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# Economic Development Strategy Renewal

# Engagement Overview.
## (Stakeholder Findings Report)

**16 January 2022**

PREPARED FOR

**Economic Development Strategy Renewal Working Group**

Yarra Ranges Council

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# Engagement Overview
Economic Development Strategy Renewal 2022-2032

# Contents.

**Disclaimer.**

# Version Control.

**Register of Variations**

| Version. | Variations. |
|---|---|
| Version 1 (dated 16 Jan 2022) | |

# 1    Purpose of this Document.

This document provides an overview of all engagement activities undertaken by the Consultancy Team for the period September 2021 (project commencement) to 16 January 2022 as part of the Economic Development Strategy Renewal Project ("the Project").

Key findings from the engagement process have been used to design the framework of the Economic Development Strategy Report currently under development.

# 2  Context.

This document focusses on engagement undertaken specifically for the Economic Development Strategy Renewal Project.

The engagement process builds on key findings from the Economic Development Strategy Background Report first submitted by the Consultancy Team to Council on 4 October 2021.

In addition to key findings from the Background Report, other critical engagement inputs were also considered by the Consultancy Team in the engagement design process for this Project. These include findings from the following projects and strategies:

| Source. | Document. |
|---|---|
| Yarra Ranges Council | • Yarra Ranges Council Pan 2021-25<br>• Lilydale Structure Plan - 1 August 2020<br>• Yarra Ranges Council Community Engagement Policy<br>• 2012 – 2022 Economic Development Strategy<br>• Vision 2020 Community Plan<br>• Yarra Ranges Council International Engagement Proposal |
| Victorian Government | • Victoria In Future 2019 (June 2019)<br>• Victoria's Infrastructure Strategy 2021 – 2051<br>• Startup Employment in Victoria, Australia - LaunchVic – July 2021<br>• Victoria Startup Ecosystem Mapping 2020 Report - Launch Vic |
| Federal Government | • Moving Forward, The Role of Domestic Travel in Australia's Tourism Recovery - Tourism Research Australian – August 2020 |
| Other | • Former Lilydale Quarry Comprehensive Development Plan (URBIS) – October 2020<br>• Yarr Ranges Tourism Strategic Plan 2021 – 2026 (YRT26) |

# 3   About the Engagement Process

## Engagement Undertaken to Date

The table below summarises the engagement activity undertaken to date specifically for this Project, which is over and above the engagement activities undertaken as part of other related projects (refer to the previous *Section 2: Context* for a list of other related projects).

| Engagement Activity. | Target Audience. |
|---|---|
| **Council Forums** (2) | • Councillors |
| **Meetings and interviews** with Council Staff and Stakeholders | • Council staff<br>• Business and industry stakeholders<br>• Government stakeholders |
| **Engagement Survey 01** (public) | • Broader industry |
| **Engagement Survey 02** (public) | • Broader community<br>• Broader industry |
| Engagement Week:<br>**26 x Community Engagement Workshops** (public) | • Broader community<br>• Broader industry<br>• Industry stakeholders<br>• Government stakeholders |
| **'What If' Reflection Journey resources** (videos and 'What If' Reflection Journals) | • Councillors<br>• Council staff |

## Further Engagement to Come

Another round of engagement is scheduled for May-June 2022 when the Draft Economic Development Strategy will be released for public exhibition.

## Themes Used Throughout the Process

The engagement process was structured around nine themes identified in the Economic Development Strategy Background Report.

Survey questions and Community Engagement Workshop discussions were intentionally clustered around the following six themes, allowing topics relating to the remaining three themes to be surfaced by survey respondents and stakeholders at any point of the engagement process in conjunction with other topics under consideration.

| Themes Directly Raised with Audiences via Focussed Questions. | Themes Indirectly Raised with Audiences. |
|---|---|
| <ul><li>Population, Lifestyle, Jobs & Services</li><li>Industry, Commerce & Trade</li><li>Housing</li><li>Workforce Capability</li><li>Development & Urban Form</li><li>Investment Attraction</li></ul> | <ul><li>Identity</li><li>Targets and Growth Indicators</li><li>Collaboration & Partnerships</li></ul> |

Feedback trends and key issues that emerged throughout the engagement process were subsequently analysed and distilled into four pillars. These formed the framework for the subsequent development of the Economic Development Strategy (refer to diagram below).
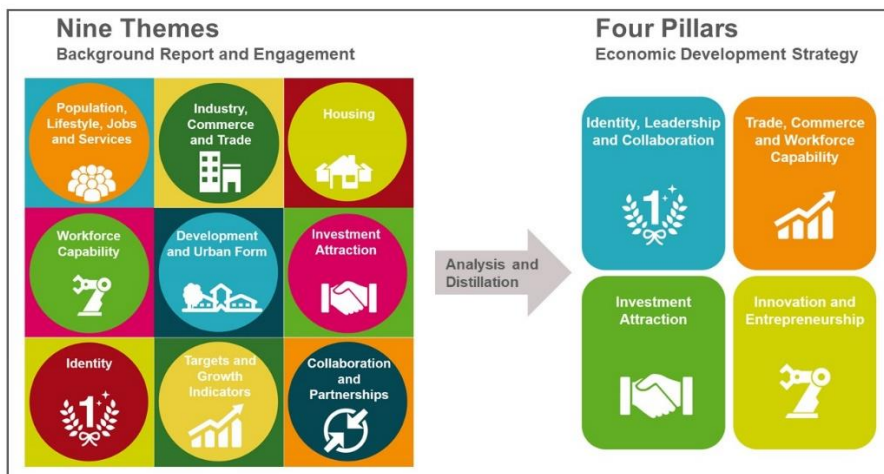
## Testing Throughout the Engagement Process

Aligning with the nine themes mentioned above, a menu of potential challenges (the Consultant's "So What?" Analysis) was identified in the Economic Development Strategy Background Report, prior to commencement of the engagement process (refer to **Appendix A: Menu of Challenges**).

These potential challenges were tested throughout the engagement process to capture qualitative and quantitative data for the purpose of better understanding:

- Current sentiment
- Future aspirations
- Community acceptance of potential solutions put forward by the consultants.

## Validity of the Data

The engagement process was designed to be extensive in terms of:

- **Reach** (breadth of target audiences)
- **Distribution** (multiple channels used to reach target audiences)
- **Engagement formats** (how people could engage with the Project)
- **Themes and topics** (what people were asked about)
- **Frequency** (how many opportunities people had to engage)
- **Use of contemporary engagement tools** (from Reflection Journals, to thought-provoking videos on Alphacrane Intercultural Specialists' Digital Learning Platform, to live audience engagement platforms)

**Engagement take-up rates were mixed.** Business and industry participation was reasonably high, whereas participation from the broader community was relatively low due to a number of factors external to this Project (e.g. natural disasters and associated fatigue, including over consultation fatigue).

Although community participation in the two Engagement Surveys was lower than anticipated, **respondents' feedback was consistent across both surveys**.

Furthermore, **survey feedback was also consistent with the feedback and insights from the other engagement activities**, namely:

• Meetings and interviews with Council Staff and Stakeholders

• 26 x Community and Stakeholder Engagement Workshops (public)

Given the consistency of data and feedback across all engagement points, **data validity is rated as *Reliable* for the purposes of progressing the development of the Economic Development Strategy.**

## About the Engagement Surveys

**Survey 01** covered a broad range of questions for targeted key stakeholder groups including businesses, industry associations, and Council representatives.

• The survey was open for three weeks (the same duration as Survey 02) over the period 11 October 2021 to 31 October 2021 via the Shaping Yarra Ranges portal.

• Participation was minimal, with only 41 participants completing the Survey 01. This sub-optimal sample size somewhat limited the ability draw conclusive results.

• Nevertheless, it provided sufficient data to identify broad trends as a comparison for trends that would emerge in the subsequent phases of engagement (Survey 02, Community and Stakeholder Engagement Sessions, Council briefings and 'What If' Reflection Journey feedback).

• Furthermore, there was an adequate response to establish baselines for future tracking perceptions of Council's performance and the expectations on Council to have a leadership role in economic development.

**Survey 02** again covered of a broad range of questions. However, it was tailored to engage more broadly with anyone from the Yarra Ranges community compared with Survey 01 which predominantly targeted businesses and industry stakeholders.

- Survey 02 was open for three weeks (the same duration as Survey 01) over the period 22 November 2021 to 12 December 2021 via the Shaping Yarra Ranges portal.

- Similar to Survey 01, participation in Survey 02 was minimal, with only 49 respondents. This sub-optimal sample size somewhat limited the ability draw conclusive results.

- However, it still provided sufficient data to identify broad trends. These trends mirrored the feedback received during the earlier phases of engagement (Survey 01, Community and Stakeholder Engagement Sessions, Council briefings and 'What If' Reflection Journey feedback).

## About the Community and Stakeholder Engagement Workshops

**Engagement Week** (Monday 22 November 2021 to Saturday 27 November 2021) elicited more in-depth feedback through 26 live-facilitated **Community and Stakeholder Engagement Sessions** comprising:

- 23 x Key Stakeholder Sessions, 45 minutes long and generally industry focussed.

- Group Sessions, 2 hours long and including a mix of residents, community groups, business and industry.

- A total of 61 persons registered for the Key Stakeholder Sessions.

- 36 registered to attend the Group Sessions.

This equated to approximately **1,268 participant hours of engagement.**

| Session. | No. of Sessions. | No. of Participants. | Duration. (Hours) | Participant Hours |
|---|---|---|---|---|
| Key Stakeholder Sessions | 23 | 61 | 0.75 | 1052.25 |
| Group Sessions | 3 | 36 | 2 | 216 |
| **Total Engagement Week Participant Hours** | | | | **1,268.25** |

Community and Stakeholder Engagement Sessions were interactive and included brain storming, solutions prioritisation tasks and sentiment tracking.

For example, participants were tasked with:

- Taking ownership of the challenges raised

- Brainstorming ideas, co-creating solutions

- Prioritising solutions by voting on the preferred solutions put forward by their peers

The approach of the Community and Stakeholder Engagement Sessions was not only to collate data, but also to encourage participants to put forward solutions to any issues raised.

Further to this was the purpose of creating advocates for the Project and create awareness and understanding of the challenges and opportunities for the economy of the Yarra Ranges.

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# 4   Key Findings Overview.

## Sentiment Tracking: Council's Leadership Role in Economic Development

The following section details critical takeaways from the Community and Stakeholder Engagement Sessions as well as the Engagement Surveys.

Sentiment tracking questions were posed throughout the various data collection points.

The questions presented over the following pages were designed as reference points for data consistency across all engagement types, and importantly to collect the opinion of the community and industry about Council's function, and the potential of the region for Economic Development. These questions served two purposes:

- Validated data across various engagement formats

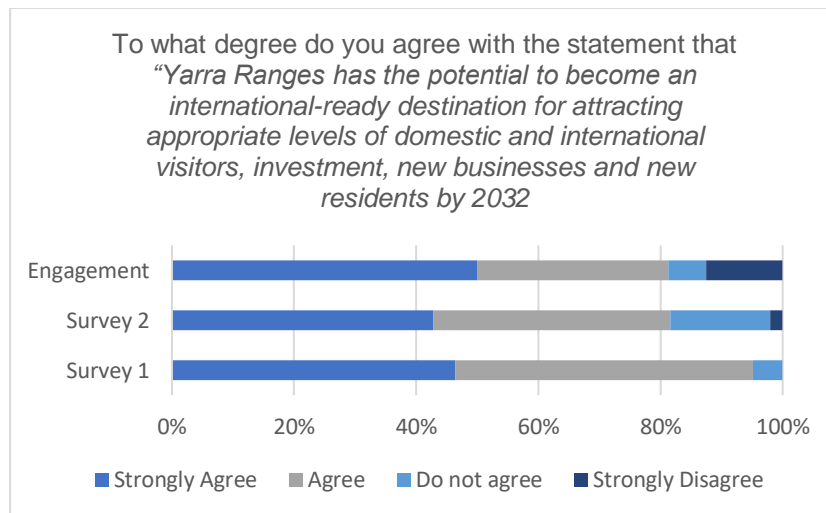- Collect data.



*Figure 1 Engagement Comparison - Future Potential*
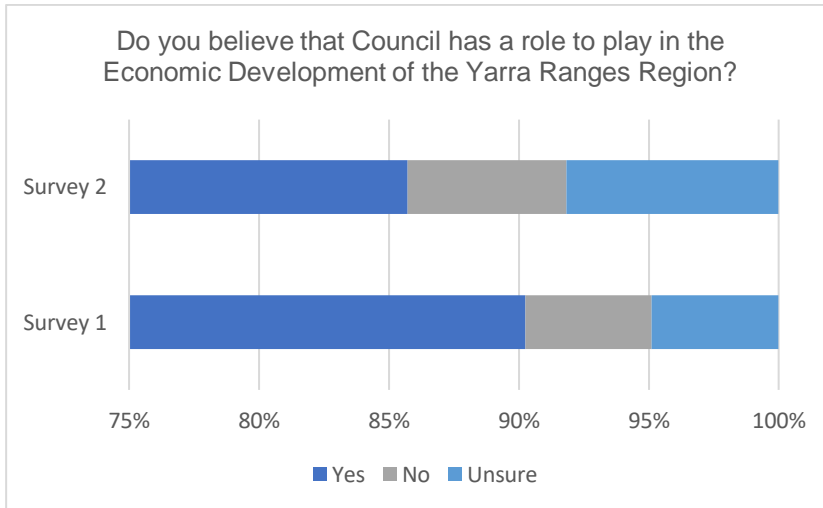
*Figure 2 Engagement Comparison - Role of Council*
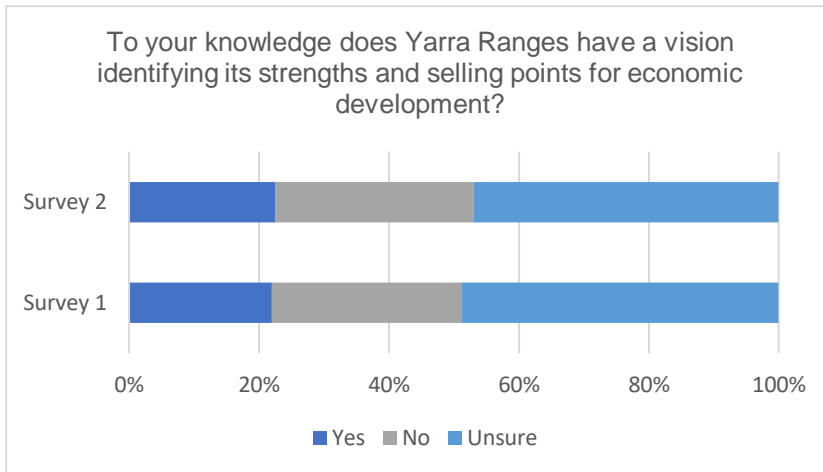


*Figure 3 Engagement Comparison - Does Yarra Ranges have a Vision?*
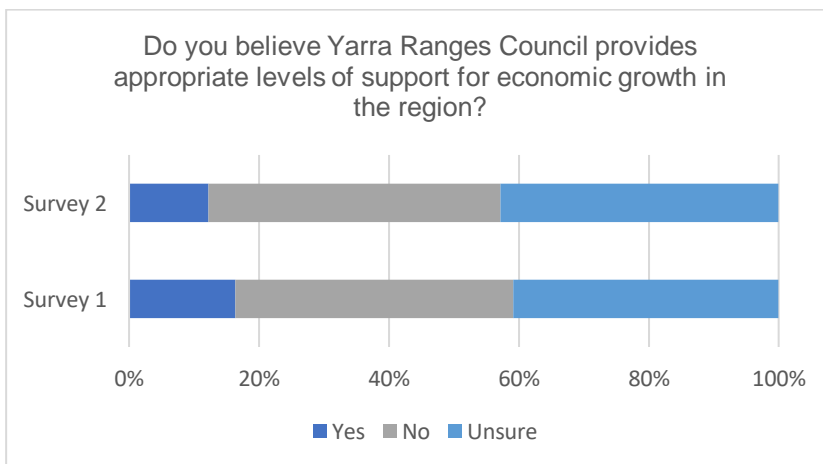


*Figure 4 Engagement Comparison - Council Support*
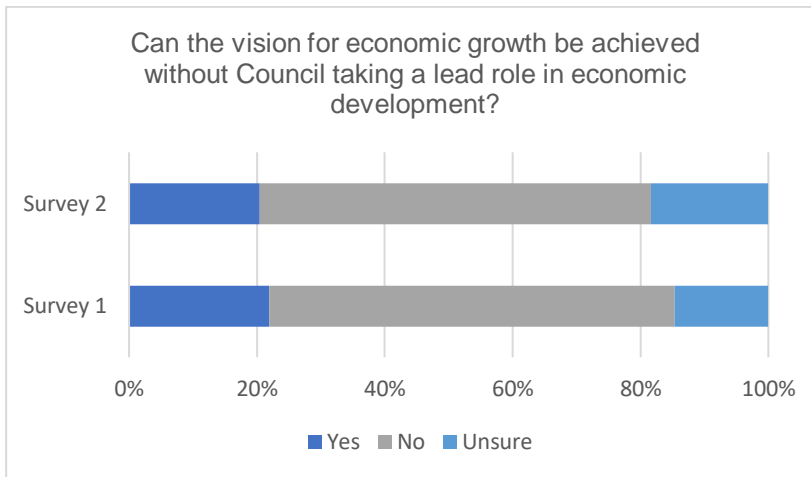
*Figure 5 Engagement Comparison - Council Role*

The above comparison of responses from the Community and Stakeholder Engagement Sessions, Survey 01, and Survey 02 demonstrates that **regardless of survey sample size, sentiment was consistent about perceptions of the need for Council to take a leadership role in economic development**. This consistency reaffirms the validity of the data.

It should be noted that not all Survey 01 questions were repeated in Survey 02, nor were all questions formally quantified during the Stakeholder Engagement Sessions.

## Summary of Issues Raised

From our analysis of data gathered throughout the entire engagement process to date, four broad topic categories emerged.

These categories (which form the basis of the four pillars to be used in the Economic Development Strategy) and the associated challenges raised are summarised in the table below.

| Topic Category. | Key Challenges Raised. |
|---|---|
| *1. Identity, Leadership and Collaboration* | • **Identity issues (various).** Lack of identity, somewhat low brand awareness outside of the region, untapped national and global potential for leveraging brand Yarra Ranges and need to protect individual township identities.<br><br>• Need for **brand differentiation**.<br><br>• **Reputational risk:** Council's commitment to **economic development, industry engagement and business responsiveness**.<br><br>• Need for better **Council-Industry engagement**.<br><br>• **Over consultation fatigue** (Council-Community engagement). |

| Topic Category. | Key Challenges Raised. |
|---|---|
| *2. Commerce, Trade and Workforce Capability* | • **Low brand awareness of Yarra Ranges' commerce and trade offerings** - domestically and internationally - beyond our established reputation as a premium wine region. <br><br> • **Restrictive state and local planning controls** that limit the availability of land for business expansion, intensification or adaptive re-use. <br><br> • **Potential loss of productive agricultural and industrial land uses** due to residential encroachment and associated complaints about pre-existing agricultural / industrial activities. <br><br> • Not fully capitalising on opportunities to attract **High Value Travellers, new businesses, and entrepreneurs**. <br><br> • **Diminishing younger workforce** due to perceptions of limited choices when it comes to lifestyle, jobs, career pathways, housing and transport. <br><br> • **Talent shortage for future industries / growth sectors.** |
| *3. Investment Attraction* | • **Investment disincentive: Shortage of land supply or building space** to establish and grow a business <br><br> • **Lack of supporting infrastructure** to complement or service tourism, agribusiness and other industry sectors <br><br> • Absence of a coordinated **proactive investment attraction activity** <br><br> • **Perception that Council is unable or unwilling to advocate with other government tiers** for regulatory change required to progress regionally significant infrastructure and to increase chances of approval by investors <br><br> • **Reputational risk:** Council's commitment to help resolve **barriers to investment in priority industries sectors** |
| *4. Innovation and Entrepreneurship* | • Untapped opportunity to **export untapped industry knowledge for innovation** <br><br> • **Limited engagement between education and industry** <br><br> • **Untapped potential of Box Hill Institute Lilydale Lakeside campus** <br><br> • **Yarra Ranges is not in the primary consideration set of startups and entrepreneurs** despite its lifestyle and proximity to Melbourne <br><br> • **Lack of innovation hubs, precincts and co-working spaces** |

## Key Take-Outs

- There is an expectation from community and industry stakeholders that Council should take a leadership role in the economic development of the Yarra Ranges.

- The perception is that Council's leadership is necessary to achieve economic success of the Yarra Ranges.

- There is a strong belief that Yarra Ranges has the potential to attract "appropriate" levels of investment, with 97% of respondents either Agreeing or Strongly Agreeing with this statement.

- This is a sign of confidence in the region's economic potential.

- The issue of Council's business responsiveness is seen as a potential barrier to economic progress. Addressing reputational and process concerns is important for improving the relationship between industry and Council.

# 5  Key Findings by Theme

Sorted by theme, the following sections show:

- Responses to questions posed during the Community and Stakeholder Engagement Workshops. Results are presented here using a series of data visualisation outputs including word clouds, sentiment trackers and data tables.

- Results to questions posed during the Engagement Surveys

- Summaries of key findings for each theme

## Theme 1: Population, Lifestyle, Jobs & Services

### Menu of Challenges

- Population growth rate
- Job leakage
- Aging population
- Gender equality
- Urban amenity
- Regional migration

### Questions and Responses: Engagement Workshops

Presented over the following pages are several of the questions raised by the Consultants and responses received from participants of the Community and Stakeholder Engagement Workshops.

## What are the benefits to Yarra Ranges with a larger population?



*Figure 6 Perception - Larger Population Benefits*

## What do we need locally to support a larger population?



*Figure 7 Perception - Local needs to support larger population*

**What community amenities, infrastructure and services would you attract to grow a vibrant community and economy in the Yarra Ranges Region?**



*Figure 8 Priorities to grow vibrant community & economy*

**To what extent to you agree with the following statement:**

*"Green walls", "Green roofs" and similar regenerative urban design initiatives can bring together our green areas and our suburbs, to solidify the region's identity as an innovative and productive region that respects the environment.*



*Figure 9 Agree or Disagree -Regenerative Urban Design*

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**To what extent to you agree with the following statement:**

*Mixed use development containing residential, commercial, retail, recreation and other land uses can create thriving, vibrant communities that are convenient to residents.*



Figure 10 Agree or Disagree - Mixed use communities can thrive

**To what extent to you agree with the following statement:**

*Given that the proportion of residents aged over 75 is projected to more than double over the next decade in the Yarra Ranges, Council should encourage more aged care to our region.*



Figure 11 Agree or Disagree - More Aged Care for aging population

## Questions and Responses: Engagement Surveys

Presented over the following pages is a list of *Agree-Disagree* type questions included in the Engagement Surveys, followed by a table of responses received from survey participants.

*Question 15* Between 2016 & 2036 the population in Yarra is projected to grow by more than 15%. The Yarra Ranges Council will need to encourage new styles of development in urban areas, while protecting townships in our green belt.

*Question 16 Thinking about sustainability, protecting the green wedge and preventing urban sprawl, it is important to contain future development mainly in the existing urban areas.*

*Question 17 To contain future development within existing urban areas, Yarra Ranges Council should encourage more medium and/or higher density development at existing urban hubs.*

*Question 18 Planning and trials have commenced regarding the start-up of drone deliveries and drone passenger services not just in greater Melbourne but around the world. Yarra Ranges should begin to consider how these services will integrate into our towns of the future.*

*Question 19 Given that the portion of residents aged over 75 is projected to more than double, Yarra Ranges Council should encourage more aged care to our region?*
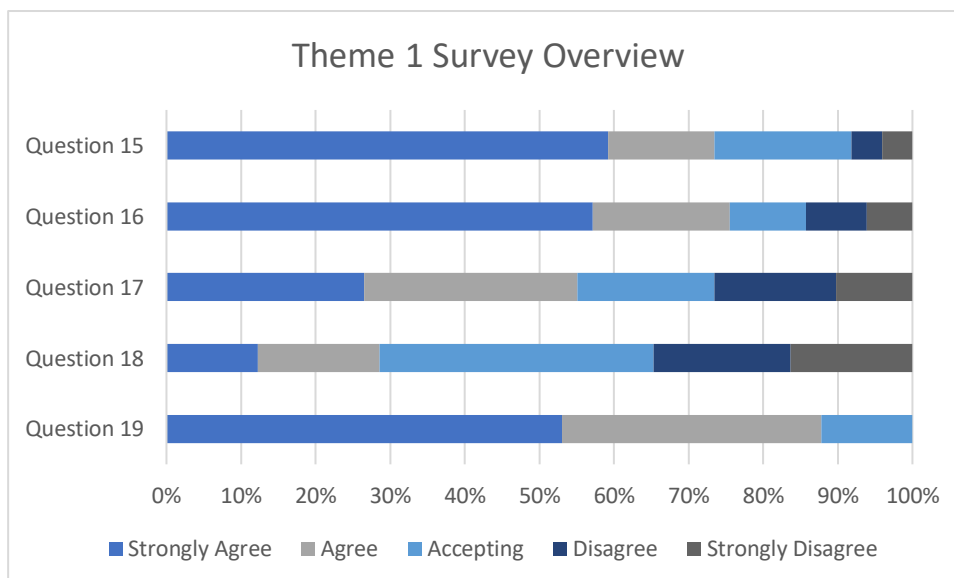


*Figure 12 Theme 1 Survey Overview*

## Summary of Key Findings for Theme 1

Below is a summary of responses received from participants of the Community and Stakeholder Engagement Workshops.

- **Aging population.** The community and industry both acknowledge that an ageing population is an issue.

- **Local lifestyle.** There is an ardent desire to protect and enhance local lifestyle.

- **Growth.** A repeated comment throughout the engagement sessions was that *"growth should not be for growth's sake."*

- **Development for purpose.** There was positive sentiment towards supporting "*development for purpose".* The examples most frequently discussed were aged care and health care, both of which were identified as significant generators of future employment opportunities (job creation).

- **Future societal and technological trends.** There was an appreciation of the need for Council to plan for future societal and technological trends that will have economic, urban planning, and infrastructure implications. Examples included the need to plan for:

  - An larger population (housing variety, housing stock, housing affordability)

  - An aging population (housing variety, housing stock, aged care and health care facilities, senior-friendly kerbsides and streetscape design)

  - Automated vehicles (space for recharging infrastructure)

  - Drone deliveries (space for recharging infrastructure, kerbside landing and loading zones)

  - Drone passenger transport (space for recharging infrastructure, kerbside landing and loading zones)

  - Increased demand for public transport and ride-share services (kerbside loading zones)

*Question 18* specifically addressed these examples with 36.7% "Accepting" that Council should begin to consider how these technologies will integrate into the community. A further 28.5% Strongly Agreed or Agreed with this need.

Similarly, 55% Agree or Strongly Agree that Yarra Ranges Council should encourage more medium and/or higher density development at existing urban hubs.

## Theme 2: Industry, Commerce and Trade

### Menu of Challenges

- Industry expertise.
- High value opportunities

- Appetite for growth.

### Questions and Responses: Engagement Workshops and Engagement Surveys

Presented over the following pages are several of the questions raised by the Consultants and responses received from participants of the Community and Stakeholder Engagement Workshops. Also incorporated into the key findings are responses to the Engagement Surveys.

**What can be done to improve trade & commerce in our region?**



We have great product. Lets showcase it through **expos and hosting people and industry** in our region!

Establish High Tech Innovation Hub

Yarra Valley (YV) Expo

Value add to food and fibre here in the YV

Help workers stay here in the YV

*Figure 13 Prioritised Ideas - Improving Commerce & Trade*

For the above question, participants were posed the question and asked to submit possible solutions to their peers. Participants were then asked to vote for their preferred solutions. The top 5 are presented in *Figure 13.*

Following this, participants were asked to identify "ideal type of visitor" to the region.



*Figure 14 Brainstorm - The Ideal visitor*

Building on this opinion was sought on the ideal trading partner.



*Figure 15 Brainstorm - The Ideal investor*

In both cases there is a desire for committed and quality partnerships, both from investors and visitors to the region.

Workshop participants were asked how they would sell or market the Yarra Ranges in one sentence. Participants were then asked to again vote on their preferred suggestions as demonstrated in *Figure 16*.

Yarra Ranges: Where sustainable dreams come true.

A beautiful sense of place

i love living here, my kids love living here, we'd love you to live here too

Wander throughout a landscape of nature, wine, food & experiences

A destination of unlimited opportunities

*Figure 16 Think & Vote - Ideas to market Yarra Ranges*

**How do you rate Business Support Networks in the Yarra Ranges Region?**

Survey 1

Survey 2

0%  10%  20%  30%  40%  50%  60%  70%  80%  90%  100%

■ Poor   ■ Satisfactory   ■ Good   ■ Not Important
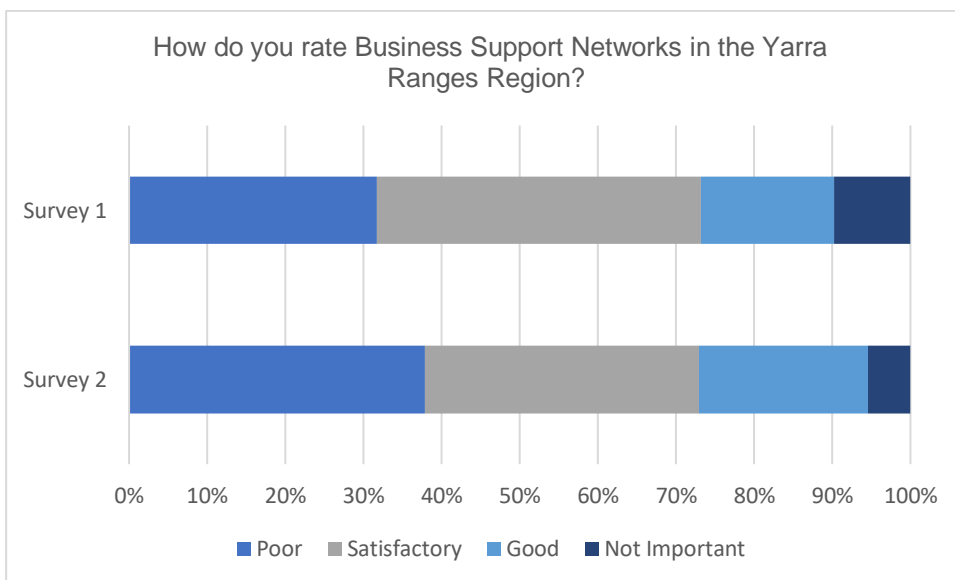
*Figure 17 Survey Comparison - Business Support networks in Yarra Ranges*

In the Survey 01 and Survey 02 respondents were asked to rate the Business Support Networks in the Yarra Ranges Region. In both surveys more than 30% of respondents stated they were Poor.

Chambers of Commerce/Indu...
Council
State Government
Federal Government

Extremely...   Fairly

Chambers of Commerce/Indu...
Council
State Government
Federal Government

Extremely...   Fairly Im...

*Figure 18 Survey 1 vs Survey 2 - Importance of Government Vs Industry*

Commerce and industry groups are rated strongly by survey participants in both Surveys 01 and 02 when asked "In what order are the following organisations important to achieve economic growth in Yarra Ranges?"

### Summary of Key Findings for Theme 2

Below is a summary of responses received from participants of the Community and Stakeholder Engagement Workshops.

- **Local pride.** Yarra Ranges community and industry and proud of their region. This is noted in the number of examples provided of local exports and world-renowned brands and products.

- **Value-Add Industries and Jobs.** During interviews, industry representatives raised the need to attract more value-add industry and jobs to the Yarra Ranges. Industry representatives also referenced a range of challenges earlier attempts have faced. 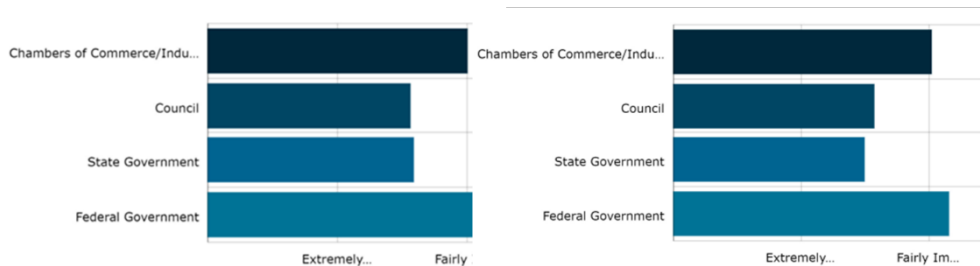Value-Add Industry opportunities were ranked in the Top 5 suggestions by engagement participants to improve Industry, Commerce and Trade.

- **Business Support Networks.** Unfortunately, the strength of Business Support Networks (e.g. Chambers of Commerce) was ranked as Poor (30%), with a considerable number of respondents ranking Business Support Networks as only "Satisfactory". This provides an opportunity for Council to show leadership in building its relationship with the business community, growing stronger business support networks and growing the local economy.

# Theme 3: Housing

## Menu of Challenges

- Housing stock
- Housing choices
- Housing affordability

## Questions and Responses: Engagement Workshops

Below is one of the questions raised by the Consultants and responses received from participants of the Community and Stakeholder Engagement Workshops.

With the acknowledgment that housing supply is an issue, participants were asked to put forward solutions and rank their peers' suggestions. The top 5 results are evidenced in *Figure 19*, highlighting that the participants believe housing supply can be addressed.

**Q. List 3 actions to increase housing supply in the Yarra Ranges region:**

1)Reuse exisiting developed land
2)Council incentivise specific locations
3) Better manage short term accomdation

allow new sustainable housing instead of protecting outdated poorly designed homes

multiple layer dwellings in suburbs/urban areas

Probably regulate Bed and Breakfast and give opportunity for families to move into Valley

Identify strategic uses in townships to allow diverse housing types to be created
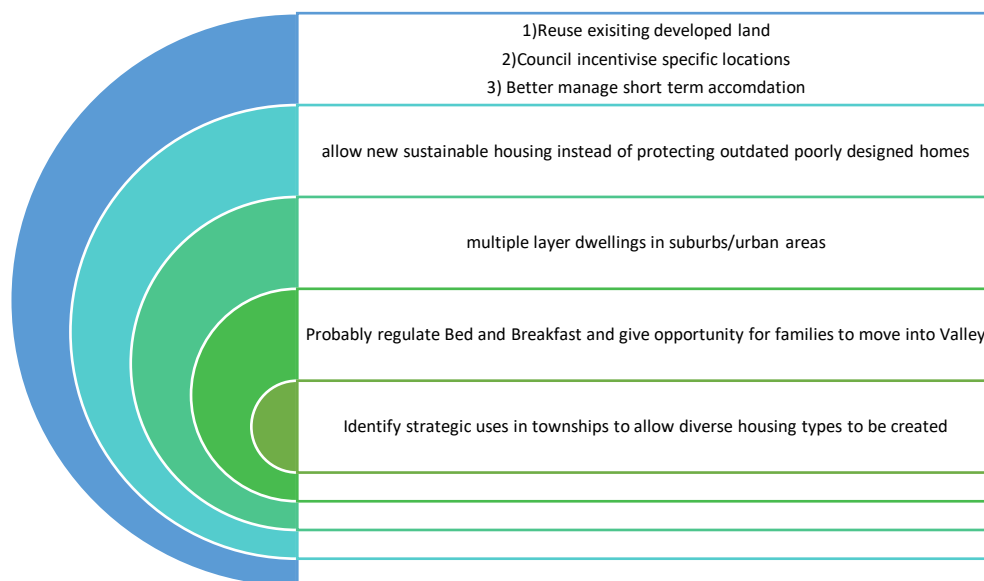
*Figure 19 Brainstorm & Vote - Increase Housing Supply*

## Questions and Responses: Engagement Surveys

Presented over the following pages is a list of *Agree-Disagree* type questions included in the Engagement Surveys, followed by a table of responses received from survey participants.

**Question 28** *Land supply is forcing housing prices up and in turn increasing social disadvantage in some parts of Yarra Ranges?*

**Question 30** *Combining residential developments with bus and train stations/ retail and business areas, can promote less reliance on cars and higher use of public transport.*

**Question 31** *Vertical gardens, roof top gardens and urban forests can have a positive impact on urban heating and as a result the health and wellbeing of a community and its residents.*

**Question 32** *Mixed use development containing residential, commercial, retail, recreation and other land uses can create thriving communities that are convenient to residents.*
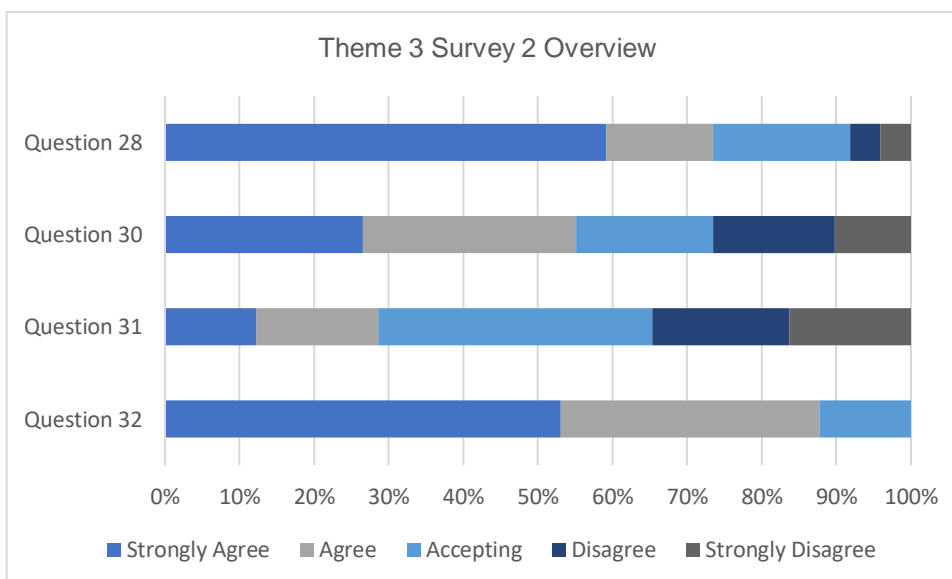


*Figure 20 Theme 3 - Survey 2 Overview*

With the acknowledgement that housing supply challenges exist not only in the future but in the current day, the community is generally at least accepting if not agreeable, to modern and contemporary solutions to address housing supply through appropriate design and localisation.

### Summary of Key Findings for Theme 3

Below is a summary of responses received from participants of the Community and Stakeholder Engagement Workshops.

- **Housing supply.** Lack of housing supply was a consistently raised issue across stakeholder interviews. When participants were shown examples of "purposeful" high density living - for example aged care integrated with shopping precincts, or high density multigenerational living - there was a generally positive response.

- **Housing loss to short-term accommodation.** Another concern that was regularly raised by local employers and residents was the loss of housing to short-term accommodation (e.g. Airbnb-style accommodation). This was noted as having a significant impact on businesses' ability to attract and retain workers, particularly in the green wedge parts of the region.

- **Council policies.** Participants in both urban and green wedge zones identified a need for Council to develop appropriate policies to address the loss of housing and the associated impact on workforce attraction.

# Theme 4: Workforce Capability

## Menu of Challenges

- Workforce supply
- Centres of Excellence
- Innovation system
- Socio-economic inequality

## Questions and Responses: Engagement Workshops and Engagement Surveys



### PLEASE ELABORATE ON ANY ADDITIONAL RISKS FACING YOUR INDUSTRY?

■ Climate/Natural Disasters ■ Covid ■ Staff/Labour ■ Phone/Internet/Communications

- 20%
- 20%
- 26%
- 34%
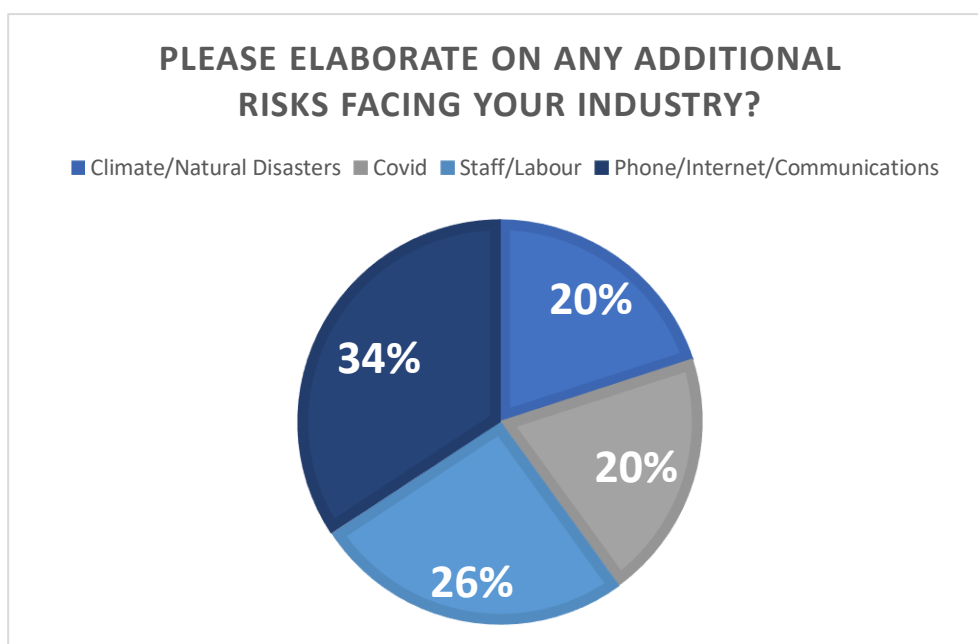
*Figure 21 Survey 1 - Risks to Industry & Business*

In Survey 01 respondents were asked to identify risks to industry. 26% of risks identified related to "staffing and labour" as an issue of concern.

Associated with this was the retention of staff which was often linked to shortages of accommodation / housing and public transport.

During the stakeholder interviews, employers indicated they were considering repurposing - or had repurposed - business vehicles to provide improved connections for staff between transport hubs in Lilydale and their workplaces.

Key ideas that were put forward during stakeholder interviews and the Reflection Journals included:

- Partnerships in developing technologies e.g. partnerships between the agricultural sector with Box Hill Institute, leading to advancements within the industry.

- Centres of Excellence or Experiences of Excellence

- Establishing a formal network of innovation hubs and co-working spaces

- Improving partnerships between education and industry to ensure the right skills are being taught to the right people, to match local industry.

## Summary of Key Findings for Theme 4

Below is a summary of responses received from participants of the Community and Stakeholder Engagement Workshops.

- **Link between industry and education providers.** Council has proven experience linking industry with education, particularly during the pandemic period. This provides a solid foundation for building a future workforce.

- **Career opportunities.** The comment that resonated the most across participants was "We should make Yarra Ranges known for careers, not just jobs".

- **Attracting and retainer a younger workforce.** The need to address the younger generation's perception that careers only exist in Melbourne CBD was identified as being imperative to stemming the flow of outbound workers. Creating uniquely "Yarra Ranges" after-work lifestyle opportunities for young people was also noted as a priority challenge.

## Theme 5: Development and Urban Form

### Menu of Challenges

- Overdevelopment
- Urban encroachment
- Land availability
- Rejuvenation and adaptive re-use

### Questions and Responses: Engagement Workshops

Presented over the following pages are several of the questions raised by the Consultants and responses received from participants of the Community and Stakeholder Engagement Workshops.

*To what extent to you agree with the following statement:*

*Higher density developments are more acceptable when they serve a purpose, for example aged care, and are located near supporting services.*



*Figure 22 Agree or Disagree - Development is more acceptable when it serves a purpose*

*To what extent to you agree with the following statement:*

*Future Development needs to consider changing needs. E.g. Changing demographics, technology, types of transport?*



*Figure 23 Agree or Disagree - Development needs to consider future needs*



*Figure 24 Brainstorm - Intensification Requirements*

## Summary of Key Findings for Theme 5

Below is a summary of responses received from participants of the Community and Stakeholder Engagement Workshops.

- **Land use maximisation and higher density development.** Feedback during the engagement sessions reiterated community sentiment that higher density developments are acceptable when they are purposeful and located appropriately ("the right development in the right place").

- **Purposeful design and sustainable practices.** There was strong community sentiment toward the need to plan for future population needs and technological innovations. However, feedback echoed earlier concerns that purposeful design and sustainable practices should be used.

- **Appetite for change.** The above key findings should provide Council with confidence that adapting planning policies to support "out of the box" projects is not something to be shied away from, so long as "good design", "sustainable practice" and "access to services" is achieved.

## Theme 6: Investment Attraction

### Menu of Challenges

- Resourcing investment attraction activity

- The "ideal investor"

- Uncertainty for investors

- Awareness

### Questions and Responses: Engagement Workshops

Presented over the following pages are several of the questions raised by the Consultants and responses received from participants of the Community and Stakeholder Engagement Workshops.

*To what extent to you agree with the following statement:*

*It is appropriate for council to invest in or operate commercial projects that are financially sustainable and provide social outcomes for the community.*



*Figure 25 Agree or Disagree - Should Council invest*

*Figure 26 Brainstorm - What are the future jobs in Yarra Ranges*



*Figure 27 Brainstorm - Who is the future worker*

## Questions and Responses: Engagement Surveys

Presented over the following pages is a list of *Agree-Disagree* type questions included in the Engagement Surveys, followed by a table of responses received from survey participants.

**Question 20** I would support Yarra Ranges attracting more professional firms that can locate and work form anywhere?

**Question 27** The region has a coordinated marketing and branding strategy for tourism and investment attraction in the region

## Summary of Key Findings for Theme 6

Below is a summary of responses received from participants of the Community and Stakeholder Engagement Workshops.

- **Disincentive for investment attraction.** The engagement sessions with industry consistently raised significant concerns regarding dealings with Council, citing Council's slow and onerous decision-making processes as being a disincentive for investment attraction.

    - For example, participants provided feedback that several COVID-19 recovery grants were lost after not being able to gain quick enough Council approvals, halting industry investment and advancement.

    - Land supply and planning restrictions were also cited as disincentive to investors.

- **Planning and industry engagement.** There was a belief that Council will need to review its planning functions and industry engagement mechanisms if it wants to attract businesses seeking to relocate away from Melbourne City.

- **Significant regional investment opportunities.** The community and industry interviews provided strong support for opening up the region to new business and investment opportunities beyond the status quo. However, several respondents shared their belief that the Council lacks a clear framework for dealing with significant regional investment opportunities and that Council should investigate how this can be improved.

# 6  Conclusion and Recommendations.

## Conclusion

The overall engagement process surfaced three key findings:

- There is an expectation from community and industry stakeholders that Council should take a leadership role in the economic development of the Yarra Ranges.

- There is a strong belief that Yarra Ranges has the potential to attract "appropriate" levels of investment, and there is strong confidence in the region's economic potential.

- There are several key challenges to addressed for the economy to grow, as summarised in the table below.

| Topic | Key Challenges to be Addressed |
|---|---|
| *1. Identity, Leadership and Collaboration* | • **Identity issues (various).** Lack of identity, somewhat low brand awareness outside of the region, untapped national and global potential for leveraging brand Yarra Ranges and need to protect individual township identities.<br>• Need for **brand differentiation**.<br>• **Reputational risk:** Council's commitment to **economic development, industry engagement and business responsiveness**.<br>• Need for better **Council-Industry engagement**.<br>• **Over consultation fatigue** (Council-Community engagement). |
| *2. Commerce, Trade and Workforce Capability* | • **Low brand awareness of Yarra Ranges' commerce and trade offerings** - domestically and internationally - beyond our established reputation as a premium wine region.<br>• **Restrictive state and local planning controls** that limit the availability of land for business expansion, intensification or adaptive re-use.<br>• **Potential loss of productive agricultural and industrial land uses** due to residential encroachment and associated complaints about pre-existing agricultural / industrial activities.<br>• Not fully capitalising on opportunities to attract **High Value Travellers, new businesses, and entrepreneurs**.<br>• **Diminishing younger workforce** due to perceptions of limited choices when it comes to lifestyle, jobs, career pathways, housing and transport.<br>• **Talent shortage for future industries / growth sectors**. |

| Topic | Key Challenges to be Addressed |
|---|---|
| *3. Investment Attraction* | • **Investment disincentive: Shortage of land supply or building space** to establish and grow a business<br><br>• **Lack of supporting infrastructure** to complement or service tourism, agribusiness and other industry sectors<br><br>• Absence of a coordinated **proactive investment attraction activity**<br><br>• **Perception that Council is unable or unwilling to advocate with other government tiers** for regulatory change required to progress regionally significant infrastructure and to increase chances of approval by investors<br><br>• **Reputational risk:** Council's commitment to help resolve **barriers to investment in priority industries sectors** |
| *4. Innovation and Entrepreneurship* | • Untapped opportunity to **export untapped industry knowledge for innovation**<br><br>• **Limited engagement between education and industry**<br><br>• **Untapped potential of Box Hill Institute Lilydale Lakeside campus**<br><br>• **Yarra Ranges is not in the primary consideration set of startups and entrepreneurs** despite its lifestyle and proximity to Melbourne<br><br>• **Lack of innovation hubs, precincts, and co-working spaces** |

## Consultant's Recommendations

The Consultancy Team recommends that all key challenges summarised in the table above are:

• Addressed in the Economic Development Strategy currently being prepared by the Consultants on behalf of, and in collaboration with Council

• Considered by Council and used as part of the evaluation process throughout the remaining stages of the Economic Development Strategy Renewal Project.

# Appendix 1: Menu of Challenges

During the preparation of the Economic Development Strategy Background Report, Alphacrane Intercultural Specialists conducted a **"So What?" Analysis** to identify a **Menu of Key Challenges** to aid discussions during the engagement process. The key challenges are outlined below.

## Theme 1: Population, Lifestyle, Jobs & Services

**Menu of Challenges**

- **Population growth rate.** Rate is below the optimum level conducive for significant economic growth.

- **Aging population.** This places increasing pressure on local services, housing affordability and housing availability (empty nesters do not have enough housing choices to downsize). This impacts the ability of working-age residents to find suitable housing. This is a likely to be a barrier for outside workers to relocate (and boost population growth) into the Yarra Ranges.

- **Urban amenity.** Current levels of urban and community amenities, services and infrastructure (including lack of mobile connectivity and high speed internet) are also potential barriers for attracting new businesses, employers, entrepreneurs and residents of all ages into the Yarra Ranges.

- **Job leakage.** Leakage of jobs - and associated discretionary spend - to surrounding areas. This is in part due to a lack of employment opportunities within the Yarra Ranges.

- **Gender equality.** In line with the national trend, females are less likely than males to secure full time employment, and employment in higher paid roles.

- **Regional migration.** Yarra Ranges may be missing out on its share of Melbourne businesses and residents seeking to relocate away from the city, specifically people who do not wish to sacrifice the "soft infrastructure" conducive for working remotely. This could be due to a real or perceived lack of urban facilities such as cafes, coworking spaces, casual meeting spaces, event spaces etc.

## Theme 2: Industry, Commerce and Trade

**Menu of Challenges**

- **Industry expertise.** Our existing world-class expertise in areas such as wine-making, agribusiness and advanced manufacturing is not being fully leveraged in terms of promoting "Brand Yarra Ranges".

- **High value opportunities.** Despite experiencing growth in visitor arrivals, Yarra Ranges is not fully capitalising on opportunities to attract new high value-add businesses, entrepreneurs and High Value Travellers from outside the region, from interstate and from around the world into the Yarra Ranges.

- **Appetite for growth.** Lack of clarity about the degree to which Council and community is welcoming of new industry, commerce and trade into the Yarra Ranges.

### Theme 3: Housing

**Menu of Challenges**

- **Housing stock.** Lack of housing stock is likely to be a barrier to accommodating a larger population, and therefore a potential barrier to significant economic growth.

- **Housing choices.** Lack of housing choices beyond traditional single-detached houses is likely to be a barrier to attracting younger workers into the Yarra Ranges. Flow-on effects include the sustainability of industry / businesses reliant on a supply of skilled and unskilled labour.

- **Housing affordability.** Unless well managed, higher demand for housing could potentially price existing residents out of the housing market.

### Theme 4: Workforce Capability

**Menu of Challenges**

- **Workforce supply.** Undersupply of skilled and unskilled workforce into the Yarra Ranges is limiting the potential to evolve and grow high value add industries. This is a potential barrier to significant economic growth.

- **Centres of excellence.** Our existing world-class expertise in areas such as wine-making, agribusiness and advanced manufacturing is not being fully leveraged in terms of developing education and training Centres of Excellence.

- **Innovation system.** Despite significant innovations already undertaken by local industry and institutions such as Box Hill Institute, a structured innovation ecosystem across the region is still in its infancy. This could be a deterrent from attracting new businesses, entrepreneurs, start-ups, R&D and capital into Yarra Ranges.

- **Socio-economic inequality.** There are pockets of socio-economic inequality (disadvantage) that may be unable to easily access training, education and local employment opportunities.

### Theme 5: Development and Urban Form

**Menu of Challenges**

- **Land availability.** Due to stringent planning regulations (including the green wedge), there is limited land availability to support significant urban growth. This in itself is not necessarily a barrier to economic progress. The solution requires a maximisation of land use through nodes of higher density development. However, it is unclear whether there is a strong Council and community appetite for higher density development (and redevelopment).

- **Overdevelopment.** There is a risk that unless carefully planned, the increasing demand for development could "kill the golden egg" i.e. erode the unique character and lifestyle that differentiates the Yarra Ranges from other places.

- **Urban encroachment.** There is a risk that supply and demand forces (including pressure for more residential development) could price important agribusiness and industrial uses out of the municipality, thereby reducing the overall economic-generating capacity of the Yarra Ranges.

- **Rejuvenation and adaptive re-use.** Some urban precincts would require rejuvenating if they are to attract new businesses, job-seekers, entrepreneurs and residents.

## Theme 6: Investment Attraction

**Menu of Challenges**

- **Resourcing investment attraction activity.** The ability to pro-actively attract new businesses, job-seekers and entrepreneurs into the Yarra Ranges is limited by resources available for investment attraction activities. However, it may not be feasible for Council alone to resource these activities to a level that would stimulate significant economic growth.

- **The "ideal investor".** Lack of clarity on who the "ideal investor" is for the Yarra Ranges which heightens the risk of being reactive vs proactive, and not targeting investors with the highest potential to increase economic prosperity (including employment) to the region.

- **Uncertainty for investors.** Lack of certainty (or perhaps incentives) for businesses to invest in the region, compared with alternative investment destinations.

- **Awareness.** Related to lack of uncertainty is a lack of awareness i.e. Yarra Ranges is not in the consideration set of enough potential investors even though the attributes of Yarra Ranges may be more competitive than alternative regions.

## Theme 7: Identity

**Menu of Challenges**

- **Identity and differentiation.** Although the unspoilt natural environment and lifestyle is generally agreed to be the most defining characteristic of the Yarra Ranges, there is a need to articulate the region's unique identity more clearly in a way that differentiates the Yarra Ranges from other places, from the perspective of outsiders. This is important for investment attraction, destination branding, placemaking etc.

- **Awareness.** The Yarra Ranges brand has not yet achieved iconic national and global status, despite the region punching above its weight in aspects such as premium wine production.

## Theme 8: Targets and Growth Indicators

**Menu of Challenges**

- **Gross Regional Product.** Gross Regional Product (GRP) is widely recognised as an imperfect measure of economic success at the municipal level. Furthermore, there are limitations as to how much local government can influence GRP. This can be problematic for setting stretch targets to measure success of the new Economic Development Strategy.

- **Setting targets and measures of success.** Although it is clear that Council has no desire to chase growth purely for the sake of growth (especially at the expense of the environment and local community), it is yet unclear how Council wishes to set aspirational and measurable targets for growing the economy that not only incorporate economic, social and environmental principles of sustainability, but which are clearly "on brand" with Yarra Ranges' unique identity.

### Theme 9: Collaboration and Partnerships

**Menu of Challenges**

- **Inner circle of influence.** In every industry, there is a small inner circle of Tier 1 players, and a much larger outer circle of Tier 2 players. For Yarra Ranges to be front-and-centre in the minds of government and non-government collaborators and partners, it needs to adopt the mindset of a Tier 1 destination. This mindset is characterised by a combination of agility and eagerness to evolve, i.e. ability to respond quickly in a post-COVID environment of rapid change and heightened uncertainty. This mindset seeks to proactively influence change rather than being a bystander to change.

- **Post-COVID opportunities.** The post-COVID environment of rapid change will bring unexpected opportunities beyond government grants. New industries will emerge. New government priorities will be formed. The new global economy will require products and services for which Yarra Ranges has a competitive edge. If Council and its collaborators are proactive and can respond quickly to these emerging opportunities, locally based economic growth initiatives are more likely to receive government support for activities and projects that align with national, state and regional strategic priority sectors.

- **Quick wins.** To increase stakeholder and community buy-in to the Economic Development Strategy 2022-2032, it will be important to establish a few substantial "Quick Wins" that boost the local economy and that showcase Council's increased focus on economic progress.

- **Champions for economic growth.** If Council chooses not to take on the role of being the lead champion / lead agency for driving economic growth – who else could, or would, take on this role, and what would be the consequences?

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