8.5 Council Support for Local Businesses

REPORT BY THE
TO 15 APRIL 2020 ORDINARY MEETING
GOV400087, ECO800023

RECOMMENDATION

That Council:

1. note the report by the Manager Economic Development on the Council Support for Local Businesses.

Executive summary

The COVID-19 pandemic has created a health and economic crisis globally and unfortunately this extends to the communities and local economy of the Mid-Western Region. These impacts have been felt immediately, particularly in key industries of tourism, hospitality and retail, but the flow on impacts will ultimately impact the broader local economy for some time.

The purpose of this report is to provide an update to Council regarding activities that are planned to be undertaken by the Economic Development team to support local businesses over the coming 12 months, including providing support through the crisis itself and to support business recovery into the future. All activities, at this stage, will be funded utilising the existing 2019/20 economic development budget.

Disclosure of Interest

Nil

Detailed report

The COVID-19 pandemic has created a health and economic crisis globally and unfortunately this extends to the communities and local economy of the Mid-Western Region. Key industries of tourism, hospitality and retail have been most significantly impacted to date as a result of emergency orders imposed by the government to reduce the risk and severity of the pandemic. It is important to note that the flow on impact of reductions in income and expenditure will ultimately impact the broader local economy.

The most recent REMPLAN data published for the Mid-Western Region (August 2019) indicates there were 1,069 people employed in Retail, 595 people employed in Food & Beverage Service and 220 employed in Accommodation Services. In addition, 115 people were employed in Arts & Recreation Services, whilst Personal Services such as beauty and hairdressing employ 148 people across the region. Other industries that have been affected by COVID-19 to date include 190 employed in building cleaning and similar services, as well as 92 people employed in Employment, Travel Agency and other Administrative Services. If 50% of these jobs are put on hold or lost due to existing operating restrictions, this is the equivalent of 1,214 jobs.
Many local businesses forced to close or subject to operating restrictions are still likely to incur fixed costs such as rent, utilities and leasing commitments. As there is great uncertainty regarding the duration of the COVID-19 pandemic, local businesses will require support to not only survive the crisis but to recover.

Whilst it is recognised that the Federal and State Governments have announced a number of initiatives to support businesses in Australia, there are a range of further activities Council can undertake to support local businesses at this stage.

Under the umbrella theme of ‘Doing Business in the Mid-Western Region’, the Economic Development team proposes to develop a range of activities and initiatives to support businesses. Education and information will be the focal point of these activities, as well as ensuring connectedness, networking and supporting local procurement across the region, between the business sectors themselves, as well as ensuring as much local spend remains in the region as possible.

Proposed activities include:

**Launch of a Business Portal that will provide:**

- A single destination for businesses to seek information regarding support measures in place for COVID-19.
- Accurate and up-to-date business listings free to all local businesses.
- A platform for local procurement so businesses can find local businesses to meet their needs.
- A local business news feed.
- Access to a library of articles on business issues and topics.
- A Business Events listing and calendar of networking, business information sessions and professional development opportunities.

**Online Course to Support Recovery:**

- Initial course on “Crisis Management” delivered as an online course to include 6 modules that can be completed anytime and for free by local business owners.

**Fortnightly Newsletter to Businesses:**

- Currently a quarterly newsletter “Doing Business in the Mid-Western Region” is curated and created highlighting business support opportunities from grants and funding bodies, as well as business events and economic data insights. This e-newsletter will move to fortnightly to ensure current information is provided to businesses across the region in a timely manner.

**Communications to Support Shop Local Initiatives:**

- Regular communications will be provided to the community to remind them to shop local and support local businesses across the region

**Council to Encourage Local Procurement Opportunities:**

- In line with Council’s Procurement Policy, Council will continue to ensure opportunities for local suppliers of products and service are available. Further marketing activities will be undertaken to ensure local businesses register with Council as a local provider.
Economic Development Staff are available to provide support, data and concierge businesses to other government support agencies:

- The Economic Development team continue to be available to businesses over the phone or email, and face-to-face into the future to provide advice on business support services, data, grant opportunities and funding support.

The above activities are achievable under the current Economic Development budget, as planned activities to promote the region, out of region, are no longer appropriate at this time. Funding that would have been utilised to promote the region at the macroeconomic level will be utilised to support the retention of existing local businesses and employment in the long term through the above initiatives.

Community Plan implications

<table>
<thead>
<tr>
<th>Theme</th>
<th>Building a Strong Local Economy</th>
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</thead>
<tbody>
<tr>
<td>Goal</td>
<td>An attractive business and economic environment</td>
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<tr>
<td>Strategy</td>
<td>Provide leadership on economic development initiatives and identify resources and infrastructure required to drive investment and economic growth in the Region</td>
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Strategic implications

**Council Strategies**
Building a Strong Local Economy is one of the key themes in the Towards 2030 Community Plan. The activities above align with a number of strategies included in the Community Plan including, supporting the attraction and retention of a diverse range of businesses and industries, and providing leadership on economic development initiatives and identify resources and infrastructure required to drive investment and economic growth in the region. The activities also support the Regional Economic Development Strategy (REDS) which was prepared in conjunction with the NSW Government.

**Council Policies**
Nil

**Legislation**
Nil

Financial implications

Not applicable.

Associated Risks

There is a significant risk that businesses that close or reduce trading during the COVID-19 crisis will not recover and continue operations into the future. The impact of business closures will result in increased unemployment across the region. The activities proposed above are aimed at reducing this risk and supporting local businesses in the region.
ALINA AZAR
MANAGER ECONOMIC DEVELOPMENT

JULIE ROBERTSON
DIRECTOR DEVELOPMENT

31 March 2020

Attachments: Nil

APPROVED FOR SUBMISSION:

BRAD CAM
GENERAL MANAGER