

Economic Development and Tourism

Strategic Reference Group Directions Paper

Final July 2017

NORTHERN BEACHES
COUNCIL

Executive Summary

Northern Beaches Council recognises the essential role the region's business community play in creating a vibrant and sustainable economy. The Economic Development & Tourism SRG brings together a range of business representative groups, local businesses, education providers and tourism operators (see Appendix 1), to discuss key challenges and opportunities to creating a robust economy and job opportunities to meet the changing needs of our community (including residents, workers and visitors).

Purpose of this paper

Northern Beaches Council is a new entity created by the merging of three former local government areas; Manly, Warringah and Pittwater.

The former councils each had relevant strategies and policies relating to the economic development (including tourism) of the region. Under the Northern Beaches Council, the emerging Community Strategic Plan also sets out strategic directions to support business and job growth of the region.

This paper identifies key issues and goals outlined in these documents that will help inform directions for new ideas and outcomes relating to economic development across the Northern Beaches. It highlights ideas that have been formed by the Strategic Reference Group (SRG) of Economic Development & Tourism, their deliberations and aspirations.

Background

Economic Development & Tourism in the Region

The Northern Beaches has a diverse and robust economy. Local industry was estimated to generate \$14.5 billion for the region's economy in 2015/16. The region contains major concentrations of economic activity, including the largest zoned industrial precinct (Brookvale) in the wider North District, as well as an emerging Strategic Centre around the Northern Beaches Hospital precinct. With over 95,000 jobs and 30,000 businesses located in the area, it caters for a broad spectrum of vital services and products for residents, workers and visitors.

However, jobs available are not keeping pace with the skills and aspirations of resident workers, which are increasingly commuting out of the region daily for work, while rising housing costs is putting pressure on the ability of some local industries to retain and attract their workforce. Below are some headline statistics about the region's economic geography, business activity, jobs and residential workforce. These were presented to the Economic Local Representation Committee (LRC) in August 2016.

Table 1: Headline Statistics for the Northern Beaches Economy

Geography	Jobs
<p>1 x Strategic Centre:</p> <ul style="list-style-type: none"> Northern Beaches Hospital Precinct <p>3 x District Centres:</p> <ul style="list-style-type: none"> Brookvale-Dee Why Mona Vale Manly <p>185 ha of zoned Industrial Land Largest industrial precincts, include:</p> <ul style="list-style-type: none"> Brookvale (86ha) Cromer (42ha) Mona Vale (23ha) Warriewood (16ha) <p>Business Parks:</p> <ul style="list-style-type: none"> Frenchs Forest (57ha) Austlink (40ha) Warriewood (18ha) <p>5 Major Retail Centres:</p> <ul style="list-style-type: none"> Warringah Mall Centro Warriewood Balgowlah Stocklands Belrose Supacentre Glenrose Shopping Centre 	<p>95,000 Local Jobs</p> <ul style="list-style-type: none"> 0.67 Jobs per Employment Resident <p>Largest share of jobs in</p> <ul style="list-style-type: none"> Retail trade (14%) Health Care (12%) Professional, Scientific & Technical (10%) <p>Lower paid jobs:</p> <ul style="list-style-type: none"> Only 29% of jobs paid over \$1,250 per week (36% Sydney average) <p>Higher share of part-time jobs:</p> <ul style="list-style-type: none"> 40% of all jobs part-time (32% Sydney average) <p>Shortfall of higher skilled/paid jobs:</p> <ul style="list-style-type: none"> For example, there is only 1 local job for every 5 employed resident in the Finance and Insurance sector <p>Tourism and hospitality:</p> <ul style="list-style-type: none"> 5,500 jobs (6% of workforce) 51% part-time 54% earn less than \$600 per week <p>24,000 new jobs forecast 2011-2031</p> <p>Fastest forecast job growth by industry 2011-2031:</p> <ul style="list-style-type: none"> Health (5,800 jobs – 53%) Retail (3,900 jobs – 31%) Education (2,700 jobs -35%) Accommodation & Food (1,900 jobs – 26%)
<p><i>Source: Draft North District Plan (2016)/DP&E Employment Lands Development Program (2016)</i></p>	<p><i>Source: 2011 ABS Census Population and Housing /BTS Small Area Employment Forecasts, 2014</i></p>

Businesses

30,816 registered businesses

- Manly 5,486
- Warringah 16,573
- Pittwater 8,783

Dominated (98%) by Small Businesses (<20 employees)

- 59% non-employing
- 31% micro-businesses (1-5 employees)

Concentrated in select industries

- Professional services 20%
- Construction 16%
- Real Estate 12%
- Finance 11%

Nearly 600 businesses employed over 20 staff

- Primarily in Food & Accommodation, Education, Wholesale and Manufacturing sectors

Source: ABS Australian Business Register 2015

Resident Workforce

141,000 Employed Residents

Professional resident workforce

- 45% of residents are 'Managers' or 'Professionals'
- Sydney average 39%

Educated population:

- 28% bachelor or higher degree
- 28% certificate, diploma or advanced diploma

49% of employed residents commute out of region:

- 17% to Sydney CBD
- 18% rest of the North District

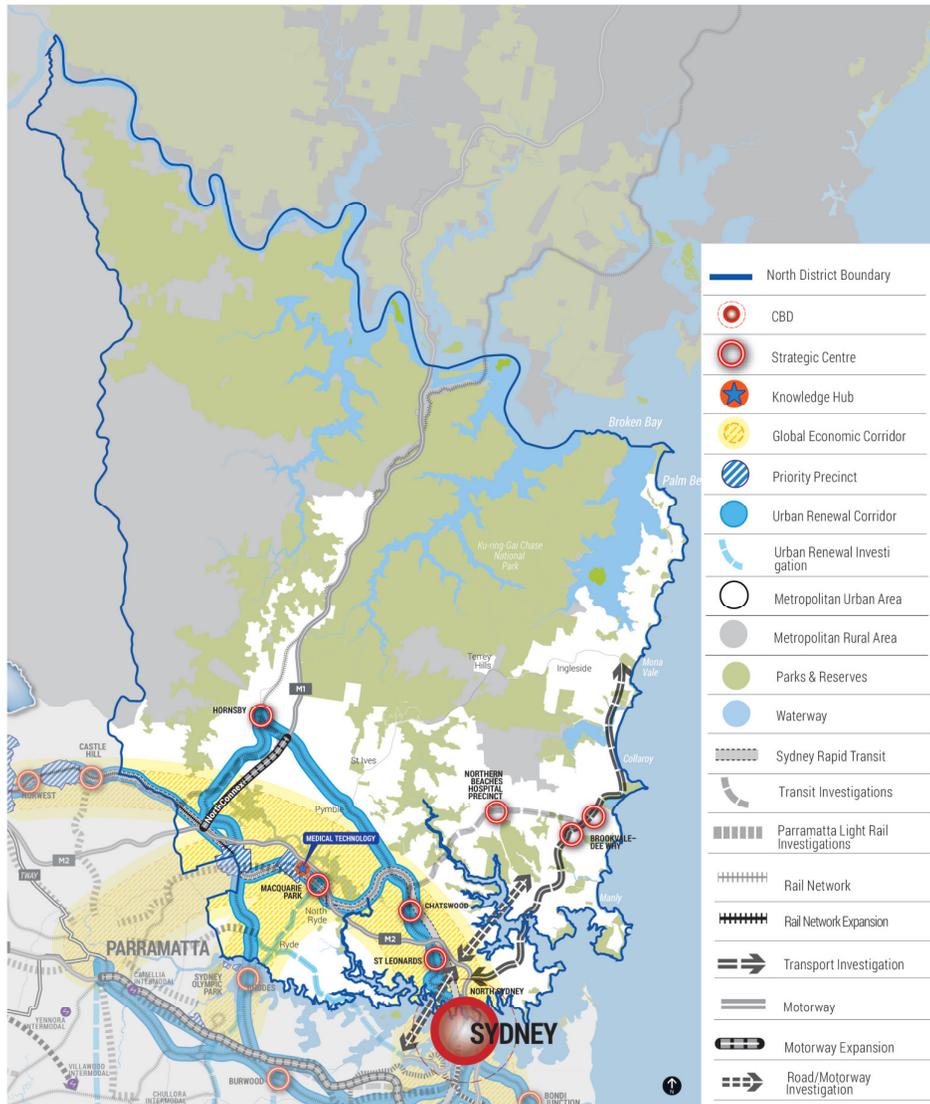
60% stated Car as main mode of travel to work

6% of residents Worked from Home

3.5% unemployment rate

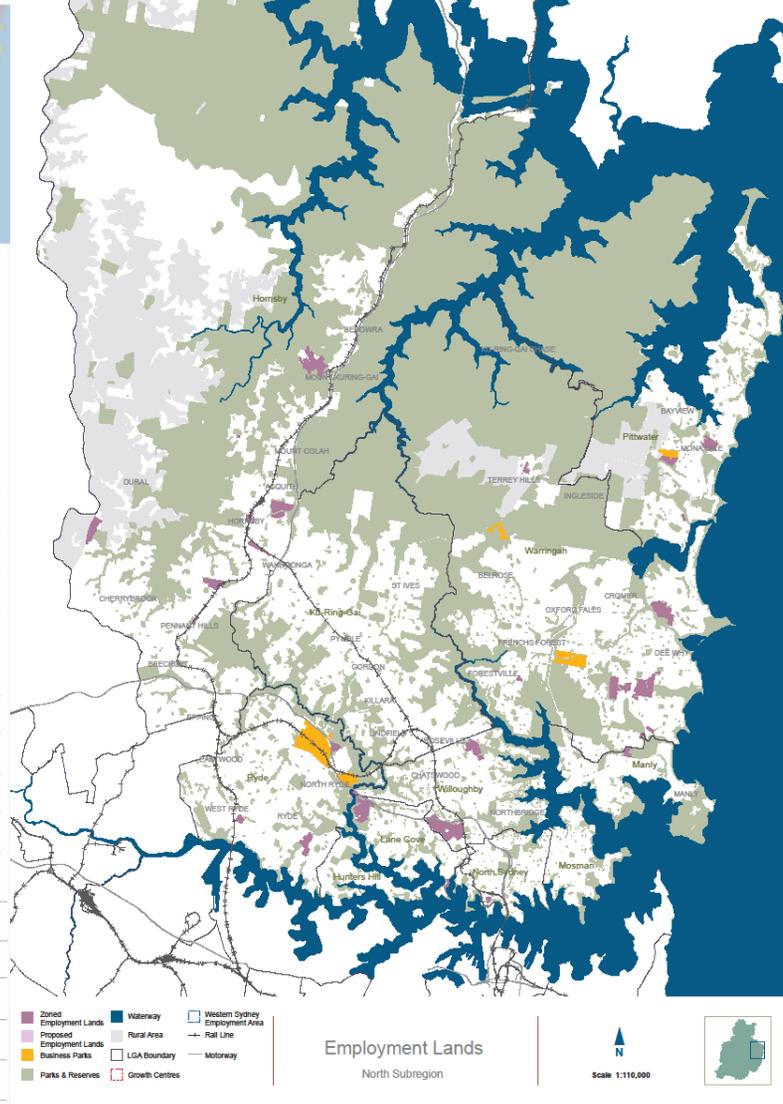
Source: ABS 2011 Census Housing & Population

Figure 1 Map of Strategic Centres North District



Source: GSC Draft North District Plan, 2016

Figure 2 Map of Employment Lands North District



Source: DP&E, Employment Lands Development Program, 2016

Former Council Economic Development & Tourism Plans and Studies

Prior to formation of the Northern Beaches Council, the three former councils have prepared policies and plans to support the local economies and promote sustainable tourism. In recent years they actively engaged the communities across the northern beaches – the outcomes have then guided strategic directions and overarching goals in these documents:

- **Warringah Economic Development Plan (adopted by Warringah council in 2011)**

For former Warringah, an EDP was released in 2011 <http://www.warringah.nsw.gov.au/sites/default/files/documents/general-information/economic-development/economicdevplan2011web.pdf>. This identified 4 Overarching Themes

Growing Employment Opportunities

- Developing a strong local economy which promotes enterprise and innovation, builds a skilled and educated workforce and contributes to a high quality of life for the community

Council providing Information, Support & Advice

- Council will provide support to increase business engagement and awareness of the contribution of business, build business capability and promote, strengthen and profile the area's competitiveness

Advocacy for local and regional initiatives

- Recognising the importance of the local and regional economies associated with decisions and projects such as transport, jobs and infrastructure, which support sustainable economic development

Connectivity, engagement and communication

- Initiating and fostering business networks, partnerships and other mechanisms to connect, promote and grow business

Section 8 – Implementation of the EDP identified 15 Priority Actions for 2011-2016. Underneath these priority actions were 40 more specific tasks/actions. A review of key achievements to date against each of these tasks/actions, was presented to the Economic Development & Tourism SRG at the April 2017 meeting.

- **Pittwater Economic Development Plan (2012-2016) Working Locally-Connecting Globally.**

For former Pittwater, the EDP comprised of a series of discussion papers addressing several topics relating to the area's local economy and challenges and opportunities for economic development and business growth.

http://www.pittwater.nsw.gov.au/places/business/economic_development_plan/discussionpapers

These included:

1. Council economic role and function analysis;
2. Towns and villages;
3. The importance of business infrastructure and networks;
4. The Pittwater Economy and Infrastructure;
5. Strengthening the Local Economy
6. Pittwater in the Broader Economic and Geographical Context; and
7. Emerging Business Issues and Opportunities

Each discussion paper identified opportunities areas which have informed economic development actions within the subsequent Pittwater Operational Plans.

- **SHOROC Visitor Economy Opportunity Paper**

The SHOROC Visitor Economy Opportunity Paper was prepared by The Stafford Group for SHOROC and was overseen by the SHOROC Economic Development Working Group, comprising of council officers from former Pittwater, Warringah, Manly and Mosman. The paper explored opportunities to expand the visitor economy in the Northern Beaches region and to also highlight any challenges.

It identifies the visitor economy as an important component of the broader economy of the Northern Beaches; with visitor spend actively supporting a number of local businesses and events. The focus of the study was on developing products to grow visitor yield (i.e. spend) rather than grow visitor numbers.

- **Emerging issues paper: Tourism**

This issues paper was written in addition to the Pittwater Economic Development Plan 2012- 2016. It included a survey of tourist-related businesses and stakeholders to identify current challenges and opportunities to sustainably grow the tourism sector in Pittwater.

- **Community Strategic Plan 2025, Manly Council (2015)**

While former Manly does not have an Economic Development Plan, it does contain a number of relevant economic development and tourism actions in its Community Strategic Plan. This includes:

- *'Facilitate a diversified Manly economy that caters for locals and visitors alike'* including progressing revitalisation works and activation of lane ways and streetscapes
- *'Promote tourism as an important part of the local economy'* including developing a Manly tourism management strategy to review the impact of tourism on Manly

- **Manly Council – Tourism Policy**

This policy aims to effectively promote tourism and the management of impacts of tourism on residents and the natural environment, including: facilitating a diverse range of quality accommodation; promoting Manly as a unique year-round holiday destination; encouraging a higher economic yield from visitors; developing a 'brand' to sell Manly; seeking funding from Federal and State Governments; and strengthening strategic partnerships with local businesses.

Economic Development & Tourism Strategic Reference Group - Northern Beaches Council

Following the formation of the new Northern Beaches Council in May 2016, eleven Strategic Reference Groups (SRGs) were formed across key areas of council's operation. The role of the SRGs is to provide a valuable contribution to the directions of the new Council, including input into the development of the Community Strategic Plan (CSP) and future plans and strategies. SRG members were recruited via EOI, represent a cross-section of the community, and bring expertise to their area of appointment. Each group also includes two-three former Councillors as Chair and Deputy Chair.

The Economic Development & Tourism SRG consists of 18 members, listed in Appendix 1. The terms of reference of the SRG are to:

- Provide input to the Vision, Priorities and Objectives for the Northern Beaches Draft Community Strategic Plan.
- Take an active role in the formation of advice to Council on policy and strategies to promote sustainable economic development and tourism.
- Advise the Council on effective management of the mix of long-stay and day visitors to bring sustainable economic benefit and ensure conservation and enhancement of the environment for visitors and residents.
- Identify opportunities and ideas to work in partnership with the Northern Beaches business community.
- Refer to existing economic development and tourism destination plans.
- Focus on:
 - Business community, employment and communication links
 - Tourism and economic development
 - Infrastructure and transport
 - Local procurement to give the local community and Council the opportunity to work with local businesses.

This paper has been prepared to capture the efforts and aspirations of this SRG over a 10 month period from 2016-17.

Community Strategic Plan – Northern Beaches Council

Extensive community engagement in 2016-17 has involved over one thousand community members, including the SRGs, in developing the first Community Strategic Plan (CSP) for the Northern Beaches. While the CSP is not yet finalised, key community feedback has been used to help prepare this SRG Directions Paper.

Below are some of the draft goals and underlying strategies for the draft CSP that was presented to Council in June 2017. These have arisen from the issues and considerations raised by community members during the first and second stage of CSP engagement. A number relate to economic development, with the most relevant of which to this SRG Directions Paper, are shown below.

CSP Outcome – Vibrant Local Economy

Goal 13 - Our businesses are well-connected and thrive in an environment that supports innovation and economic growth

Strategies:

- 13a. Ensure that employment lands are retained and cater for a diverse range of businesses and industry
- 13b. Improve access for businesses to information, incentive programs, enterprise support
- 13c. Facilitate innovative environments and hubs where start-up businesses, entrepreneurs and innovators are supported and connected
- 13d. Support business and professional networks that are responsive to the evolving needs of the business community

Goal 14 - Our economy provides opportunities that match the skills and needs of the population

Strategies:

- 14a. Facilitate local education and vocational training opportunities
- 14b. Facilitate and promote flexible work options to reduce commuting (e.g. telecommuting)
- 14c. Attract knowledge-based industries to meet the skills and aspirations of residents and support a thriving business environment
- 14d. Expand and promote employment and training opportunities for all residents, especially young people and people experiencing social disadvantage

Goal 15 - Our economy provides a range of employment and education opportunities to match the skills and needs of the population

Strategies:

- 15a. Promote Northern Beaches as an attractive place to establish a business
- 15b. Provide diversified job growth and create industry clusters in our villages, strategic and district centres
- 15c. Facilitate active and safe urban environments through increased economic activity, in keeping with local character
- 15d. Enhance and extend opportunities for sustainable tourist economy throughout the area

CSP Outcome - Transport and Connectivity

Goal 16 - Our integrated transport networks meet the needs of our community

Strategies:

- 16a. Advocate for improved transport options and networks

- 16b. Ensure transport planning is integrated with land use planning and takes account of emerging technologies
- 16c. Facilitate and promote safe transport options that reduce car-based commuter travel
- 16d. Maintain and enhance roads and road-related infrastructure

Goal 17 - Our community can safely and efficiently travel within and beyond Northern Beaches

Strategies:

- 17a. Improve public transport options and connectivity to better meet our community's travel needs
- 17b. Facilitate and promote safe cycling and walking networks as convenient transport options
- 17c. Improve parking options in centres, villages and places

Goal 18 - Our community can easily connect and communicate through reliable communication technologies

Strategies:

- 18a. Provide public spaces that are connected through communications and technologies
- 18b. Facilitate environments that are supported by digital and physical communications infrastructure

CSP Outcome – Good Governance

Goal 22 - Our Council builds and maintains strong partnerships and advocates effectively on behalf of the community

Strategies:

- 22a. Develop partnerships to deliver facilities and targeted services and programs to meet community needs
- 22b. Facilitate collaboration between community groups, businesses, government and non-government organisations on projects and programs
- 22c. Advocate regionally and at NSW and Federal Government levels on behalf of the community

STRUCTURE OF THE SRG Directions Paper

This Directions Paper firstly outlines a Vision and Values that will help shape economic development on the Northern Beaches. It then outlines a range of goals and related strategic directions to support them:

- The **Vision** is a generic one drawn from the draft CSP for the Northern Beaches Council
- The **Values** have been drawn from existing strategies of the former councils and the work of this SRG
- The **Goals** are drawn from the Vibrant Local Economy Goal set out in the draft CSP, which is supported by **Strategic Directions**.
- The **SRG's ideas** for implementing the strategic directions are derived from discussions held at the SRG meetings (February 'Understanding Business Needs at Different Stages of Growth' and April 'Workshop on Economic Development & Tourism SRG Directions Paper'). SRG members were also invited to provide additional ideas against the goals and strategies and these have been captured.

Vision

Northern Beaches – a safe, inclusive and connected community that lives in balance with the extraordinary coastal and bushland environment

(Draft Vision CSP)

Values

Key values that are relevant to this Directions Paper have been drawn from the Warringah and Pittwater Economic Development Plans:

Recognise the contribution of the business sector to the health of the region

Engage and collaborate with the business community

Innovate to create the conditions for business excellence

Promote the unique strengths, assets and attribute of region's economy

Foster new and emerging business activity

Goals

The 3 key goals for Economic Development & Tourism on the Northern Beaches, are extracted from the Vibrant Local Economy outcome in the draft CSP, and provide a framework for the ideas outlined in the following pages:

Goal 1: Our businesses are well-connected and thrive in an environment that supports innovation and economic growth

Issues

- Pressure to rezone employment lands
- Lack of business start-up space
- Inadequate internet speed and capacity
- Poor transport connections into and within the region (for customers, workers and suppliers)
- Lack of awareness of business support networks
- Limited access to finance and business knowledge
- Unsure how to work with Council or how Council can help

Goal 2: Our local economy provides a range of opportunities to match the skills and needs of the population

Issues

- High commuting out of the region for work, especially higher-order jobs
- High level of car dependency (60%) to get to work
- Skills shortages in some sectors due to cost of living in region
- Limited range of tertiary education facilities (from apprenticeships to graduate degrees)

Goal 3: Our economy provides a range of employment and education opportunities to match the skills and needs of the population

Issues

- Lack of clear identity and understanding of the economic role/strengths of the region
- No coordinated promotion of the region for investment and visitors
- Constrained infrastructure capacity, especially public transport, to grow key centres
- Limited tourism accommodation and facilities to attract higher yield (spend) visitors
- Limited evening and weekend economy in some centres

Ideas

During the course of Economic Development & Tourism SRG meetings, a series of 'ideas' from the SRG members have been generated. This has delved into more detail on how Council could implement the strategic directions and goals in the draft CSP relating to Vibrant Local Economy. They are derived from discussions held at the SRG meetings (February 'Understanding Business Needs at Different Stages of Growth' and April 'Workshop on Economic Development & Tourism SRG Directions Paper'). SRG members were also invited to provide additional ideas against the goals and strategies and these have been captured.

In total 39 'ideas' were identified which are set out in the Ideas Table below. All of the ideas had merit and would inform future economic development planning for the region. In several cases, ideas could be combined or couched under one another.

At the final meeting of the SRG on 22 June, members were asked to review the ideas and to select their top ideas to be elevated in the Directions Paper. In prioritising the ideas members were asked to consider them against the following criteria:

- will this idea deliver significant benefits to existing/future businesses?;
- does Council have a direct role in delivering this idea?; and
- is this idea likely to be delivered in the short term (1-5 years)?

There were six ideas that were prioritised by SRG members for noting by Council:

1. Development of a marketing program for the region targeting inward investment (i.e. attracting new business, especially in select industries). This includes building upon the branding work currently being undertaken by Council.
2. Complete Structure Planning for strategic employment areas (namely Brookvale and Frenchs Forest).
3. Prepare a tourism strategy/DMP for the region, again building upon the branding, with a focus on tourism-related businesses and visitors.

4. Identify interest to establish a supplementary university campus on the Northern Beaches, in discussion with existing universities in Sydney (including ICMS), inter State and overseas.
5. Assign a business own planner within Council, to provide advice to businesses on council services and regulation, as part of a one-stop-shop approach to business.
6. Provide support to local chambers of commerce, including promoting events through a shared calendar of business events.

Table 2: Ideas from Economic Development & Tourism SRG members to meet Goals and Strategies

This table encapsulates all of the ideas generated by the Economic Development & Tourism SRG members to support a Vibrant Local Economy during each of the SRG meetings.

CSP – VIBRANT LOCAL ECONOMY	ED&T SRG IDEAS TO SUPPORT STRATEGIES
Goal 1: Our businesses are well-connected and thrive in an environment that supports innovation and economic growth	
Ensure that employment lands are retained and cater for a diverse range of businesses and industry	<ul style="list-style-type: none"> • Prepare an Employment Land/Industrial Land policy for Northern Beaches identifying the strategic value of these lands and their changing needs/characteristics • Undertake an audit of existing Employment Lands including available land, servicing infrastructure and business uses • Prepare a prospectus to promote vacant and available employment lands in the region • Finalise strategic planning for key employment lands i.e. Frenchs Forest Business Park and Brookvale employment lands • Plan for effective internet and phone lines to employment areas
Improve access for businesses to information, incentive programs, enterprise support	<ul style="list-style-type: none"> • Assign a business town planner within council to provide advice to new and expanding businesses on council services and regulations • Create an online one-stop-shop for business support with a specific business facing brand • Reduce Council red tape for small business, such as participating in the Service NSW “Easy to do Business Program” • Implement programs, such as VendorPanel Marketplace, to make it easier for local businesses to provide goods and services to Council • Signposting local businesses to leverage federal / state / industry programs and grants, such as to help local manufacturing businesses to transition towards “advanced manufacturing” technologies

Facilitate innovative environments and hubs where start-up businesses, entrepreneurs and innovators are supported and connected	<ul style="list-style-type: none"> • Investigate use of Council property portfolio to provide affordable spaces for start-up businesses, such as co-worker office space • Advocate for faster rollout on NBN to business hubs across the region and support businesses to utilise new technology and digital marketing opportunities • Partner with businesses to support new patented products
Support business and professional networks that are responsive to the evolving needs of the business community	<ul style="list-style-type: none"> • Provide administrative support to local chambers of commerce and encourage collaboration between local chambers to grow membership base • Create a business event calendar for council and business organisations across the region • Establish business networks to share expertise and promote best practice, such as Council's Sustainable Business Network.
Goal 2: Our local economy provides a range of opportunities to match the skills and needs of the population	
Facilitate local education and vocational training opportunities on the Northern Beaches	<ul style="list-style-type: none"> • Work with existing Sydney based (including ICMS), or interstate or international Universities, to identify interest in establishing a supplementary campus on the Northern Beaches • Investigate potential for health-related courses, that can leverage a potential health cluster around Northern Beaches Hospital
Facilitate and promote flexible work options to reduce commuting (e.g. telecommuting)	<ul style="list-style-type: none"> • Utilise Council libraries and explore potential for Smart Work Hubs (co-worker office space) to reduce daily commuting into the City • Support home-based working through advocating for faster rollout on NBN and/or Google LOOP, across the region
Attract knowledge-based industries to meet the skills and aspirations of residents and support a thriving business environment	<ul style="list-style-type: none"> • Advocate for improved public transport options to support job growth at key employment hubs • Identify key industry sectors, based on evidence and robust forecasting, to attract and grow as 'Business Centres of Excellence' e.g. Higher Education; Tourism; Health (Aged Care & Research); IT and Web-Design; Maritime; and Professional Services • Work with NSW Government to consider measurable incentives to attract target sectors e.g. rental assistance; discounted rate; employee benefits related to lifestyle; and joint promotion • Support locally based industry specific networks, including holding industry specific events (e.g. hospitality)
Expand and promote employment and training opportunities for all residents, especially young	<ul style="list-style-type: none"> • Establish a small business mentor register utilising the knowledge of older/experienced business owners/leaders to mentor start-up businesses • Undertake analysis of demand for apprenticeships and training in key sectors (e.g.

<p>people and people experiencing social disadvantage</p>	<p>hospitality and construction) and work with State/Federal Govt programs to support uptake of these.</p>
<p>Goal 3: Our economy provides a range of employment and education opportunities to match the skills and needs of the population</p>	
<p>Promote Northern Beaches as an attractive place to establish a business</p>	<ul style="list-style-type: none"> • Build upon the new region’s brand as “The Northern Beaches” – extraordinary opportunity to market new LGA identity • Identify what is the region’s Unique Selling Position (USP) • Develop a marketing campaign to attract inward investment into the region (such as ‘Choose Brisbane’) • Work with State and Federal Government to provide a one to shop for business licences and approvals (i.e. Easy to do Business)
<p>Provide diversified job growth and create industry clusters in our villages, strategic and district centres</p>	<ul style="list-style-type: none"> • Work with existing businesses/landlords to plan for continued job growth and commercial viability of key centres, including use of partnership funding models to fast-track public domain enhancements • Explore innovate ways to reduce local traffic, such as drones to deliver local freight
<p>Facilitate active and safe urban environments through increased economic activity, in keeping with local character</p>	<ul style="list-style-type: none"> • Help local kids-related businesses to setup and grow around local schools, such as tuition classes, art and drama, through using underutilized space in local commercial centres or community centres • Consideration of late-night/24 hour economy in strategic economic work – look at City of Sydney’s OPEN strategy approach to recognise business needs outside of core “9-5” hours • Plan for innovate housing forms (such as Tiny Houses) to support vibrant centres
<p>Enhance and extend opportunities for a sustainable tourist economy throughout the area</p>	<ul style="list-style-type: none"> • Prepare a tourism strategy/Destination Management Plan for the region • Explore niche (high yield) tourism sectors, such as eco-tourism • Identify potential synergies between health, ‘well-being’ and tourism/hospitality segments e.g. medical tourism and rehabilitation centres • Improve transport links into the region to support sustainable tourism

Appendix 1 - Economic Development & Tourism SRG members

Jose Menano-Pires (Chair)	- Implementation Advisory Group/Local Representation Committee - Economic
Michael Regan	- Implementation Advisory Group/ Local Representation Committee – Economic
Sue Heins	- Local Representation Committee – Economic
Samantha King	- Warringah Chamber of Commerce/Business Education Network
Nikki Doble	- Peninsular Business Community
James Ferguson	- Novotel Manly Pacific
Owen Coughlan	- NSW Business Chambers
Dominic Szambowski	- International College of Management
Matthew Hindman	- The Efficiency Group and Associated Family Entities
Huw Adler	- Resident – Curl Curl Ward
John Dwyer	- Resident – Narrabeen Ward
Gordon Lang	- Resident – Pittwater Ward
Peter Middleton	- Resident – Pittwater Ward
Andrea Tattam	- Resident – Pittwater Ward
Adam Johnston	- Resident – Frenchs Forest Ward
Vladimir Balandin	- Resident – Frenchs Forest Ward
Ross Manford	- Resident – Manly Ward
Louise Lye	- Resident – Manly Ward