

## **FINAL ECONOMIC DEVELOPMENT STRATEGY FOR ADOPTION**

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Report Author: Manager - Economic Development & Investment  
Responsible Officer: Director Planning, Design and Development  
Ward(s) affected: (All Wards);

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*The author(s) of this report and the Responsible Officer consider that the report complies with the overarching governance principles and supporting principles set out in the Local Government Act 2020.*

### **CONFIDENTIALITY**

This item is to be considered at a Council meeting that is open to the public

### **SUMMARY**

The 10-year Economic Development Strategy (Strategy) that has guided Council's role and resources in the development of the local economy concludes at the end of 2022. Consequently, a new Strategy 2022–2032 has been developed to position Yarra Ranges as a desirable place to live, work, invest and visit.

The Strategy has been informed by a comprehensive review, a background report and extensive community and stakeholder consultation and analysis. Community engagement on the draft Economic Development Strategy 2022-2032 was held between 11 August 2022 – 11 September 2022.

This work has produced a final Strategy 2022-2032 which delivers:

- A strong vision, grounded in the aspirations of the local community;
- A contemporary approach to economic development steeped in regenerative values, focussed on future-proofing the economy beyond the global pandemic and extreme climate events; and
- Globally competitive ideas that differentiate the Yarra Ranges from other local government areas.

It is now recommended that the final Economic Development Strategy be adopted by Council.

### **RECOMMENDATION**

***That Council***

- 1. Consider and note the feedback received from the community on the***

***Draft Economic Development Strategy 2022-2032.***

- 2. *Adopt the final Economic Development Strategy 2022-2032 as provided in Attachment 1 to this report.***

## **RELATED COUNCIL DECISIONS**

Council meeting 28 August 2012 – Council endorsed the Economic Development Strategy 2012-2022.

Council meeting 14 September 2021 – Council approved draft Community Vision 2036 and Council Plan 2021-2025 for the purpose of undertaking consultation with the community.

Council meeting 9 August 2022 – Council resolved to place the Draft Economic Development Strategy 2022-32 on community consultation for a period of four weeks, commencing 11 August 2022.

## **DISCUSSION**

### ***Purpose and Background***

The purpose of this report is to seek Council adoption of the Economic Development Strategy 2022-2032 (the Strategy). This report summarises the consultation made to date including the second round of engagement on the draft Strategy.

The Economic Development Strategy 2022-2023 provides a strategic framework for how Council supports economic prosperity and improves liveability across Yarra Ranges.

The final version of the Strategy is provided at Attachment 1, which incorporates changes to the Draft Strategy based on submissions and comments during the second round of community engagement.

### **Draft Economic Development Strategy Engagement**

The Draft Strategy was developed and endorsed by Council for engagement with the community on 9 August Council meeting. The second round of engagement was held from 11 August to 11 September 2022.

This approach was a ‘check-in’, to ask the community “Did we get it right?” and ask for feedback or suggestions for changes and improvement to the draft Strategy.

The Shaping Yarra Ranges web page included two options to submit feedback (a short ‘post it’ note or longer ‘more to say’ option). It also provided access to project resources including an information video, the draft Strategy, a Summary Strategy document, Background Report and an Engagement Findings Report.

Officers reached a range of new people during the draft Strategy engagement. Seventy-five (75) percent of the participants submissions received on the Shaping Yarra Ranges page had not been previously engaged.

The second round of engagement spoke to:

- Broader community;
- Participants of round one engagement;
- Business Groups; and
- Advisory Groups;

Figure 1 is a summary of the visitation on the Shaping Yarra Range web page during the draft Strategy engagement:

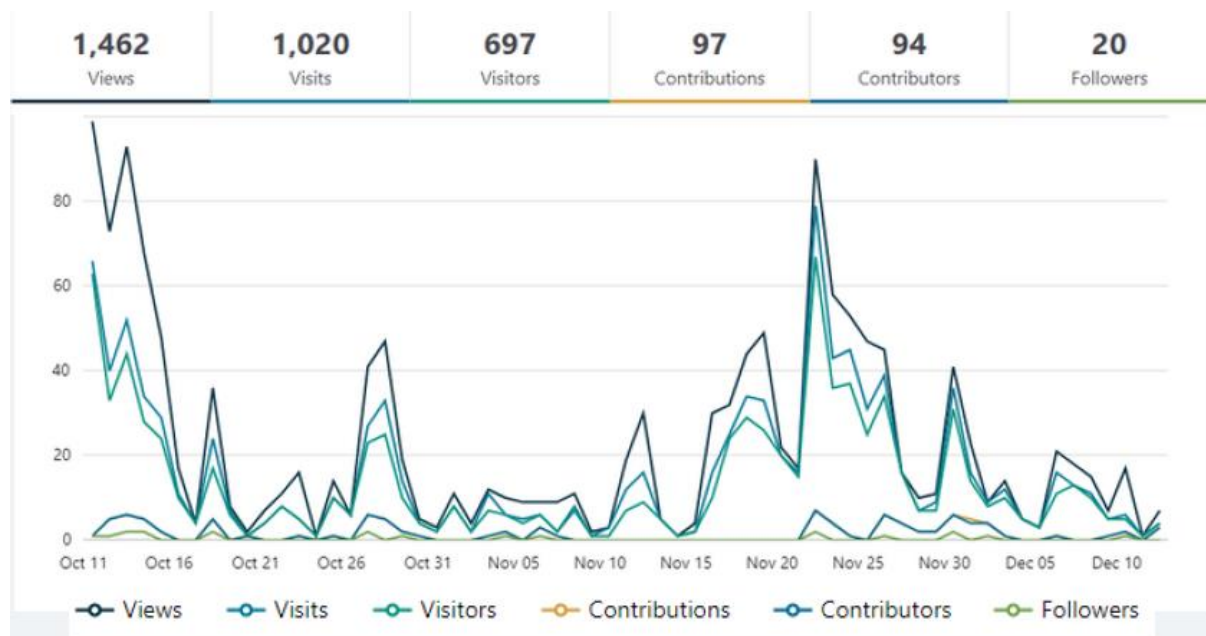


Figure 1 - Summary of the visitation on Shaping Yarra Range web page Submissions

Council received a range of submissions during community engagement on the draft Strategy, full details can be seen in the EDS Engagement Report (Attachment 2).

Overall, there was an excellent level of interaction and interest shown by the community on the Shaping Yarra Ranges website.

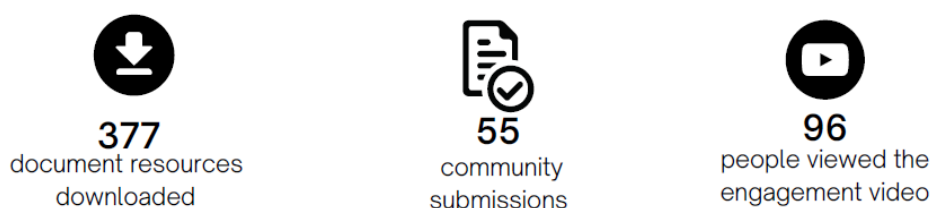


Figure 2: Summary of interactions on Shaping Yarra Ranges site

Number of times resources were downloaded	
Draft Strategy	117
Accessibel draft	45
Summary Strategy	157
Background report	23
Engagment findings report	19
Engagement overview	16



Figure 3: Example of engagement

Analysis of the submissions produced a consistent theme of positive comments and support for the Strategy. Further evaluation indicated that many of the comments were addressed by existing actions or the framework of the Strategy. The table below indicates the changes that were made following the feedback received.

### **Changes to the Draft Economic Development Strategy**

What we heard	What we did
Missing Silvan in the Strategy	Added Silvan into the snapshot on Page 16
Include older people	Updated the Strategy to include the addition of career transition as an included target cohort under Actions 2.3 and 2.4. In addition, career transition is included in the glossary.
Incorporating this Strategy with other Council strategies	Include notation that the Strategy is part of a suite of strategies. "This Strategy while focusing on the economic future for the Yarra Ranges works in conjunction with other key Council strategic documents."
Social Enterprises are missing	Added 'social enterprises' to Action 1.3

Missing references to other beverages	Change from 'wine' to 'beverage' in key locations of the Strategy.
Mayor's message seems to lack community approach	Mayor's message reworded to strengthen community-led approach.

Table 1: Summary of changes post round two engagement

### **Options considered**

- Option 1 – Not adopt and renew the Strategy; or
- Option 2 – Adopt the new 10-year Strategy.

The 10-year Strategy will guide Council's priority areas and programs to deliver a positive economic future for the community. The independent assurance report to Parliament by the Victorian Auditor-General's Office, Local Government and Economic Development dated March 2018 noted that:

*“Economic prosperity is important to a community’s wellbeing. The World Bank describes local economic development as building the economic capacity of a locality to improve its economic future and the quality of life of its citizens. In this process, public, business and community sector partners work collectively to create better conditions for economic growth and job creation. Every community has unique conditions that affect its development and should shape the design and implementation of a local economic development Strategy.”*

Not renewing the Strategy would likely undermine the long-term wellbeing of the Yarra Ranges community on account of not having a clear vision for facilitating economic development within the municipality.

### **Recommended option and justification**

It is recommended that Option 2 be adopted. The Economic Development Strategy 2022-2032 presents a forward-thinking framework that will ensure sustainable, purpose-driven economic growth, balancing environmental, social wellbeing and economic needs. The Strategy has been built on the core concepts and direction of Council's previous work, a culmination of evidence-based data and qualitative feedback.

Council has identified the Economic Development Strategy as a Tier 1 - leading Strategy, therefore its renewal is essential.

### **FINANCIAL ANALYSIS**

The cost to develop the Strategy was \$82,000 and has been funded within Council's Economic Development and Investment Department's operating budget.

To understand the cost to Council to deliver the Strategy, a costed action plan was developed. The Strategy proposes a suite of recommended actions for implementation for which the financial implications are summarised, including resources and budget.

The development of the budget has made several assumptions which include that the current operating budget of the Economic Development and Investment Team of \$1,475,146 will remain relatively stable, that many actions will be delivered through the existing resources, and that there will be opportunity for funding of actions through grants. It is also assumed that some actions are unfunded and will require future budget bids, business cases and advocacy efforts to support unfunded items.

The estimated cost to deliver 22 actions for the ten-year lifespan of the Strategy is \$14,019,160. Below provides a high-level summary of the funded and unfunded costs.

Unfunded	\$1,089,000	Project/initiatives \$1,089,000
Funding within existing budget	\$12,930,160	Project/Initiatives \$8,8320,160 Salaries \$4,610,000 over ten years
<b>Total estimated cost for implementation over lifespan</b>	<b>\$14,019,160</b>	

*Table 2: Summary of budget*

Over the lifetime of the strategy 36 per cent of actions at a cost of \$12,930,160 are funded, including \$500,000 in Government grants (Native Timber Harvesting) and \$4,940,161 in tourism partnerships (Yarra Ranges Tourism which is currently under review) and 64 per cent of actions at a cost of \$1,089,000 is currently unfunded. The unfunded actions are predominantly medium to long term actions and will be subject to further review. Additional funding will be sourced through project specific budget bids, funding opportunities and partnership arrangements. These actions cannot be guaranteed until appropriate funding is allocated.

## **APPLICABLE PLANS AND POLICIES**

This report contributes to the following strategic objective in the Council Plan:

- Vibrant Economy, Agriculture and Tourism.

This report contributes to the following strategic objective in the Council Plan Action (2021-25):

- Review and develop a new Economic Development Strategy and Investment Attraction Plan, to create local jobs, business, and investment to deliver positive and sustainable economic community outcomes.

This report aligns with and leverages the following Council plans and strategies including but not limited to:

- Health and Wellbeing Plan 2021 – 2025;
- Environment Strategy 2015-2025;
- Integrated Transport Strategy 2020-2040;
- Recreation and Open Space Strategy 2013-2023;
- Liveable Climate Plan 2020-2030;
- Creative Communities Strategy 2018;
- Housing Strategy 2009 (under review);
- Yarra Ranges Planning Scheme;
- Storm and Flood Recovery Framework; and
- Structure and Place Plans.

## **RELEVANT LAW**

There is no specific legislative provision for Council to have an economic development strategy however it is considered best practice to develop, review and renew a strategy for the region.

## **SUSTAINABILITY IMPLICATIONS**

Further strengthening links between Council's Key Strategic Objectives, this Strategy enables delivery of outcomes that support our collective future-focussed goals. This Strategy underpins Connected and Healthy Communities so that communities are resilient and connected, drives a Protected and Enhanced Natural Environment through its principles of ensuring the environment is considered in all decisions relative to economic development. It also ensures Quality Infrastructure and Liveable Places through its approach to investment opportunity.

The Strategy takes a regenerative approach which is fundamental to addressing the social, community, environmental and sustainability impacts.

### ***Economic Implications***

The Strategy is a framework to facilitate economic growth, build regional competitiveness and strengthen business resilience, create jobs and a diverse

business environment, attract investment, and improve liveability of the Yarra Ranges community.

### ***Social Implications***

Economic prosperity is important to the social wellbeing of the community. It serves to strengthen liveability by driving economic stimulus providing access to local goods, services, and employment. Access to local education and skills development through local education institution and social enterprises play a valuable role in the social well-being of the community, which contributes to a more socially and economically inclusive Yarra Ranges.

### ***Environmental Implications***

Natural resources are essential inputs for agricultural production, tourism, and arts and recreation services. Poor environmental quality in turn affects economic growth and wellbeing by lowering the quantity and quality of resources and can negatively impact health.

The Climate Change Act 2017 recognises that Victoria's climate is changing and requires certain decision-makers to have regard to climate change and to consider its potential impacts and contributions to greenhouse gas emissions.

The commitment by the Federal and State Governments in reaching zero net emissions by 2050 will require businesses to adapt and change practices to reach these targets which will need support from Council. Included in the action plan is the need to assist businesses transition to a low or zero carbon economy.

## **COMMUNITY ENGAGEMENT**

Officers have undertaken extensive community and stakeholder engagement in the development of the Strategy with two distinct rounds of consultation, each informing subsequent engagement and direction into the Strategy (Figure 4). The full Economic Development Strategy Engagement Report is included as Attachment 2.



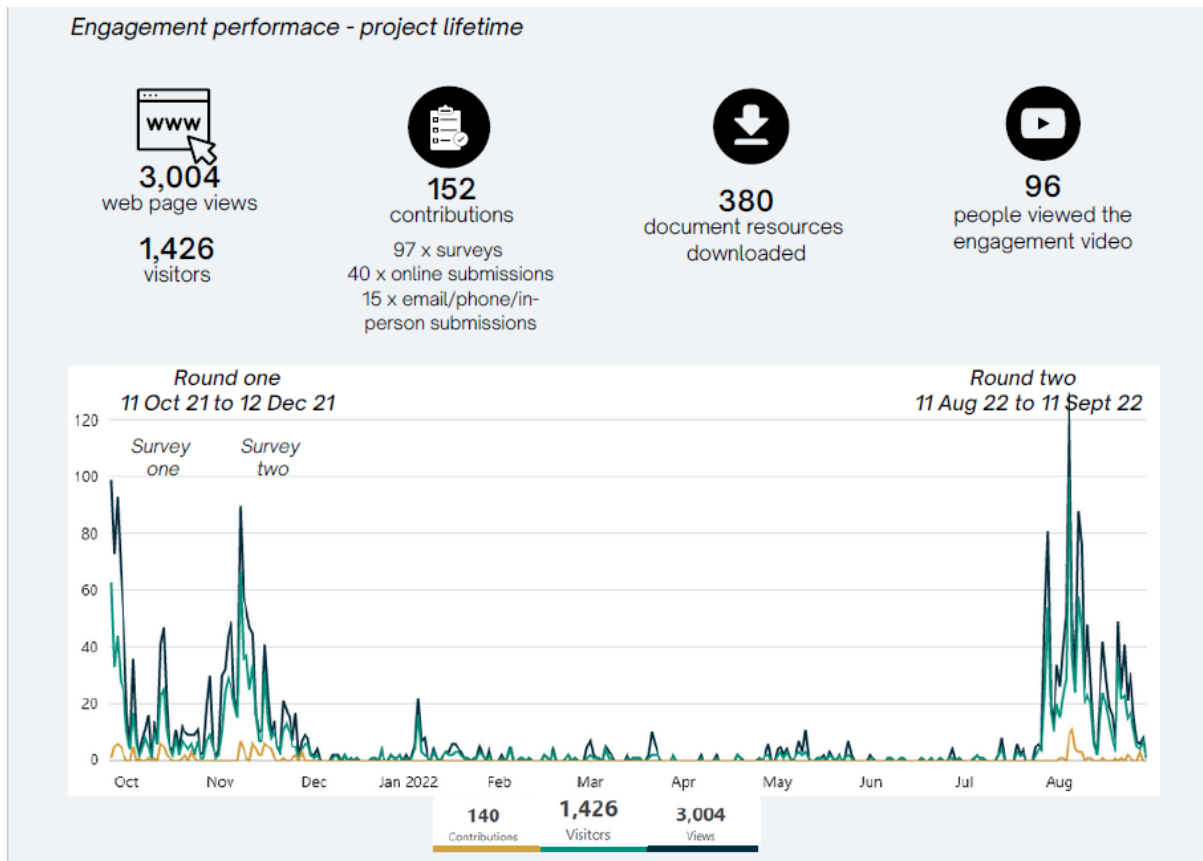


Figure 4: Engagement Performance – Project Lifetime

Figure 4 provides a summary of both rounds of engagement including visits to the Shaping Yarra Ranges web page.

To ensure continued best practice and in line with Council’s Community Engagement Policy, a Consultation and Engagement Plan (ECP) was prepared and implemented throughout the life cycle of the project. This included a direct response to low levels of engagement by young people.

The ECP encompassed multiple engagement activities and opportunities for the community, business and industry to be involved including:

- Shaping Yarra Ranges Economic Development Strategy project page;
- Two surveys;
- Online submissions;
- Media releases, newspaper/eNews articles and social media campaigns;
- Drop-in sessions;
- Workshops and consultations;

- Youth engagement linking into the Yarra Ranges Tech School and Hearing the Voices of Yarra Ranges Youth program and through the Youth Ambassadors;
- A suite of resources and documents, including accessible versions;
- A video engagement tool explaining the draft Strategy, with captions; and
- Tailored consultations with reference and advisory committees and other relevant groups including Business Leaders Roundtable, Yarra Ranges Tourism, Youth Advisory, Rural Advisory Group, Disability Advisory, Indigenous Advisory, Sustainability Advisory, Gender Equity.

**Round one** of the engagement process ran from 11 October 2021 to 27 November 2021 and was prepared and completed with assistance from Alphacrane Consultants. This round of engagement built on key findings from the Economic Development Strategy Background Report, October 2021. In addition to key findings from the Background Report, other critical engagement inputs were also considered in the engagement design process including findings from the development of the Council Plan, Community Vision and Financial Plan, and other place and structure planning activities.

Collectively this research, feedback and key aspirations were analysed and distilled into the closely interrelated strategic framework of the draft Economic Development Strategy.

The Strategy includes a set of regenerative and inclusive principles –defines four priority areas and identifies five opportunity industry sectors. From these a suite of actions, goals and targets have been identified.

**Round two** of the engagement process ran from 11 August 2021 to 11 September 2022 and presented the draft Strategy to the community for feedback "Did we get it right?".

The feedback from this round of engagement was analysed and incorporated as appropriate into the final Strategy.

**Closing the loop**, participants will be notified of the result of the consultation through an update on the Shaping Yarra Ranges webpage. Those that provided feedback with contact information will be informed through email with a link to the final Strategy via Shaping Yarra Ranges.

## **COLLABORATION, INNOVATION AND CONTINUOUS IMPROVEMENT**

Councillors have been involved in the development of this Strategy through a number of activities including:

- Councillor workshop 4 October 2021 - hopes and aspirations for Yarra Ranges;

- Forum meeting 6 December 2021 – review Strategy 2012-2022 and Background Report;
- Forum meeting 21 June 2022 – feedback on draft Strategy;
- Individual virtual meetings;
- October 2021 - follow-up regarding key themes workshop;
- February 2022 – presentation of draft direction and framework;
- Ongoing engagement via Reflection Journals and email updates;
- Council meeting 9 August 2022; and
- Various Advisory Committee meeting and engagement opportunities

Council and Government stakeholder collaborations have informed the development of the Strategy through:

- Strategy Project Reference Group – ongoing; and
- Consultations with various Government stakeholders including – Department Jobs Precincts and Regions, Invest Victoria, Maroondah and Knox Councils (Bayswater Business Precinct) and Eastern Regional Libraries, and Yarra Ranges Tourism.

Innovative engagement activities that have provided crucial feedback into the Strategy included:

- Intensive Council directorate workshops – engagement undertaken with the preliminary draft Strategy that included an overview of the draft Strategy and proposed actions along with a poll voting system to gauge organisation support;
- Virtual Reflection Journal, an innovative and engaging tool providing participants with thought provoking videos and case studies bespoke to the Yarra Ranges economic development strategy journey; and
- Hearing the Voices of Yarra Ranges Youth, a pilot program in partnership with Yarra Ranges Tech School, in response to low levels of youth engagement in Strategy development.

## **RISK ASSESSMENT**

There is risk of a plateaued economic growth if the challenges identified in the current economic climate are not addressed and opportunities strengthened. This may negatively affect community health and wellbeing due to lack of access to local goods and services, and employment opportunities, lack of innovation in industries and low investment.

A wide range of variables influence economic development with many of these beyond the direct control or influence of Council. The Strategy provides clarification of Council's role in economic development and a well-established partnership approach with stakeholders in government, the non-government sector, education and industry to deliver local economic outcomes.

## **CONFLICTS OF INTEREST**

No officers and/or delegates acting on behalf of the Council through the Instrument of Delegation and involved in the preparation and/or authorisation of this report have any general or material conflict of interest as defined within the *Local Government Act 2020*.

## **ATTACHMENTS TO THE REPORT**

1. Final Economic Development Strategy 2022-2023
2. Economic Development Strategy Engagement Report