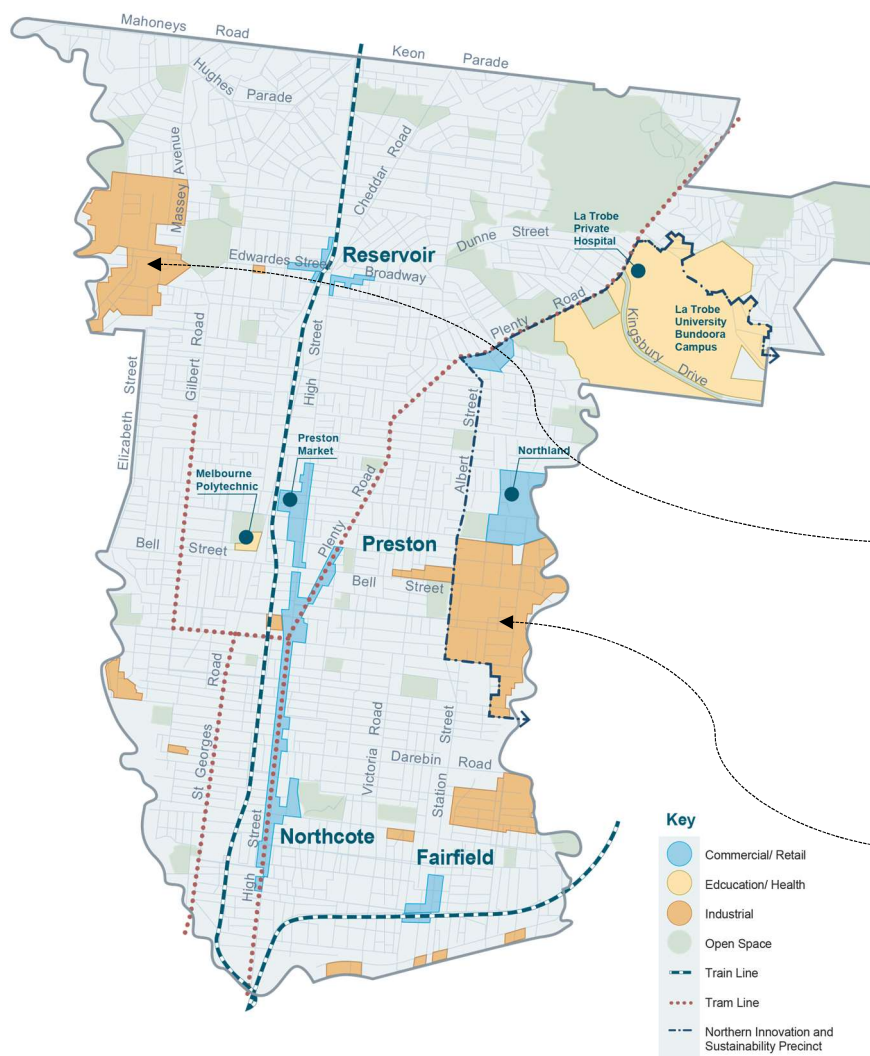
ENTERPRISE CLUSTERS



GOAL – Activate clusters, support transition and plan for optimised land use to support long term prosperity in Darebin

Strategic recommendations

- Undertake an employment lands planning study to inform land use planning settings which respond to the strategic strengths, support economic development and long terms employment growth
- Identify, promote and grow sustainable manufacturing zones to strengthen existing and Reza attract new business and investment
- Support small and medium scale business to be climate resilient and plan well managed risks associated with business transition to a net-zero economy
- Attracting last mile distribution, food a beverage and other large employers to Darebin
- Identify, promote and grow Darebin's iconic live music night economy offerings to strengthen existing and attract new business and investment
- Engage with the growing creative manufacturing sector in Preston and Thornbury and linking to local startups and social enterprise



Lighthouse project map

1. Municipal Economic Land Use Study to understand the future needs and opportunities to optimise land use for employment and jobs in Darebin.
2. Net-Zero Business Program to support small and medium scale business to transition to a net-zero economy.
3. Identify, define and promote existing informal clusters:
 - Sustainable manufacturing & food production clusters in Reservoir Industrial Precinct
 - Live music cluster in Thornbury and Croxton
4. Develop a Circular Economy & Creative Industry Investment Attract Strategy to develop new vision to revitalise Preston and Thornbury industrial precinct