

AGENDA

ECONOMIC AND SMART COMMUNITIES STRATEGIC REFERENCE GROUP

Notice is hereby given that a meeting of the Economic and Smart Communities Strategic Reference Group will be online via Teams on:

WEDNESDAY 19 AUGUST 2020

Beginning at 6:00pm for the purpose of considering matters included in this agenda.

Committee Members

Mayor Michael Regan (Chair)

Cr David Walton

Cr Sue Heins

Cr Stuart Sprott

Saul Carroll

Andy West

Stuart White Microsoft Australia

Drew Johnson Manly Business Chamber

Peter Middleton Newport Residents Association

Ngaire Young Northern Beaches Campus, TAFE NSW

Geri Moorman

Gordon Lang

Alexander Coxon

Stephen Pirovic International College of Management

Matthew Aderton

Chris Wilcocks

Council Officer Contacts

Kath McKenzie Executive Manager, Community Engagement & Communications

Katie Kirwan Governance Officer

Quorum

A majority of members including the Chair or one of the elected Councillors.

**Agenda for Economic and Smart Communities
Strategic Reference Group Meeting
to be held on Wednesday 19 August 2020
Commencing at 6:00pm**

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7.0	GENERAL BUSINESS	

NEXT MEETING Wednesday 18 November 2020

1.0 ACKNOWLEDGEMENT OF COUNTRY

As a sign of respect, Northern Beaches Council acknowledges the traditional custodians of these lands on which we gather and pays respect to Elders past and present.

2.0 APOLOGIES

All members are expected to attend the meetings or otherwise tender their apologies to the Chair and Governance at councilmeetings@northernbeaches.nsw.gov.au.

3.0 DISCLOSURES OF INTEREST

Members should disclose any "**pecuniary**" or "**non-pecuniary**" interests in matters included in the agenda. The [Northern Beaches Council Code of Conduct](#) (the Code) provides guidance on managing conflicts of interests.

A **pecuniary interest** is defined in Section 4 of the Code as:

A pecuniary interest is an interest that you have in a matter because of a reasonable likelihood or expectation of appreciable financial gain or loss to you or a person referred to in clause 4.3.

A **non-pecuniary conflict of interest** is defined in Section 5 of the Code as:

A non-pecuniary conflict of interest exists where a reasonable and informed person would perceive that you could be influenced by a private interest when carrying out your official functions in relation to a matter.

If you required further information or guidance about disclosing an interest please contact Governance at councilmeetings@northernbeaches.nsw.gov.au.

4.0 CONFIRMATION OF MINUTES OF PREVIOUS MEETING

4.1 MINUTES OF ECONOMIC AND SMART COMMUNITIES STRATEGIC REFERENCE GROUP MEETING HELD 20 MAY 2020

RECOMMENDATION

That the Minutes of the Economic and Smart Communities Strategic Reference Group meeting held 20 May 2020, copies of which were previously circulated to all Members, be confirmed as a true and correct record of the proceedings of that meeting.

5.0 UPDATE ON ACTIONS FROM LAST MEETING

ITEM 5.1 ACTION LOG UPDATE - KATH MCKENZIE - 5 MINS

REPORTING OFFICER GOVERNANCE OFFICER

TRIM FILE REF 2020/468884

ATTACHMENTS NIL

EXECUTIVE SUMMARY

PURPOSE

To report the updates on action items of the Economic and Smart Communities Strategic Reference Group Action Log.

Item No	Report	Action	Update
6.3	Draft Delivery Program - 2020-24, Operation Plan and Budget 2020/21 and Financial Impact of COVID-19	Question on Notice taken from Jeff Smith - how much of councils working capital is not committed to other projects?	Response provided in business paper.
6.2	Northern Beaches Business Support Plan - Overview and Feedback on implementation to date	Coordinate an additional meeting to discuss ideas for Councils' long-term strategic business sustainability.	
7.1	General Business - 'Where its At' city brand.	K McKenzie and M Adderton agreed to follow up discuss the concept further	Email response provided by D Kempe

RECOMMENDATION

That the Economic and Smart Communities Strategic Reference Group note the updates to the action items.

ITEM 5.2	RESPONSE TO QUESTION TAKEN ON NOTICE TO ITEM 6.3 - OVERVIEW OF THE DRAFT DELIVERY PROGRAM 2020-2024, OPERATIONAL PLAN AND BUDGET 2020/21 AND FORECAST FINANCIAL IMPACT OF COVID-19 PANDEMIC - REPORT FOR NOTING
REPORTING OFFICER	GOVERNANCE OFFICER
TRIM FILE REF	2020/380081
ATTACHMENTS	NIL

Taken on notice at the meeting on 20 May 2020: Councillor Stuart Sprott

QUESTION

How much of Councils working capital is not committed to other projects?

RESPONSE

The budget is balanced, with no surplus funding available for other projects. The Cash and Investment Statement within the Delivery Program sets out the restrictions and purposes for the cash the Council holds. An amount of unrestricted cash is held to meet short term liquidity needs, respond to unexpected events such as the summer storms and for planned future large projects. On 30 June 2021 the forecast balance of unrestricted cash is \$34 million.

RECOMMENDATION OF GOVERNANCE OFFICER

That the Economic and Smart Communities Strategic Reference Group note the response.

6.0 AGENDA ITEMS

ITEM 6.1	SUMMARY OF STRATEGIC REFERENCE GROUP MID-TERM REVIEW - SARAH DUNSTAN - 20 MINS
REPORTING OFFICER	GOVERNANCE OFFICER
TRIM FILE REF	2020/442608
ATTACHMENTS	1 Survey Results

EXECUTIVE SUMMARY

PURPOSE

The purpose of this item is to:

- Share the findings from the survey of Strategic Reference Group (SRG) members early this year
- Update the SRG on the proposed interim improvements
- Workshop role definitions for future SRGs.

SUMMARY

Two years into the term of SRGs, a mid-term review was conducted to identify what is working well and what could be improved. Overall survey feedback from members was largely positive however, some key areas for improvement were identified, notably more strategic input and clarity around role and purpose.

RECOMMENDATION OF GOVERNANCE OFFICER

That the Economic and Smart Communities Strategic Reference Group:

1. Note the survey results.
 2. Provide feedback on the proposed interim improvements.
 3. Participate in a workshop: 'what is the role of the Strategic Reference Group (from the perspective of an SRG member)?'
-

REPORT

BACKGROUND

Strategic Reference Groups (SRGs) are an important part of Council's community engagement framework. They comprise of a mix of subject matter experts in a field relevant to the SRG, community members with an interest in a range of relevant topics and Northern Beaches councillors. They provide input at various stages of projects and strategies to ensure alignment to the Community Strategic Plan (CSP).

Council's community engagement approach is informed by the principles of the International Association for Public Participation (IAP2). This framework is used to determine the level of engagement sought by the SRGs, as well as the wider community. SRGs can be used as a part of a general engagement tool, as well as part of a coordinated community engagement process for a specific project.

IAP2 Spectrum:

INCREASING LEVEL OF PUBLIC IMPACT				
INFORM	CONSULT	INVOLVE	COLLABORATE	EMPOWER
Public Participation Goal:	Public Participation Goal:	Public Participation Goal:	Public Participation Goal:	Public Participation Goal:
To provide the public with balanced and objective information to assist them in understanding the problems, alternatives and/or solutions.	To obtain public feedback on analysis, alternatives and/or decisions.	To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered.	To partner with the public in each aspect of the decision, including the development of alternatives and the identification of the preferred solution.	To place final decision-making in the hands of the public.

Note: 'Empower' is not a stage used for community engagement as the elected Council is the final decision maker.

MID-TERM REVIEW

Two years into the SRG term we wanted to identify what was working well and what could be improved. A review of the SRGs was undertaken. Activities undertaken as part of the review:

- Review of membership against charters and recruitment of vacant positions
- Formalised the community committee framework into a policy
- Desktop review of agenda items mapped to the IAP2 Spectrum
- Survey of members

Satisfaction Survey

The survey results revealed an overall high satisfaction with the SRGs however, the breakdown of comments identified the following key areas for improvement:

- Clarity around role of SRG
- Strategic input – earlier input into policy and strategy
- Fewer agenda items – more time for workshop and discussion

The full survey results for the Economic and Smart Communities SRG are attached.

Workshop Session: Executive Managers and Chairs

On 3 June 2020 an online workshop with the six lead executive managers and chairs and Manger Community Engagement was conducted. The group provided valuable insight into how they perceived the role of the SRG from their unique perspectives as a councillor (SRG member) and staff member.

Interim Enhancements

Following the survey feedback, some interim enhancements will be progressively implemented:

- Greater information sharing with SRG members out of session
- Consideration of opportunities for cross-SRG consultation
- Annual forward planning workshops with the Chief Executive Team, executive managers and chairs to provide more strategic oversight to agenda topics
- Re-format of the agenda to enable more emphasis on consultation vs informing (eg: 2 x workshops and 1 x 'inform' each meeting)
- Report templates will be clear on the level of engagement sought
- Use a 'Parking Lot' for off topic discussions
- Database for recording and reporting back on actions
- Continuous improvement: pulse surveys post every meeting.

NEXT STEPS

The current SRGs have played an important role in shaping the direction of the Northern Beaches Council and are aligned to the pillars of Council's Community Strategic Plan (CSP). Key milestones are approaching being, the:

- local government election in September 2021 requiring the CSP to be reconsidered by the newly elected Council
- SRG members' terms concluding in February 2022.

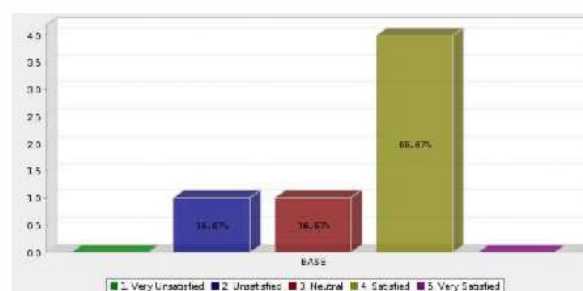
Given these milestones, Council is very keen to understand the experiences of our first cohort of SRG members since the first local government elections following amalgamation, with a view to using these experiences in how Council sets up the next term within Council's broader model for engagement.

A report to the Chief Executive Team will be provided incorporating this feedback for its consideration of the next SRG term.

29/07/2020

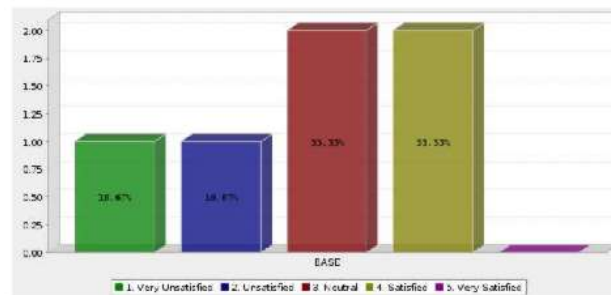


What is your overall satisfaction with the SRG?

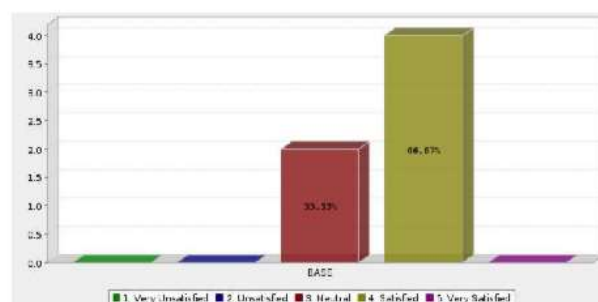


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How satisfied are you with the level of input you have in shaping the strategic input of the agenda topics?

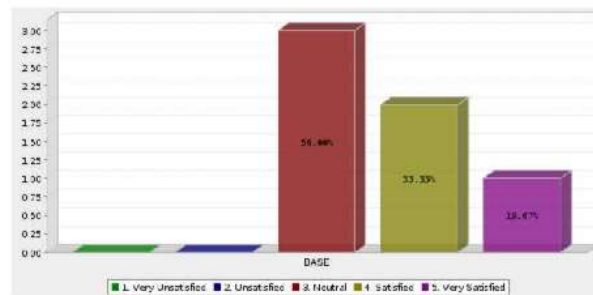


How satisfied are you with the relevance of agenda topics for your SRG?

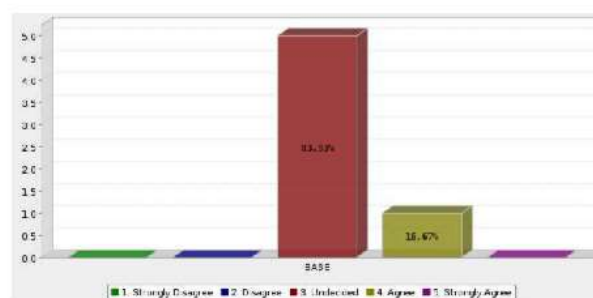


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How satisfied are you with the quality of the business papers?

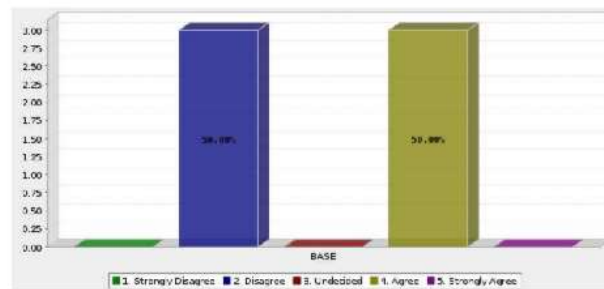


My contributions to the SRG are making a difference.

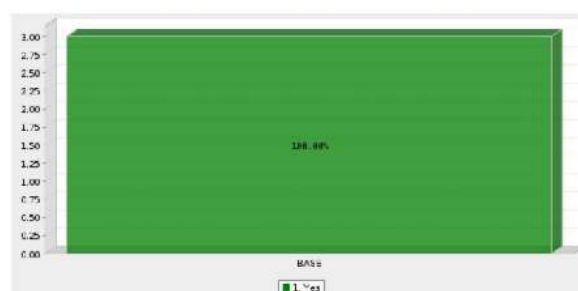


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My opinions are being heard.

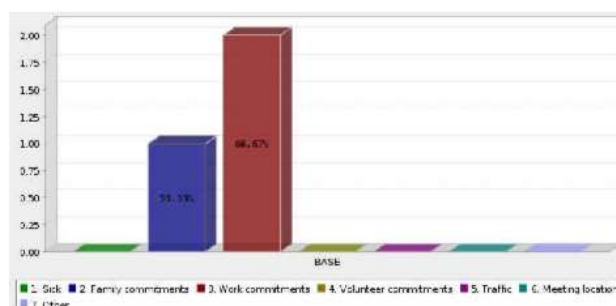


Have you missed any of the SRG meetings?



29/07/2020

What was the reason for missing the meeting(s)?



What's working well ?

- 'Knowledge in the room by the participants.'
- 'Good range of speakers most of the time. Open robust discussion from members.'
- 'Our SRG has an amazingly strong and passionate group of locals and staff who offer a very broad base of experience and suggestions. Staff are always quick in response and action.'
- 'Distribution of pre meeting notes, now asking for feedback on the minutes re any issues before their confirmation, topics of discussion are relevant and interesting, council staff are well prepared and professional.'
- 'The more technology based (I guess the 'Smart Communities' part) is well briefed, discussed and reported. Recent briefings by the tourism consultants have also been very good.'

29/07/2020

What can be improved?

- *'I must admit that I still do not really understand the role of the SRGs in the Council big picture. It seems like we are there to receive staff presentations and give some input and act like a staff rubber stamp.'*
- *'Committee is worthwhile however comments and suggestions from a very intelligent group should be taken on board and applied in practice. Further this application should be demonstrated and fed back.'*
- *'Would like to see our SRG more involved with Strategy.'*
- *'Misleading if not false minutes (caused one member to resign and he was justified in my opinion). Commitments not kept.'*
- *'The agenda is always under time pressure, but the meeting needs to be managed to time and finish on time. Feel that complex topics related to the property management team require a lot more time and that the presenters from that team are put in a difficult position, any future discussion point from that team needs a full hour.'*
- *'The input of the SRG members is sometimes seen to be ignored, in terms of 'coal-face' matters where those on the spot have practical input and observations often not known to or shared by Council staff and arms length Councillors.'*

ITEM 6.2	GLEN STREET THEATRE - FUTURE USE OF THE FORMER RESTAURANT SPACE - KYLIE WALSH - 20 MINS
REPORTING OFFICER	EXECUTIVE MANAGER COMMUNITY, ARTS AND CULTURE
TRIM FILE REF	2020/446635
ATTACHMENTS	1 ↓ Glen Street Theatre use of Former Restaurant Space - SRG Briefing - 12 August 2020

PURPOSE

To discuss the future use of the former restaurant space within Glen Street Theatre and ask for feedback from Strategic Reference Group members on the options presented.

EXECUTIVE SUMMARY

Council manages a performing arts centre, Glen Street Theatre (the Theatre), located on the corner of Glen Street and Blackbutts Rd, Belrose. The Theatre consists of a 400 seat theatre, a space that was formerly used as a restaurant with a capacity of 100 and a large foyer with bar and box office facilities.

On 18 December 2018 Council resolved to consider options regarding the future use of the former restaurant space at the Theatre. The Council Resolution stated that community consultation be undertaken followed by a Benchmark and Feasibility study and report. This report presents the feasibility report and asks for comments from Strategic Reference Group members.

As resolved by Council, the first step in this project was to undertake community engagement to understand community views on the future use of the space. A community survey was undertaken in June 2019 and the survey identified the community preference, by 81%, for a *flexible space offering live performances and food and beverages*.

Based on the community engagement results, Randall Arts Management Ltd (RAM) were contracted in October 2019 to provide Council with a minimum of three feasibility options for activating the former restaurant space in line with the community preference.

The Council Brief to the consultant requested that options for the future use of the space be evaluated against:

- Ability to meet the preferred use as identified by the community
- Enhancing audience development for Glen Street Theatre
- Enabling financial sustainability of Glen Street Theatre
- Connecting all members of the community
- Assisting to activate the entire cultural hub
- Generate income

Evaluation against the above identified three options for analysis:

Option 1: Improve the Current Condition. Refresh and improve the capability of the current space to act as a multi-purpose facility that offers the community a low cost small performance, rehearsal, events and hire space with limited food and beverage offering.

Option 2: Balanced Performance and Hospitality. Convert the current facilities to operate as a fully operational performance focused space with hospitality options, address some existing capability shortcomings but without any structural changes or audience capacity increase.

Option 3: Hospitality Venue. Offer the facilities to the market as a hospitality focused venue with a secondary entertainment function on a commercial basis with the expectation that the commercial operator pays for refurbishment of the space.

The findings and recommendation of Randall Arts Management are:

“Option 1 – Improve Current Conditions, would provide some improvements to Glen Street Theatre’s ability to continue to contribute to the Outcomes whilst longer term facility and precinct development strategy was being developed.

Option 2 – Balanced Approach, requires a more significant public investment for limited benefits and high risk.

Option 3 – Hospitality Venue, might help encourage access to the Precinct. Any further alignment with the Outcomes would be dependent on specific proposals from the market.”

The Consultant’s Report recommends Option 1, Improve the Current State. This Option lifts the space to a ‘fit for purpose’ standard and strengthens performance, food and beverage capability and capacity in the space for a relatively small cost and low risk.

Taking the age of the primary theatre asset into consideration and the need for extensive maintenance and refurbishment within the next 3 to 5 years, the Consultants deemed Options 2 and 3 to be high risk.

Council will be considering the next step to implement this project at an upcoming Council meeting.

RECOMMENDATION OF EXECUTIVE MANAGER COMMUNITY, ARTS AND CULTURE

That the Economic and Smart Communities Strategic Reference Group provide comment and advice on the three options under consideration.

REPORT

BACKGROUND

Council has been working towards the delivery of a cultural hub at Glen Street, Belrose since 2013, building upon the success of Glen Street Theatre. With this objective in mind, on 25 November 2014 Council resolved to progress the following:

- Construction of a 650m² library located at the front of the Glen Street Theatre (completed 2017)
- Tendering out the lease (including fit-out) of the dining and kitchen area in their existing form to food and beverage operators (the former restaurant space)

The former restaurant space is located on the eastern side of the Theatre complex, which is situated on the corner of Glen Street and Blackbutts Road, Belrose. The space was purpose designed in the early 1980s as a restaurant that would service the needs of patrons of the Theatre, primarily for pre-show dining. It is a single floor design that occupies approximately 300sqm and has a (generally unused) entrance at the back of the theatre facing the now upgraded sports fields. The space is accessed via the Theatre foyer. (see Attachment 1 for site location)

Between 1985 and 2014, various restaurant management and catering models were used by Council, ranging from in-house management to outsourcing. Small performances or events were also held sporadically. In 2014 the restaurant ceased operating due to losses incurred from changes in catering providers, reductions in theatre attendances and dining numbers, plus difficulty in sourcing appropriate programming appropriate for the space.

In 2015, Council undertook an open market tender for the lease of the space. By 2016, after lengthy discussions, the preferred tenderer signed a 20-year lease to operate in this space including taking over all bar sales for this space and the theatre. Two years later, however, this operator withdrew from the lease agreement citing license difficulties, thus requiring Council to rethink the best approach for this space.

As the commitment to continue the transformation of the Glen Street precinct into a vibrant cultural hub remained, it was recommended that Council investigate the feasibility of developing an invigorated, activated space that offers live performances and music, in conjunction with a food and beverage service in the former restaurant space. At the Council Meeting of 18 December 2018, it was resolved:

‘That:

- A. Council undertake a feasibility study and business case for the operation of a performance/entertainment space, with a food and beverage offering, in the former restaurant space at Glen Street Theatre.*
- B. Council endorse the use of the former restaurant site at Glen Street Theatre as a pop-up performance and hire space during the development of the feasibility study and business case.*
- C. Community consultation be undertaken prior to commencement of any feasibility study.’*

The results of the feasibility study are the subject of this report.

Current Usage of the former restaurant space

Pre COVID19, the former restaurant space was used 45% of the year. It has evolved to incorporate different uses that include:

- rehearsal space
- meeting room and corporate hire space
- dressing room area to support performance activity in the main auditorium
- storage space to support performance activity in the main auditorium
- performance activity that requires a more intimate format than is available in the main auditorium.

Performances such as Speigelesque Cabaret, Marian Street Theatre for Young People, Library Christmas Pantomime and NIDA performance skills workshops for young people were the most recent shows prior to the COVID19 shutdown.

This space also provides a critical support function for large scale performance activity held in the main auditorium. A lack of backstage facilities requires the former restaurant space to be used as dressing room area, greenroom space and equipment storage when the large dance ensembles and community groups hire the Theatre. These groups are regular community users. If the Theatre becomes unable to meet their event needs the loss of these hires would have a significant direct impact on community utilisation and venue income. Based on 2019 calendar year bookings the potential loss of these clients could represent a loss to the Theatre of 39% of total annual tickets sold (27,027 of 68,758) and 72% venue hire income (\$400,753 of \$558,310). It should be noted that Sydney North Dance Festival have already advised that should this space not be available for their use Glen Street Theatre would no longer meet their event needs and they will relocate to another venue. The impact of this is that if Council were to consider repurposing this space for a hospitality space additional storage and rehearsal space should be considered for inclusion in any capital improvements to the building.

In addition to this use, during the COVID19 crisis this space has been transformed into a broadcast recording studio. It has been already been used for Council managed webinars, including the 'Safe and Sound' webinar series, the Big Ideas Forum and Northern Composure Unplugged program. Planning is currently underway for a series of Library events and enquiries are now being made by community groups to access this service under a venue hire model. The success of these online programs and activities have identified a demand for this format by the community, with the information reaching a far broader and larger audience than the traditional face-to-face programs. Whilst Council will return to 'live' programs when it is safe to do so, this format is being considered as an important service addition to Council's support of the community. The opportunity to use the space in this manner was not considered in the consultant's report but should now be considered in any decision about the future use of the space.

Feasibility and Future Consideration

The project aims to identify the best operational model for the former restaurant space that meets the community consultation preference for a *flexible space offering live performances and food and beverages*, and is financial viable for Council.

Council engaged the consultancy firm 'Randall Arts Management Pty Ltd' to undertake an independent analysis of the former restaurant space and provide options for future usage.

The options identified and assessed are:

- **Option 1 - Improve the Current Condition** – Refresh and improve the capability of the current space to act as a multi-purpose facility that offers the community a low cost small performance, rehearsal, events and hire space with food and beverage offering.

- **Option 2 - Balanced Performance and Hospitality** - Convert the current facilities to operate as a fully operational performance focussed space with hospitality options, address some existing capability shortcomings but without any structural changes or audience capacity increase.
- **Option 3 - Hospitality Venue**- Offer the facilities to the market as a hospitality focussed venue with a secondary entertainment function on a commercial basis with the expectation that the commercial operator pays for refurbishment of the space.

More detail on each option is detailed in Table 1, below.

Table 1.	Option 1 Improve Current State	Option 2 Balanced Performance + Hospitality	Option 3 Hospitality Venue
Description	<p>Improve the current space to act as a small but <i>flexible performance space with food and beverage offering</i>.</p> <p>Refurbish, refresh and make fit for purpose as a secondary performance, events, rehearsal and hire space.</p> <p>Reinstate the bar and limited kitchen refurbishment for casual catering</p>	<p>Increased improvements from Option 1 to broaden the range of programming options.</p> <p>Capability for special events, hire, workshops and utility space.</p> <p>Fully refit kitchen and either reinstate the bar or move bar to kitchen area to increase floor space</p>	<p>A new hospitality venue with the major focus around sale of food and beverage.</p> <p>Small scale performances form a supporting part of the offer</p>
Capital Outlay (estimate)	\$160,000	\$570,000 (full kitchen update)	Commercial operator bares the cost
Feasibility	Feasible	Not Feasible within current footprint	May be Feasible
Benefit	<ul style="list-style-type: none"> • Enable Glen Street Theatre to expand its programming to encompass a more diverse range of activities • Improved functionality • Upgraded equipment, technical and production infrastructure • Attractive secondary entry point • Increased utilisation per annum • Continues storage and rehearsal space 	<ul style="list-style-type: none"> • Improve community connection • Expand impact through a broader, more diverse, participation, and learning range of programming options than is currently possible. • Increase development of local artists and works 	<ul style="list-style-type: none"> • Meets local day and evening market • Small scale music and spoken word performances • No capital cost to Council for the hospitality offering. • Receive commercial rent, following any negotiated rent free period

Table 1.	Option 1 Improve Current State	Option 2 Balanced Performance + Hospitality	Option 3 Hospitality Venue
	<ul style="list-style-type: none"> Opportunity to understand growth following 4 years of construction Marketing can grow the current service model 		
Risk	<p>Limited risk due to:</p> <ul style="list-style-type: none"> Low financial liability Meets community expectation No large hospitality service/modelling requirements <p>Medium risk to:</p> <ul style="list-style-type: none"> Resourcing capability 	<p>High risk due to:</p> <ul style="list-style-type: none"> Lacks height and staging options Capacity restrictions Low supply of suitable programming Considerable expansion and costs required \$87k net losses Increased resourcing required Unknown and unlikely market demand for commercial partners or caterers willing to take risk 	<p>High risk due to:</p> <ul style="list-style-type: none"> Negative impact to theatre bar and community hire business Unknown if "Primary Service" licence will be approved Unknown market interest Reputation to Council if fails Theatre loses valuable performance, storage and rehearsal space, that could require significant capital cost to replace Significant refurbishment Competes with service providers in the area

Other considerations:

During analysis of the future options consideration must be given to the primary theatre asset and full complex. The considerations include:

- Significant renewal funds of just under \$2.5 million are required in the next 3 years for essential maintenance. Specifically an immediate \$740,000 for critical replacement of failing air-conditioning infrastructure with a forecast estimate of \$1,740,120 for base asset maintenance lifecycle costs for 20/21 to 22/23. This expenditure is required to maintain the facility to current base standard and does not account for any major improvements.
- It will be difficult to provide certainty to a long term commercial investor/operator, especially considering the significant economic impact of the Covid-19 crisis on the hospitality and arts sectors.
- There is opportunity to improve overall venue utilisation through the provision of a secondary space at the Theatre. The 2019 PAC Australia Economic Activity Report states that 67.6% of venues around Australia run two or more performance spaces and venues with more than one space have shown overall improved utilisation rates, particularly in performance space two (11% increase).

Also for consideration by Council is the risk of the suburban location of the Theatre. As detailed in the Consultant's report the location does not demonstrate characteristics that improve the success of hospitality offerings in a theatre complex, including:

- Have a prime suburban retail/ office hub location
- Operate a daily cinema business
- Incorporate a meeting/ conference business
- An attractive setting, a destination in its own right

According to the consultants' report, the lack of these attributes limits the financial feasibility of a hospitality offering at the site, with Option 3 identified as possible but a high risk to Council.

The findings of Randall Arts Management is to recommend Option 1 due to the following:

- It meets the community consultation preference as the return of the kitchen to a basic service space and reinstating the bar allows for performance plus food and beverage
- The range of recommended functional and aesthetic improvements will improve the attractiveness and ability to increase utilisation per annum
- Limited financial outlay and risk to Council
- Building on the success of the last 2 years
- Ensures the necessary current usage to supplement main theatre back of house space is maintained (i.e. dressing room, greenroom and storage use)
- Ensures the necessary current usage for rehearsal and intimate performances (e.g. youth and cabaret) is maintained

CONSULTATION

Community engagement was undertaken in accordance with the Council resolution of 18 December, 2018. Consultancy firm Micromex was contracted to undertake a phone and online survey to ascertain community views on the following:

- Understand the community's current behaviours e.g. participation in arts and cultural activities more broadly, level of awareness with the precinct, and current visitation
- Identify the community's level of interest in arts and cultural offerings in the Cultural Hub
- Measure preferences and levels of support for several proposed options for the Glen Street Theatre former restaurant space.

Council specifically asked the community what their preferences were for the former restaurant space in Glen Street Theatre and Glen Street Cultural Hub in terms of performance, art and culture.

The telephone survey (landline and mobile) was undertaken from 27 June to 4 July 2019 to 303 households. Following on from the telephone survey, an online version of the telephone survey was promoted by Council from 28 June to 25 July 2019 in order to allow greater participation from the community. The on-line survey obtained 812 responses and was distributed through:

- Your Say (entire Northern Beaches)
- Random telephone survey (303 households)
- Theatre subscriber survey (to 39K subscribers)
- iPads with survey at theatre shows (Theatre attendees)

- Letter box drop with survey link (to 601 households)
- Signage + postcards with survey link (predominately at Libraries + Glen St).

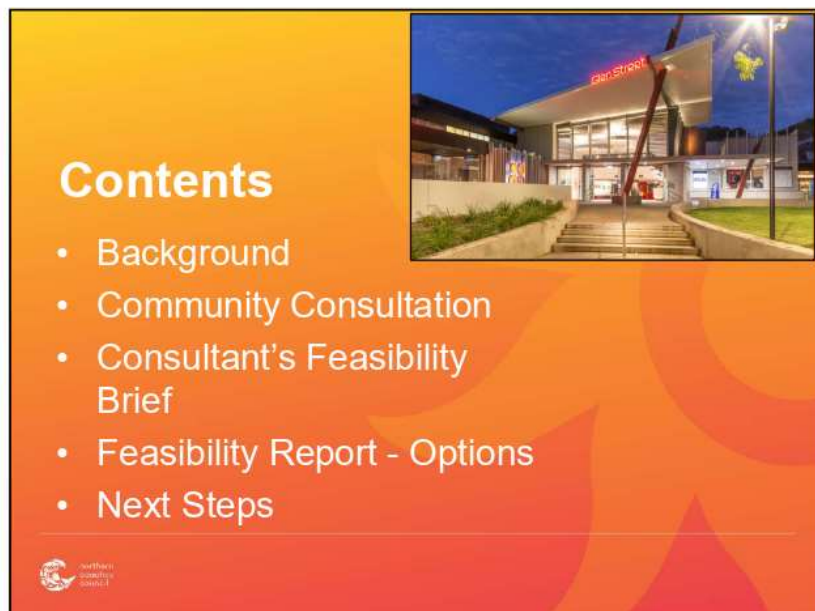
A total of 1,115 surveys were completed in total from the two survey methods. Survey participants stated that more food, beverage, as well as entertainment options would attract more people to the Glen Street Theatre area. They also said that an increased amount of festivals and events, as well as small bars and new restaurants, would enhance the area as a cultural hub.

The strongest preference gained 81% agreement from the community was that '*a flexible space offering live performances and food & beverages*' would best suit the former restaurant space.

TIMING

A report presenting these options will be considered by Council at an upcoming meeting, which will include comments from the Strategic Reference Group.

12/08/2020



12/08/2020

Location

Former restaurant space (also formerly known as Sorlies) within Glen Street Theatre, Belrose



Site location



Cultural Hub

Working towards the delivery of a Cultural Hub at Glen St, Belrose, Council has:

- 2016 Completed a tender process for a food and beverage operator in the former restaurant site within Glen Street Theatre
- 2017 Construction of the new library adjacent to Glen Street Theatre
- 2018 The successful tenderer withdrew from the lease for the former restaurant site, prior to occupation



12/08/2020

Activities to date

As per 18 December Council resolution:

- March to June 2019 - Community Consultation undertaken
- October 2019 to February 2020 – consultant undertakes research and provide a Feasibility Report
- Ongoing – Utilisation of the space for rehearsals, pop-up performances, hiring and storage
- Feasibility Report findings– subject of engagement with Strategic Reference Groups, then to be reported to Council

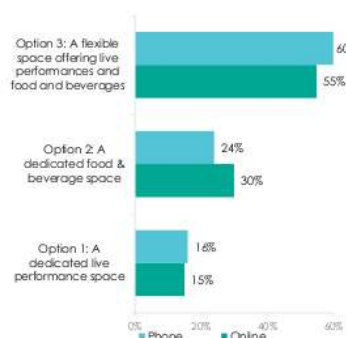


Current state 2019



Community Consultation Results

Total responses – 1,115



Preference - "a flexible space offering live performances and food & beverages"

12/08/2020

Feasibility Brief

Objectives

- Develop options for the provision of *"a flexible space offering live performances and food & beverages"*
- Enhance audience development
- Enable financial sustainability
- Connect all members of the community
- Assist to activate the entire cultural hub
- Generate income



Feasibility Report - Options

Option 1	Option 2	Option 3
Improve Current Conditions	Balanced Performance and Hospitality Offer	Hospitality Venue
Feasible	Not Feasible	May be Feasible



Current



Future



Future



12/08/2020

Options - Capital Costs + Benefits

Option 1	Option 2	Option 3
Improve Current Conditions	Balanced Performance and Hospitality Offer	Hospitality Venue
\$160,000 est.	\$570,000 est.	Commercial operator
<ul style="list-style-type: none"> Improved functionality Upgraded equipment, technical and production infrastructure Attractive secondary entry point at back Increased utilisation per annum Continues storage and rehearsal space Opportunity to understand growth following 4 years of construction Marketing can grow the current service model 	<ul style="list-style-type: none"> Meet the community consultation results of a <i>flexible performance space with food & beverage</i> BUT needs additional footprint 	<ul style="list-style-type: none"> Meets local day and evening market Small scale music and spoken word performances No capital cost to Council for hospitality offering Receive commercial rent after rent free period is complete



Options - Risks

Option 1	Option 2	Option 3
Improve Current Conditions	Balanced Performance and Hospitality Offer	Hospitality Venue
Limited risk due to:	High risk due to:	High risk due to:
<ul style="list-style-type: none"> Low financial liability Meets community expectation No large hospitality service/modelling requirements <p>Medium risk due to:</p> <ul style="list-style-type: none"> Resourcing capacity 	<ul style="list-style-type: none"> Lacks height and staging options Capacity restrictions Low supply of suitable programming Considerable expansion and costs \$87k net losses Increased resourcing required Unknown and unlikely market demand for commercial partners or caterers willing to take risk 	<ul style="list-style-type: none"> Negative impact to theatre bar business and viability and community hire levels Unknown if "Primary Service" licence will be approved Unknown market interest Reputational risk if fails Theatre loses valuable performance, storage and rehearsal space Significant refurbishment Competes with service providers in the area



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For consideration

- Significant capital investment is required for the building, with \$2.5m required in next 3-5 years
- It would be difficult to provide certainty to a long term commercial investor/operator on this basis
- Any investment in the short to medium term has to take these points into consideration, and the impact of Covid-19 on the hospitality and arts sectors
- Option 1 offers the lowest risk to Council



Comments

- Issues for consideration by Council?



ITEM 6.3	REVISITING THE EMPLOYMENT STUDY DATA - DEB KEMPE - 15 MINS
REPORTING OFFICER	TEAM LEADER, ECONOMIC DEVELOPMENT AND TOURISM
TRIM FILE REF	2020/440239
ATTACHMENTS	1 ↓ Northern Beaches draft Employment Study - Key Findings - Economic & Smart Communities SRG

EXECUTIVE SUMMARY

PURPOSE

Workshop with Economic & Smart Communities SRG members on how longer-term employment growth and floorspace demand on the Northern Beaches may be influenced by trends arising from COVID-19.

REPORT

During 2019, Council engaged consultants SGS Economics & Planning to undertake a comprehensive Employment Study for the Northern Beaches over the next 20 years. It was the first Northern Beaches wide study and was one of a series of technical studies informing the Local Strategic Planning Statement and LEP Review. It was also an initial stage of the Economic Development Plan which will set out directions for economic recovery and growth over the next 5 years.

The key findings from the draft Employment Study were presented to the Economic & Smart Communities SRG in February 2020. For reference and refreshment, a copy of this PowerPoint presentation is attached. The draft Employment Study outlines:

- the existing pattern of employment across the Northern Beaches (both local jobs and resident workforce)
- emerging economic trends and drivers
- the existing and proposed supply of retail, commercial and industrial floorspace
- the projected demand for retail, commercial and industrial floorspace to 2036
- a gap analysis of supply/demand, including market data and land use suitability analysis
- the role of key employment centres in accommodating future demand, including growth scenarios for commercial space (Brookvale vs Frenches Forest) and land use planning recommendations for each centre.

Demand for retail floorspace is based on a 'retail gravity model' which simulates where people will spend their money, including changing consumer patterns such as growth in online shopping, and is largely determined by population growth (per capital expenditure). The results of the retail modelling indicate there is expected to be a retail gap (shortage) of around 36,300sqm by 2036, as additional supply of retail floorspace is not expected to come online post 2026, but demand continues at an annual rate of 1.84% per annum.

Demand for commercial (office) floorspace is largely based on local employment projections developed by SGS and Transport for NSW. The Table below shows employment projections by different industry sectors between 2016 and 2036. This shows strong local job growth in 'Professional, Scientific and Technical Services', as well as 'Health Care & Social Assistance', 'Education & Training', and also 'Accommodation & Food Services' over the next 20 years.

Consequently, there is projected to be demand for around 325,210 additional sqm of commercial (office) floorspace across the Northern Beaches by 2036 (+13% from existing 2.46 million sqm). The draft Employment Study highlights that the type of office space is more important than the quantum, with a need to increase supply for small professional businesses and sole traders, particularly flexible office spaces with high levels of amenity to attract sole traders out of their home offices and support a more connected community of local businesses.

COVID-19 has made predicting demand for office space even less reliable with the current shift away from CBD based working difficult to predict into the future. Given the high rates of professionals with young families living on the Northern Beaches, we may see growing demand for local spaces to work outside the home while avoiding a commute.

The draft Employment Study identifies an over-supply of larger office stock, particularly in Frenchs Forest with large floorplates (average 1,006 square meters) and the lowest average prices (\$352 per square meter) for commercial space on the Northern Beaches (\$500 average per square meter). As of August 2019, there was approximately 29,188 sqm of vacant commercial floorspace available in Frenchs Forest, 7% of which is new, 63% is refurbished/modern and 30% is old. The refurbished/modern stock is mostly found along Rodborough Road. This may provide an opportunity to attract corporate satellite offices, particularly when the long term future of Frenchs Forest is considered with a new town centre, proposed east-west B-line and the planned Beaches Link tunnel.

TABLE 97: EMPLOYMENT GROWTH BY ANZSIC (16-36)

	2016	2036	16-36	% growth
Agriculture, Forestry and Fishing	485	372	-114	-23%
Mining	54	62	8	14%
Manufacturing	7,825	5,470	-2,355	-30%
Electricity, Gas, Water and Waste Services	658	885	226	34%
Construction	10,980	12,140	1,160	11%
Wholesale Trade	5,583	5,918	335	6%
Retail Trade	13,796	14,968	1,172	8%
Accommodation and Food Services	8,372	10,639	2,267	27%
Transport, Postal and Warehousing	2,516	2,036	-480	-19%
Information Media and Telecommunications	1,836	1,897	61	3%
Financial and Insurance Services	2,148	2,972	825	38%
Rental, Hiring and Real Estate Services	2,397	2,805	408	17%
Professional, Scientific and Technical Services	12,167	18,243	6,076	50%
Administrative and Support Services	4,010	3,896	-114	-3%
Public Administration and Safety	2,872	4,234	1,362	47%
Education and Training	8,664	12,676	4,013	46%
Health Care and Social Assistance	13,762	17,919	4,157	30%
Arts and Recreation Services	2,384	3,412	1,028	43%
Other Services	4,813	6,611	1,798	37%
TOTAL	105,322	127,155	21,834	

Source: SGS Economics and Planning, 2019

Whilst jobs in 'Manufacturing' are projected to decline locally (-30%), increased floorspace required per worker (i.e. automation), higher office component and demand for wholesale trade and logistics, is estimated to result in continued marginal demand for additional industrial floorspace, with an additional 51,652 sqm required by 2036 across key industrial precincts (9% of existing 636,714 sqm).

Relying only on employment projections to estimate future demand for Industrial land is no longer relevant with a number of structural changes, including automation which reduces on-site manual labour, with no corresponding decline in demand for industrial land. Further, digital technology is enabling remote working for many functions that used to be on-site and an increasing focus on last mile delivery with the rise of ecommerce is increasing demand for localized distribution networks.

The Greater Sydney Commission has identified a benchmark requirement of 3 square meters per capita for urban services activities. The North District has the lowest supply of industrial land per capita in the City and by 2036 is expected to only have 1 square meter per person. This 1 square meter needs to support not only urban services functions, but opportunities that improve our economic resilience and high skilled employment, hence the strong directive to 'Retain and Manage' industrial land from the Greater Sydney Commission.

These employment and floorspace projections were made prior to COVID-19, which is presenting new challenges, and potentially opportunities, to how people work and demand for goods and services. To some extent, it may exasperate trends already identified (remote working, online shopping) in the study.

To inform finalisation of the Employment Study, and preparation of the Economic Development Plan, SRG members are invited to consider how trends arising from COVID-19 may influence some of these growth assumptions and trends. In particular feedback is sought on:

- What impact is COVID likely to have on future demand for office space across the Northern Beaches?
- What can we do to continue support working from home and maximise benefits for local centres?
- How will this change future consumer behaviour (i.e. more online retail shopping) and what does this mean for the retail and logistic sectors?

RECOMMENDATION OF TEAM LEADER, ECONOMIC DEVELOPMENT AND TOURISM

That the Economic & Smart Communities Strategic Reference Group members discuss the implications of COVID-19 on long-term planning for jobs on the Northern Beaches.

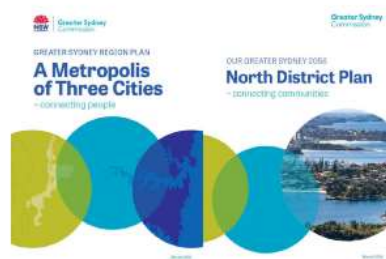


Content

- Study context
- Policy context
- Socio-economic profile (population, employment, journey to work)
- Key economic trends & drivers
- Market and floorspace analysis
- Vision for the Northern Beaches

Study context

- Northern Beaches Council commissioned SGS Economics & Planning to undertake an Employment Lands Study for the Northern Beaches Local Government Area (LGA).
- The Employment Study will:
 - Develop a coordinated strategy for economic development across the Northern Beaches and a vision for employment precincts
 - Inform Council's Local Strategic Planning Statement (LSPS), Local Environment Plan (LEP), Economic Development Plan and future Place Planning
 - Give effect to the Greater Sydney Region Plan and North District Plan (Greater Sydney Commission)



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Policy context

Greater Sydney Region Plan (2018)

Objectives:

- Develop internationally competitive health, education, research and innovation precincts
- Support investment and business activity in centres
- Industrial and urban services land is planned, retained and managed

North District Plan (2018)

Priorities:

- Support new infrastructure that enhances local employment opportunities
- Grow and invest in health and education precincts
- Grow investment, business opportunities and jobs in strategic centres

- Frenchs Forest: +2,700 – 3,700 jobs by 2056
- Brookvale-Dee Why: +3,000 – 6,000 jobs by 2056
- Manly: +1,000 – 1,500 jobs by 2056
- Mona Vale: +700 – 1,700 jobs by 2056

- Retain and manage industrial and urban services lands
- Support growth of targets industry sectors (tourism and rural industries)

Shape 2028 – Community Strategic Plan (2018)

Strategies:

- Facilitate innovative environments and hubs
- Facilitate local education
- Support telecommuting
- Activate urban centres and strategic centres
- Provide a platform for diversified job growth and locate in strategic and local centres
- Ensure creative activities and safe nightlife opportunities

North District Plan Centre Hierarchy

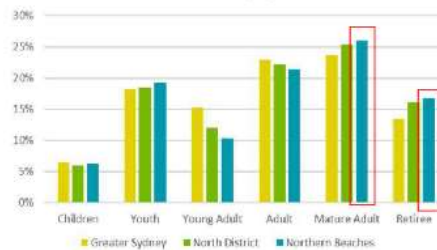
- Frenchs Forest: Health and Education Precinct
- Brookvale-Dee Why: Strategic Centre
- Manly: Strategic Centre
- Mona Vale: Strategic Centre

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Population

- **Low population growth** (+15,235 between 2011-2016) and forecast growth is lower than Sydney region and North District
- **Brookvale-Dee Why catchment** is seeing highest rate of growth
- **An ageing population**
Significantly higher growth in Retirees (12.3% Compound Annual Growth) than youth (9.4%) or Mature Adults (8.5%)
- **Professionals and Managers** are the largest occupation group for local residents
- **Local residents** work in Knowledge intensive (32%) and Population Serving (31%) jobs.
- **Overseas migrants** are mostly Adults and Young Adults locating in Manly and Brookvale

FIGURE 21: COMPARATIVE AGE PROFILE STRUCTURE (2016)



Source: ABS Census 2016 (TableBuilder Pro)

Opportunity

- Ensure economic centres and the public domain, programs and activities cater to the range of ages in the LGA, including the ageing population.
- Grow local professional and knowledge intensive job opportunities to reduce outbound commuting

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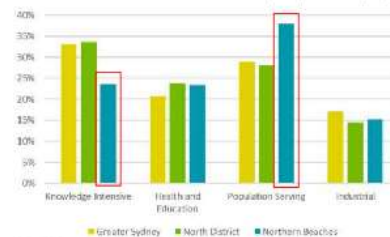
Employment

- **Local Population Serving** jobs are higher than Greater Sydney Average, while Health and education employment opportunities are growing, supported by an ageing population.
- **Local Knowledge Intensive** jobs have grown at a slower rate (+2,292) than the growth in local residents who work in this are (+6,035)
- **Industrial employment** is in decline, in line with Greater Sydney. This does not reflect demand for industrial and urban services activity (automation)
- **Industry Specialisations** – Retail Trade, Accommodation, Food Services and Construction are the most specialised local industries, albeit a low level of specialisation.
- **High self-containment** (54%) meaning over half of the resident workforce work locally. Rates of self-containment increase moving further north in the LGA (Manly 41%; Frenchs Forest 43%; Brookvale-Dee Why 55%; Mona Vale 61%)

Opportunity

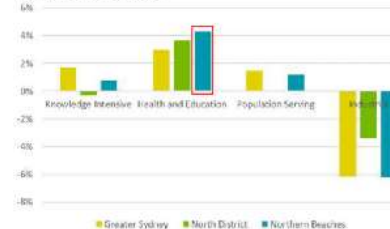
- Continue supporting development and specialisation of the Frenchs Forest Health and Education precinct.
- Recognise and communicate the value of industrial lands beyond employment and develop strategies to safe-guard these land uses.

FIGURE 22: COMPARATIVE (INDUSTRY OF EMPLOYMENT (POW) STRUCTURE (2016)



Source: ABS Census 2016 (TableBuilder Pro)

FIGURE 23: COMPARATIVE PROPORTIONAL CHANGE IN INDUSTRY OF EMPLOYMENT (POW) STRUCTURE (2008-2016)



Source: ABS Census 2008, 2011, and 2016 (TableBuilder Pro)

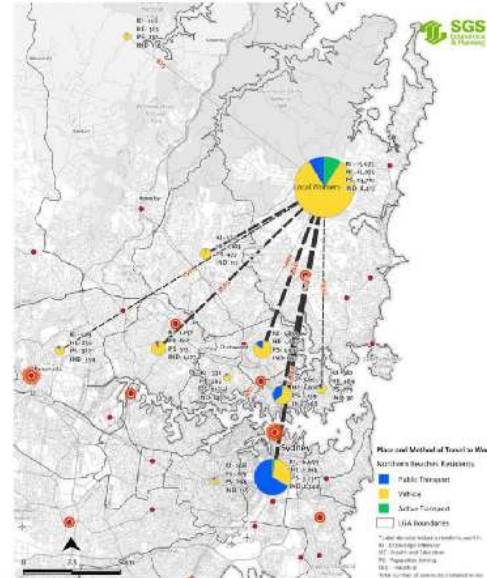
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Employment

- Self sufficiency
 - The majority of our local jobs are performed by local residents (77%)
 - Workers who live outside the LGA predominantly travel from Ku-ring-gai, Hornsby and North Sydney.
 - Industries of note include: Other Social Assistance Services; Computer System Design and Related Services; Aged Care Residential Services (161); Primary Education (156); Accountants (155)
- Self containment
 - Over half of resident workers work locally (54%).
 - Rates of self-containment increase moving further north in the LGA (Manly 41%; Frenchs Forest 43%; Brookvale-Dee Why 55%; Mona Vale 61%)
 - Industries of note include: Computer System Design and related services (1,460); Real Estate (1,241); Accounting Services (1,078); Local Government Administration (974); Early childhood, primary and secondary school teachers, registered nurses and private tutors (4,249 combined total)
 - Leakage in in CBD related industries such as Finance and other professional services

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FIGURE 1: LOCATION OF JOBS OF NORTHERN BEACHES RESIDENTS (2016)

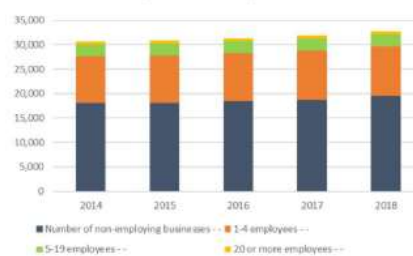


Business

- High rate of Home Base Business** - A 2015 business survey of Warringah Council area indicated that a high proportion of respondents were home-based businesses (37%), almost double the NSW wide estimate at 20%.
- An economy of small businesses** – close to 60% of local businesses are sole traders, while another 30% employ 1-4 employees
- Second largest number of registered Businesses in NSW** – the Northern Beaches is second only to the City of Sydney with 31,823 business registered to the Northern Beaches Local Government Area
Source: Profile 10, National economic indicators for local government areas, 2017/18
- Awareness, perception and habits impact business development** on the Northern Beaches. Residents and businesses are not aware of the business, workforce and professional environment in the area. Creating a better sense of network within the business community and working to change perceptions would help.
- Distance** – the issue of distance to suppliers, clients, staff and customers is a key concern for local business in the area. This has been compounded by traffic congestion and a lack of public transport options and parking in employment centres.

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FIGURE 2: SIZE OF BUSINESS, NORTHERN BEACHES, 2014-2018

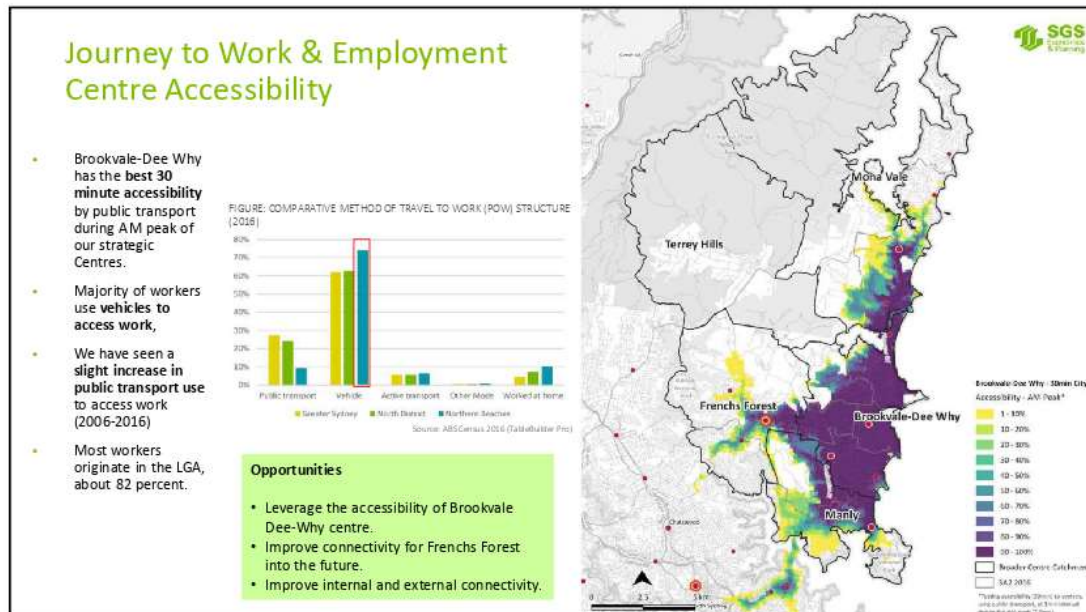


Source: ABS, 2019 Economy and Industry, Local Government Area, 2013-2018

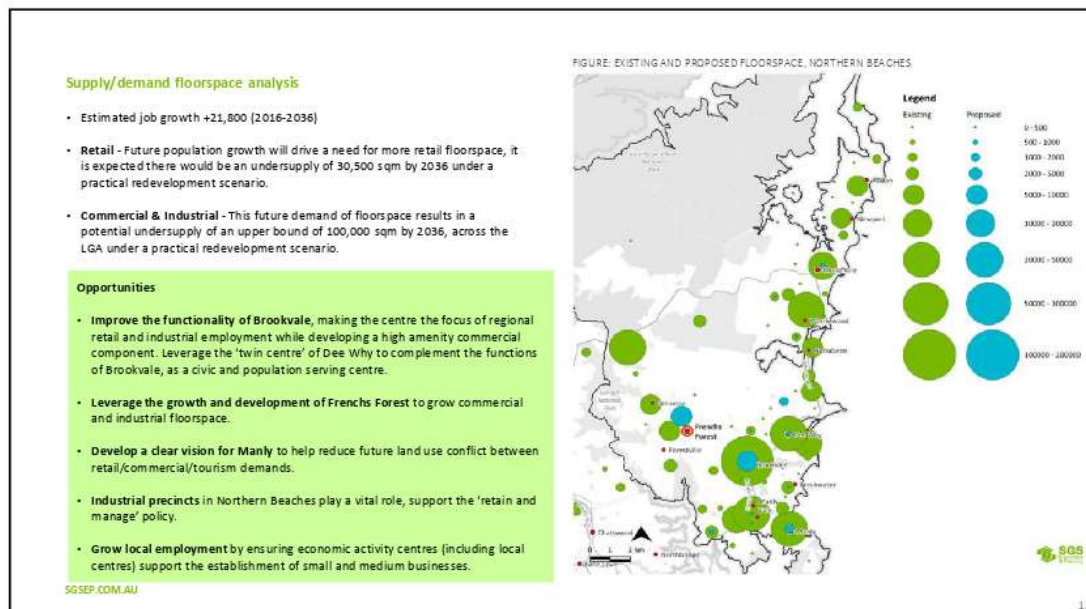
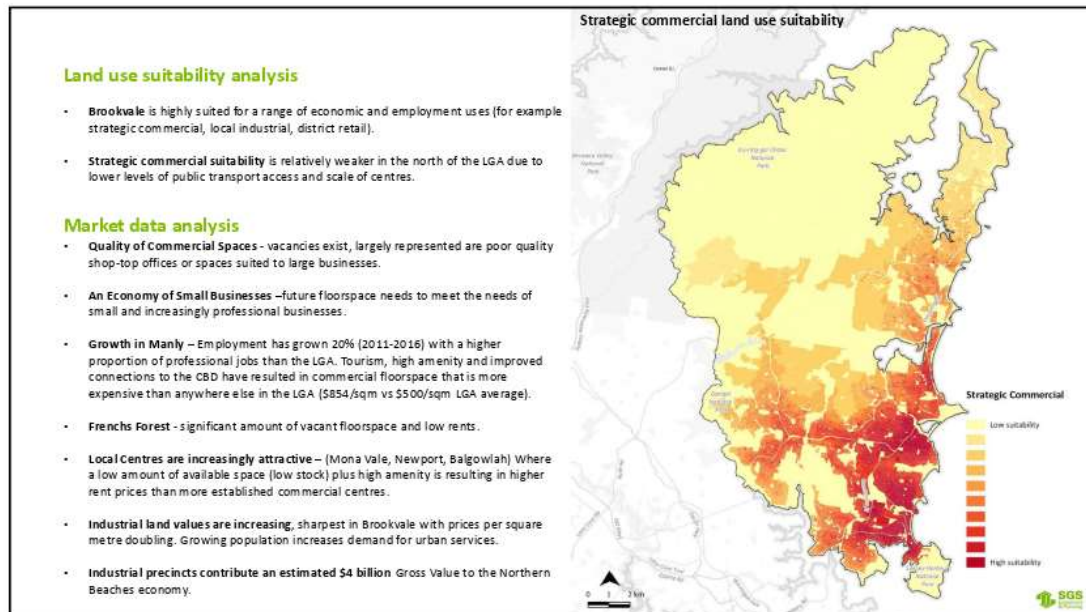
Opportunity

- Support home-based business and encourage stronger networks
- Co-working spaces can take many forms and offer home-based businesses a cheaper and more flexible solution when making that first move out of a home office (rather than signing a lease) and provide opportunity to collaborate with other businesses
- Improve transport connections and 30 minute access to employment centres

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Growth distribution scenarios

Scenario 1 Brookvale focus

- Concentrate most future commercial floorspace demand in BV in a high-amenity core.
- Ensure future floorspace best suits needs of small and professional businesses.
- Leverage high accessibility, established business networks and good amenity.

Scenario 2 Frenchs Forest focus

- Concentrate most future commercial floorspace in Frenchs Forest.
- A concerted effort to leverage recent investment in Frenchs Forest.
- Improve the quality and amenity of FF Business Park and the developing town centre.
- Leveraging future public transport improvements.

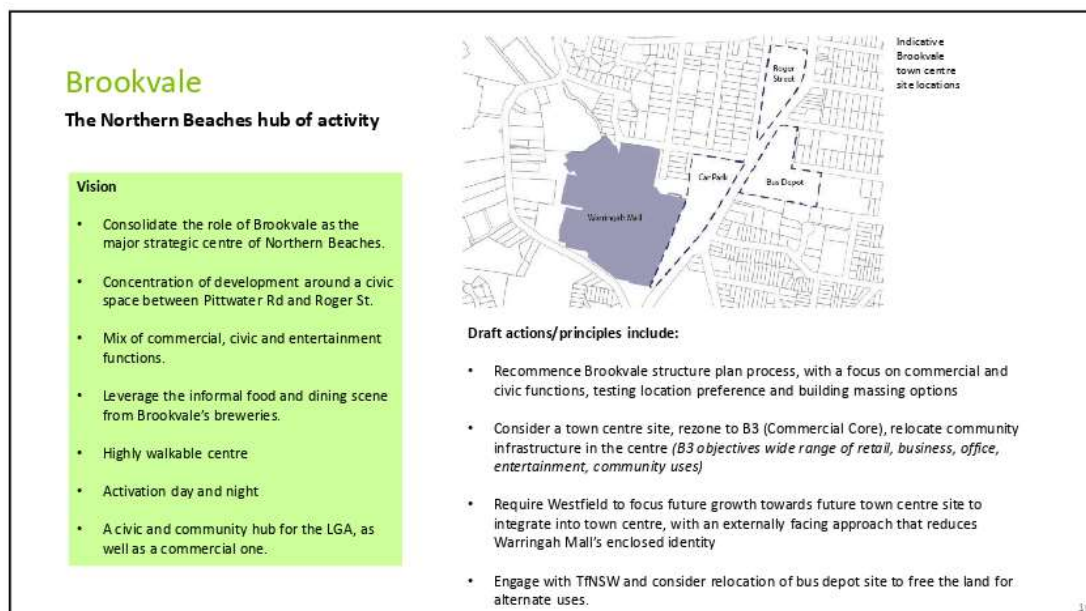
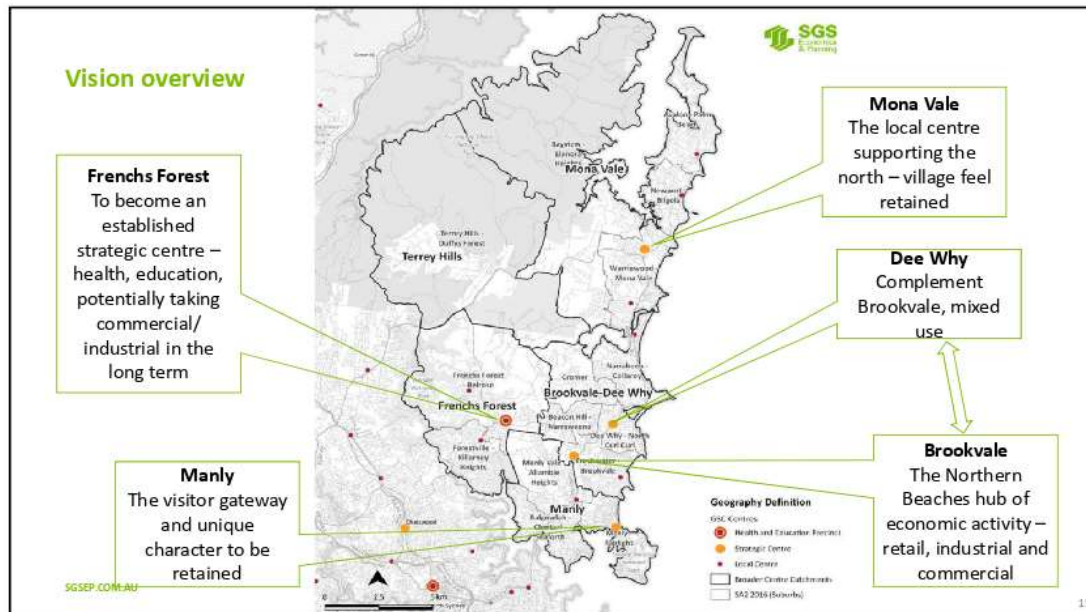
Scenario 3 Staged growth

- Blends scenario 1 and 2.
- Short-medium term Floorspace development in Brookvale.
- Recognition that Frenchs Forest is in transition, and a likely long-term solution given the disconnect between the precinct's commercial built form and that demanded by the market, and the severance of the precinct.
- Recognises the value of both centres.

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Frenchs Forest

An established strategic centre at Frenchs Forest

Vision

- To grow as a population and health-related centre with a mix of residential, community and commercial functions to the west of the hospital.
- Frenchs Forest Business Park to attract health-related businesses, that may require full building floorplates (e.g. med-tech, pharma companies). It could also be home to distribution and storage related functions that don't require visibility.
- The precincts is to soak up some of the businesses displaced from Brookvale, either through changing land uses or price points.



Draft actions/principles include:

- Recognise it is centre in transition and work towards its long-term prospects.
- Potential long-term transition to incorporate Forestway retail into the new town centre, freeing up the Forestway site.
- Constrain on large plate commercial supply in future town centre (excluding smaller commercial allied health) given Frenchs Forest Business Park is already underperforming.
- Frenchs Forest could also focus on more warehousing, logistics and car sales.
- Consider the potential to absorb Brookvale bus depot.
- Investigate longer or flexible trading hours for low impact businesses to support vibrancy and night time economy.

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Manly

The Northern Beaches' visitor gateway

Vision

- Continue to be the tourism gateway of the Northern Beaches, providing a range of cultural, retail and accommodation services.
- The centre is to retain its unique and characteristic urban form, and strong pedestrian core.
- Increased links to future uses at North Head (future hospital site functions, North Head national park)
- Shop-top commercial development will remain in demand and can be encouraged in future developments.



Manly Corso

Draft actions/planning principles include:

- Continue to encourage commercial development in Manly town centre as shop-top (as commercial is in low supply and high demand).
- Retain building height controls to retain urban scale and the structural appeal of Manly. While market demand for commercial floorspace is high in Manly, the focus of Brookvale's transition towards a high amenity commercial centre will divert the pressure from Manly.
- Accommodate future discretionary retail demand - moderate population growth is projected to 2036. Delivery of future retail floorspace should consider the changes in bricks and mortar retail sector, ensure floorspace is not approved when there are significant vacancies, future floorspace should concentrate in the centre.
- Do not permit additional supermarket floorspace in the town centre, as what is planned to 2036 is sufficient (dependent on any major changes, eg: hotel/student accommodation).

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Dee Why

Supporting the needs of the local population both day and night

Vision

- Continue to fulfil a mixed-use, population serving role for local residents.
- Complementing the role and function of Brookvale.
- A revitalised centre offering strong links to the beach, a social program of activities and a vibrant night-time economy.

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Examples of fine-grain retailing with a mix of open space and built form, smaller lot sizes, human scale streetscape and active street frontages.

Draft actions/planning principles include:

- Offer a retail point of difference in Dee Why – support fine grain retailing opportunities.
- Investigate longer or flexible trading hours to help build the night-time economy.
- Link the town centre to the beach, with public domain improvements, safety by design, an active transport links.
- Have an inclusive social program of events that fits the diverse and changing population profile (ageing and young adults)
- Require no net loss of commercial floorspace in Dee Why and require new developments to provide first floor commercial floorspace as part of mixed-use developments.

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Mona Vale

The centre servicing the north of the LGA

Vision

- The Strategic Centre of the north of the LGA, Mona Vale will continue to provide a range of retail and commercial options for locals and visitors to the area.
- Brookvale and Frenchs Forest will be the strong attractors for commercial growth in the LGA, leaving Mona Vale to focus on playing a complementary role with population-serving commercial floor space.
- Support small businesses and encourage home based businesses into the village
- Maintenance of the 'village' feel is key.

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Mona Vale

Draft actions/planning principles include:

- Retain retail and commercial floorspace, retaining first floorspace commercial uses will help ensure adequate floorspace is retained into the future.
- Accommodate future discretionary retail demand, being aware of changes in the bricks and mortar retailing landscape.
- Retain and manage industrial and urban services, and maintain buffers.
- Implement public domain improvements that are sensitive to the needs of the local population (retirees are expected to have the highest level of growth to 2036 at 42%).

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Local centres

Northern Beaches local centres to support local communities and the business network

Vision

- Smaller locally focussed centres will continue to provide appropriate local retail and small office functions.
- Centres to support evening and weekend café and restaurant demand.
- Provide walkable access.
- Support local home-based businesses to utilise local centres through Co-working and 'third spaces'.



Example of a localised co-working space.
Yackandandah VIC

Draft actions/planning principles include:

- Anticipate retail floorspace growth at Warriewood of up to 5,400 sqm by 2036.
- Encourage shop top housing (supported and retained in the consolidated LEP)
- Co-location of social infrastructure – population growth will drive future demand, local centre are well suited to this use, consider shop top housing above small-scale community facilities.
- Co-working spaces in vacant retail floorspace. Council can work with local business owners or landlords to actively find vacant floorspace (particularly in centres with high vacancies such as Avalon) to locate these uses that may support small work groups of 5-10 people.

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LGA wide

- **Industrial precincts** - will continue to support range of businesses and industries, providing a home for multiple supply chain functions in the local and district economy.
- **Metropolitan Rural Lands** - Continue to support rural land operations along Mona Vale road, as the cluster of nurseries and landscaping businesses play an important district level function and are unlikely to be able to relocate (particularly as a cluster) elsewhere.

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Headlines

- **Northern Beaches demographic profile is changing.** Locally employed tradies and health professionals are being displaced by knowledge sector jobs that are primarily located out of the Northern Beaches
- **The LGA's largest centre is a mixed industry and retail precinct.** Brookvale is a hub of activity and a destination for residents (Warringah Mall) and businesses (industrial precincts). Its diversity is an asset and needs to be protected.
- **Brookvale is a centre without a centre.** Brookvale is at the heart of the LGA both economically and geographically but it does not have a clearly defined centre. Other centres (Manly and Mona Vale) that do have this are at opposite ends of the LGA and lack connections with the rest of the LGA to play this centre role.
- **A new floorspace offer is needed.** Creative and services businesses that are growing in the LGA are small and their operational and locational requirements are not met in the business parks of Frenchs Forest, the shop top offices along Pittwater Road or some of the older industrial facilities.

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Headlines

- **Frenchs Forest is a long term prospect.** The realisation of a fully functioning town centre integrated with the nearby business park will take time, as its prospects are reliant on public and private transport investment and there are other centres well connected to the LGA.
- **Brookvale is a significant opportunity.** The creation of a town centre that complements the important light industrial service role, integrates with Warringah Mall's regional pull and provides a new type of floorspace and built form to support a diversity of local business needs presents a game-changing opportunity for the Northern Beaches to leverage its most accessible and largest centre.
- **Manly will continue to draw local and international visitors.** While it is a centre in demand for businesses, it is important to ensure that its tourism function continues to inform future directions. The creation of a commercial and community precinct in Brookvale with high amenity and good public transport connectivity will give the Northern Beaches a compelling alternative for a commercial centre.

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ITEM 6.4	ECONOMIC RECOVERY POST COVID-19 AND DEVELOPMENT PLAN FOR THE REGION - KATH MCKENZIE/DEB KEMPE - 45 MINS
REPORTING OFFICER	TEAM LEADER, ECONOMIC DEVELOPMENT AND TOURISM
TRIM FILE REF	2020/440232
ATTACHMENTS	1 ↓ Presentation - Economic Recovery Post COVID-19 and Economic Development

EXECUTIVE SUMMARY

PURPOSE

Workshop with the Economic & Smart Communities SRG framework for Economic Development Plan to guide the economic recovery of the Northern Beaches post COVID-19.

BACKGROUND

Council's Delivery Program states that an Economic Development Plan (EDP) be prepared for the Northern Beaches. Previous EDPs have been prepared for the former Pittwater and Warringah Councils, but this will be the first Northern Beaches wide EDP.

Work commenced on the EDP in 2019 with the completion of the Northern Beaches Employment Study, which identified existing industry trends and recommendations for key employment centres to support job growth over the next 20 years. This was presented to the Economic & Smart Communities SRG in February 2020. Following this technical study, Council is now developing an EDP which will have actions to work with the business community to support job growth and business activity across the Northern Beaches, over the next five years.

With the onset of the economic crisis due to the global COVID-19 pandemic, the EDP has heightened importance, and needs to recognise and respond to volatile business conditions. It is proposed that the EDP includes both a short-term react and recovery phase (two years) and a longer-term resilience and robust growth phase (two to five years +).

A high level framework to guide the preparation of the EDP has been drafted. This proposes four phases or focuses for the plan. These are outlined in the attached presentation and summarised below.

- **React** – This is the initial and current phase as businesses quickly adapt to the impact of COVID-19, and support from Council and other tiers of Government focuses on reducing overhead costs (fee waivers/grants) and operation/compliance to help business adapt/survive.
- **Recovery** – with the easing of many restrictions, the local business community is moving towards a recovery phase as they revive and relaunch their operations, though many with adjustments to how they operate. Focus here on inspiring and helping businesses adjust to 'new norms' and encouraging visitors and customers back to town centres, under COVID Safe conditions.
- **Resilience** – The current economic crisis has highlighted the need for businesses to be resilient and adapt to changing conditions. It has also illustrated the dependency of much of our local economy on more 'vulnerable' sectors, such as tourism, recreation and retail. A focus of the EDP should therefore be on building resilience and capacity of the business community to adapt to a range of trends. Building a more diverse job base, investing in skills/re-training and encouraging continuation of remote working, that COVID-19 has accentuated, would also support a more resilient and sustainable local economy.

- **Robust** – As the first EDP for the Northern Beaches, this is an opportunity to identify and promote what we want to be known for. This includes targeting new investment in our comparative advantages and building a business brand. There is opportunity to recognise and tap into the strong entrepreneurial and innovative spirit of residents to support start-ups and specialisms.

Feedback is sought from Economic & Smart Communities SRG members on this high level framework for the EDP, including areas of focus and possible actions to deliver these.

CONSULTATION

As an initial input into the EDP, Council conducted a *Business Recovery Survey* during June/July 2020. The purpose of the survey was to understand:

- the impact of COVID-19 to date on the local business community
- what is their current priority/need
- what is their outlook/business confidence over next 12 months
- what business support they have sought to date and
- what additional support they need to help them continue to trade or to relaunch in COVID Safe conditions.

140 business completed the survey from a range of industry sectors. Findings from the survey are summarised in the attached presentation and will be presented at the Economic & Smart Communities SRG meeting. Feedback from SRG members is sought on how these findings resonate with their understanding of local business needs and how this can inform development of the EDP, especially the 'recovery' phase.

The EDP will be developed in partnership with the business community and will be informed by regular catch-ups with the five Business Chambers and in discussion with other local business networks, education and industry representatives.

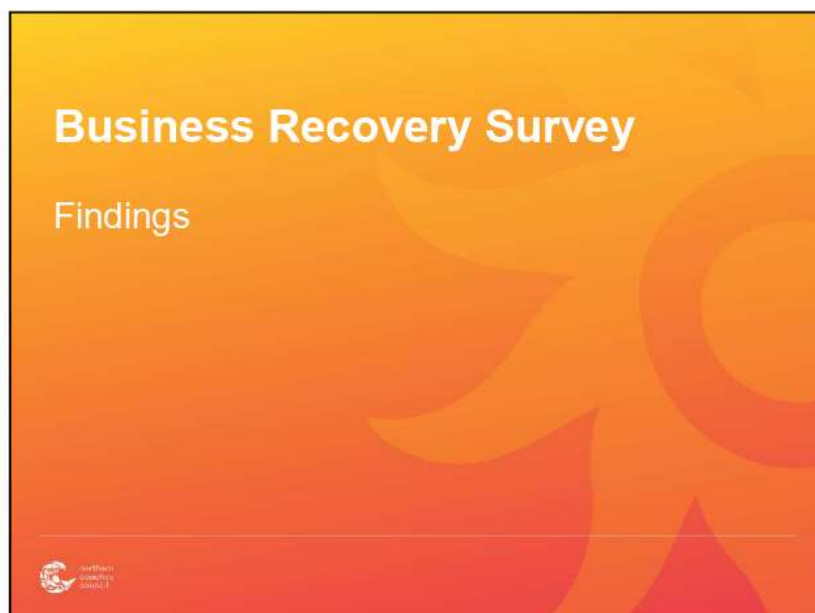
TIMING

We aim to develop a draft EDP over the next four months and bring to the next Economic & Smart Communities SRG in November 2020.

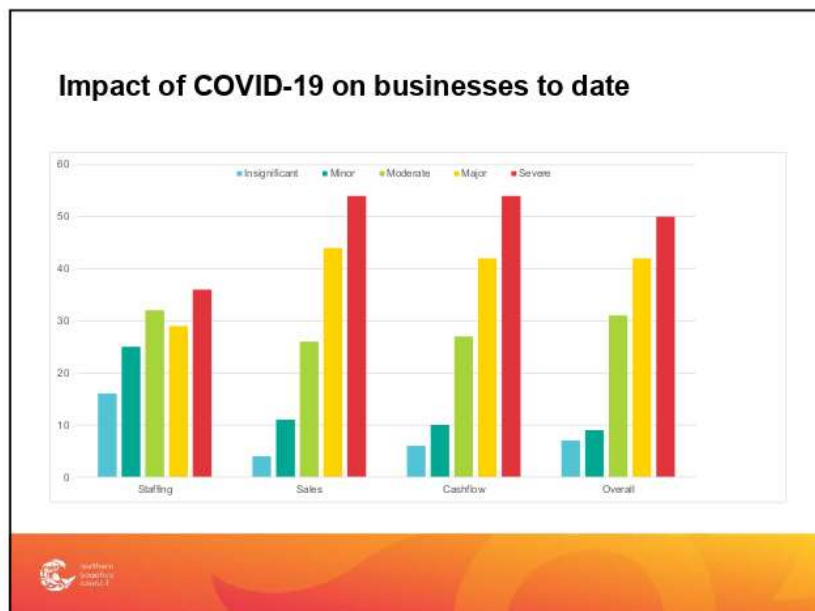
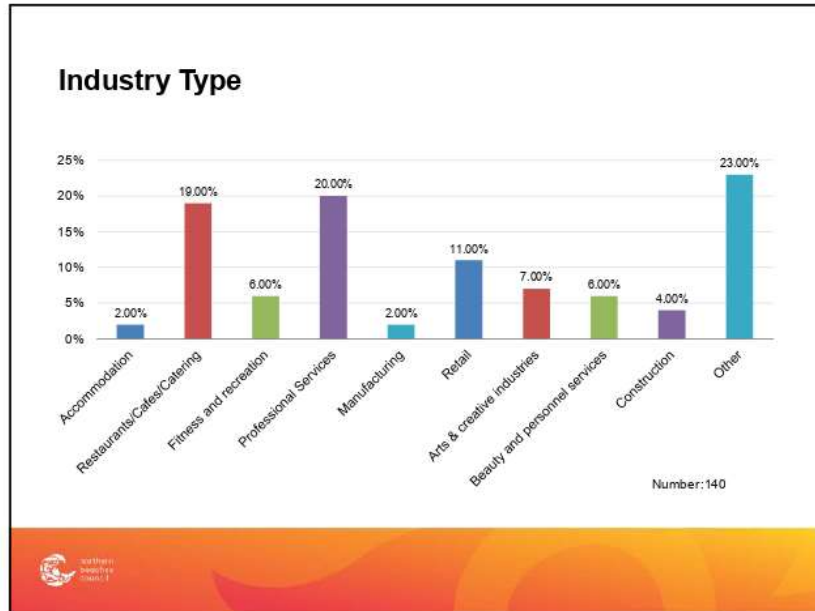
RECOMMENDATION OF TEAM LEADER, ECONOMIC DEVELOPMENT AND TOURISM

1. That members of the Economic & Smart Communities Strategic Reference Group provide feedback on:
 - A. findings from the Business Recovery Survey and how can inform the EDP
 - B. the high level framework for the EDP, including areas of focus and possible actions to deliver these.
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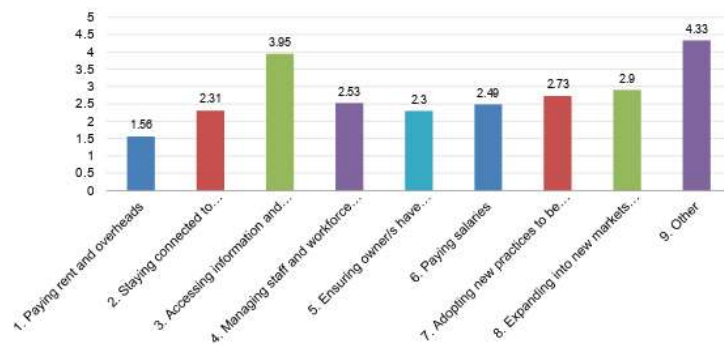


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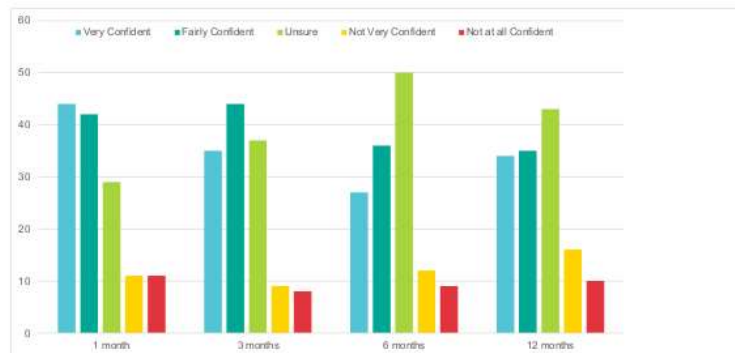


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Current business operation priorities



Business Confidence over next 12 month



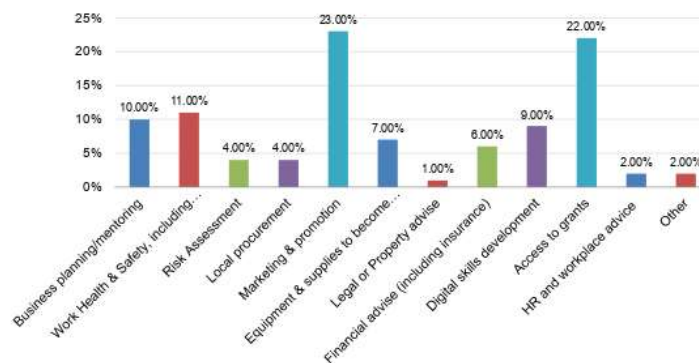
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Government business support accessed to date

Federal		State		Local	
JobKeeper payments	54%	NSW Small Business Support Grant	33%	Beaches Biz Newsletter	29%
Boosting Cashflow fund	17%	Payroll tax relief	20%	Other	24%
JobSeeker payments	8%	Rent Relief	17%	Business webinars	17%
Other	7%	Other	14%	Fee waivers	15%
Instant asset write-off	5%	Free online training (TAFE)	9%	Tenant Lease waivers	6%
Superannuation withdrawals for Sole Traders	4%	Free Business Advice (Business Connect)	7%	Buy Local Campaigns	3%
Apprentice and Trainee wage subsidy	3%			Creative Sector Support Grants	2%
COVID-19 SME Guarantee Scheme	2%			Hardship Rate Relief	2%
				B2B Support Hub	1%



Information or support to continue trade or reopen COVID Safe conditions



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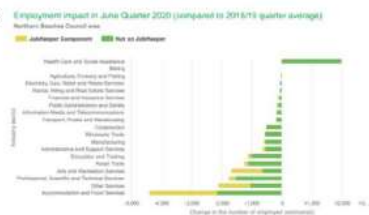


Economic Development Plan Framework		
Phase	Focus	Timeframe
React	Adapt & Survive	now
Recover	Revive & Relaunch	Up to 2 years
Resilience	Diversify & Sustainable	2-5 years +
Robust	Excellence & Entrepreneurial	2-5 years +

React – Adapt & Survive

Council's Business Support Package

- Connecting business community via newsletters and chambers catch-ups
- Fee waivers
- Hardship rate relief
- Flexible compliance/parking
- Rent relief – council premises
- “Adapt & Survive” business webinars
- Accessing Grants – creative business grants



Keywords: *Interorganizational relationships; Entrepreneurship; Innovation; Knowledge; Creativity; Networks* // *ABSTRACT* Interorganizational relationships (IORs) are a key element in the development of innovation and growth in the knowledge economy. This paper examines the role of IORs in the development of innovation and growth in the knowledge economy. The paper discusses the role of IORs in the development of innovation and growth in the knowledge economy. The paper discusses the role of IORs in the development of innovation and growth in the knowledge economy.



Recover – Revive & Relaunch

Supporting businesses to revive and relaunch

- Business Recovery Survey
- B2B Business Support Hub
- Business Community Unites - 5 case study videos
- Small Business Month events – Improve digital presence

Creating safe and vibrant town centres

- Footpath merchandise and outdoor dining
- SWAT rejuvenation and COVID Safe signage
- Family and virtual discovery trails
- Vacant windows art trials and public art
- Greening our streets and Christmas decoration programs



<https://www.youtube.com/watch?v=IY5GJd0xu24&feature=youtu.be>

Re-orientating the tourism sector

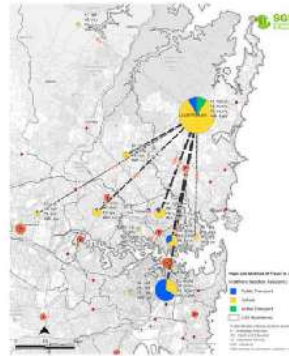
- Destination Postcards – overnight domestic tourism campaign
- Tourism recovery plan – 2 yrs
- Manly Tourism & Economic Recovery Taskforce



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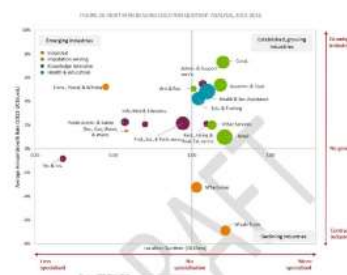
Resilience – Diverse & Sustainable

- Create opportunities to work locally
 - Plan for suburban satellite offices and remote working
- Diversify the local job base
 - Reduce reliance on casual and 'vulnerable' job sectors
 - Attract knowledge intensive jobs
- Invest in skills and vocational training
 - Apprenticeships and Employer programs
 - Connect businesses and Higher Education institutions/programs
- Enable businesses to respond to trends
 - Digital economy
 - Night time economy
 - Visitor economy
 - Circular/green economy



Robust Economy: Excellence & Entrepreneurial

- Identify and target emerging industry specialisms/comparative advantages
- Create a brand and inward investment campaign
 - What do we want to be known for?
- Plan for and promote economic role different Strategic Centres
 - Manly, Mona Vale, Frenchs Forest, Brookvale and Dee Why
- Foster local entrepreneurial and innovative spirit
 - Incubators/start-up hubs
 - Research & Development



12/08/2020

Discussion

Feedback from SRG members on:

- Findings of Business Recovery Survey and how it can inform Council's EDP
- The high level framework for the EDP, including areas of focus and possible actions to deliver these?