

HEIDELBERG WEST INDUSTRIAL ESTATE

Business Monitor Results





Executive summary

The Heidelberg West Industrial Estate, located in the Olympia Ward of the City of Banyule is home to approximately 600 businesses.

The Heidelberg West Industrial Estate Business Monitor project is based on meeting a commitment with Council's *Economic Development Plan 2015 – 2020: Support industrial estates* and the *Economic Development Action Plan 2015 – 2017: Develop an economic information base to inform investment and competitiveness strategies*.

The Heidelberg West Industrial Estate Business Monitor was made up of two parts (and for most of the time ran concurrently):

- » **Business Audit:** development of a database of the businesses in the Heidelberg West Industrial Estate.
- » **Business Survey:** situation analysis of the businesses in the estate to learn of their priorities, issues and constraints.

Work commenced in February 2016 and was completed in April 2016. At the end of the survey period 83 responses were received.

Key Survey Findings:

- » Majority of businesses (80%) have been in operation for 10 or more years, 66% within the Heidelberg West Industrial Estate location.
- » Majority of businesses (61%) employ less than 10 people, and 64% of employees across the estate are at full time capacity.
- » None of the survey respondents employ 100 or more people.
- » There is a diverse range of businesses operating in the estate but from the survey respondents, manufacturing had the highest representation (39.5%).
- » All customer markets (Local, Melbourne Suburbs, Victoria, Australia and Overseas) were rated to be important to all respondents.
- » Most businesses source their suppliers from the northern suburbs of Melbourne or within Victoria.
- » The majority of businesses (84%) are not considering relocation.
- » Business confidence is good, with 86% of businesses planning to increase or keep current workforce and 88% of businesses financial position to remain the same or improve.

THE HEIDELBERG WEST INDUSTRIAL
ESTATE BUSINESS MONITOR PROJECT
IS BASED ON MEETING A COMMITMENT
WITH COUNCIL'S ECONOMIC
DEVELOPMENT PLAN 2015 – 2020
AND THE ECONOMIC DEVELOPMENT
ACTION PLAN 2015 – 2017.



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1 Introduction

The Heidelberg West Industrial Estate is located on the western side of the City of Banyule, just south of Latrobe University - Bundoora Campus and within the Olympia Ward.

1.1 Background

Boundaries of the estate include Sheehan Road to the west, Dougharty Road to the south, Bamfield Road to the east and part of Orr Street, part of Northern Road and Crissane Road to the north.

The estate is home to approximately 600 diverse businesses, supporting a large workforce and providing a number of jobs for local residents.

IMAGE A: MAP OF HEIDELBERG WEST INDUSTRIAL ESTATE



1.2 Project Objectives

The Heidelberg West Industrial Estate Business Monitor is based on meeting a commitment within Council's *Economic Development Plan 2015 to 2020* and *Economic Development Action Plan 2015 to 2017*, within the strategic objective 'Vibrant Precincts':

Action 1.5a – Support Industrial Estates – Investigate opportunities for reviewing the current and future needs of industrial areas to identify and support future role. Consider:

- » Analysis of current situation
- » Business needs, development and growth opportunities
- » Infrastructure and maintenance
- » Identification of competitive advantages
- » Emergence of new clusters and industries
- » Employment growth
- » Marketing and communications
- » Links to schools and local training networks
- » Links to 3081 project

The project is also strongly connected to a further action within the *Economic Development Action Plan 2015 to 2017*, within the strategic objective 'Investment Attraction':

Action 3.2c – Develop an economic information base to inform investment and competitiveness strategies.

Specifically the project brief identified the following outcomes:

- » connection and engagement with businesses in industrial areas
- » a database of businesses and key contacts
- » an understanding of the types of businesses
- » an understanding of the priorities, issues and constraints of businesses
- » information provided to businesses about economic development support

The completed work has informed the development of a brief for the Economic Information Base project.

1.3 Project Overview

To achieve the required outcomes, the Heidelberg West Industrial Estate Business Monitor was made of two parts:

- » **Business Audit:** development of a database of the businesses in the Heidelberg West Industrial Estate.
- » **Business Survey:** situation analysis of the businesses in the estate to learn of their priorities, issues and constraints.

Work commenced in February 2016 and was completed in April 2016.

THE SURVEY GATHERED
INFORMATION IN REGARDS TO
THE TYPE OF BUSINESS, TIME
IN LOCATION, EMPLOYMENT,
CUSTOMERS, SUPPLIERS, FUTURE
GROWTH/PROSPECTS OF BUSINESS
AND FURTHER BUSINESS
INFORMATION REQUESTS.



2 Business Monitor Results

DO YOU HAVE ANY GENERAL COMMENTS?

Eighteen businesses took the opportunity to provide open feedback and their comments are as follows:

Comments

- » In the next 12 months we will be selling our business and retiring from the trade.
- » Street lighting at the north west corner would be beneficial due to foot traffic by early morning workers in the area and 2 attempted car robberies and 1 shop break in.
- » The nature of our business dictates that we have high volumes of customer traffic on Weekends, Public Holidays and School Holidays. The lack of public parking in the local area is severe impediment to the operation of our business; this directly increases the number of disgruntled/dissatisfied customers and negatively impacts our relations with neighbouring businesses. We always receive negative feedback about how difficult it is to enter/exit the Business estate due to the volume of traffic on Waterdale Road. Ideally we would like a 'Keep Clear' zone on Waterdale Road near the Waterdale and Dougharty Road intersection.
- » No standing sign on the northeast corner would stop illegal parking and considerably ease traffic flow at this intersection.
- » We have an issue with people parking in our street where No Parking signs are displayed and makes it hard for trucks to reverse in.
- » Smoking awareness, littering of household rubbish.
- » Fix the lousy internet in the Heidelberg West estate. What is the point of programs if we cannot connect to the internet? It is the reason for the high turnover in this area.
- » Parking in Vear Street is unsuitable for company's who purchased factories. Council is yet to offer a suitable solution. Not good for factory owners.
- » West Heidelberg is an older industrial estate. Consequently it is plagued by parking issues which affect the large trucks and delivery vehicles in the area. More attention to solving these issues would be welcome.
- » Parking is an issue.
- » Biggest thing was the size and price of warehouse, not location.
- » Please fix access for broadband/NBN.
- » Small businesses do not have any avenues for problem solving, not aware of changes.
- » Parking is a big problem in the estate, especially Crissane Road.
- » You have no idea of council responsibility. Street parking, roll over kerbs, industrial paths. Garbage collection. We pay rates too! We get "O".
- » Policing of rubbish dumpers & enforcing increasing fines. Policing of hoon drivers/riders & enforcing increasing fines.
- » Area needs to be kept clean of rubbish.
- » I would like to see less rubbish dumped around the estate and more care in the presentation of street frontages. A West Heidelberg Estate business directory would be a good idea.
- » We would like council to create effective strategy to help local business to source services and products from local suppliers. Think local and source local is a step towards sustainability.

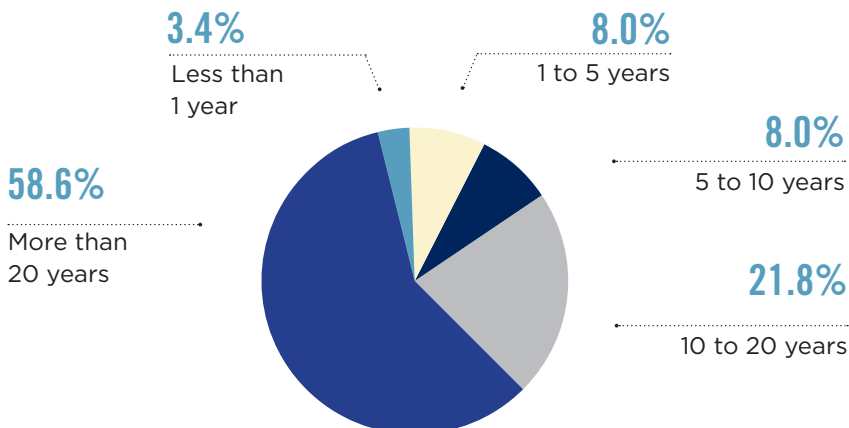
Street lighting
Internet parking issues
'Keep Clear' zone broadband
Waterdale Road strategy car robberies
public parking industrial paths
Heidelberg Estate business directory
hoon drivers illegal parking sustainability
roll over kerbs rubbish dumpers
Garbage collection suppliers
littering
NBN Traffic

Q1. HOW LONG HAS THE BUSINESS BEEN IN OPERATION IN TOTAL YEARS?

THE MAJORITY OF BUSINESSES (80%) HAVE BEEN IN OPERATION FOR 10 OR MORE YEARS.

Even though it was not a requirement to provide the exact duration, 8 respondents noted that they have been in operation for 35, 37, 40, 40, 42, 45, 48 & 55 years respectively.

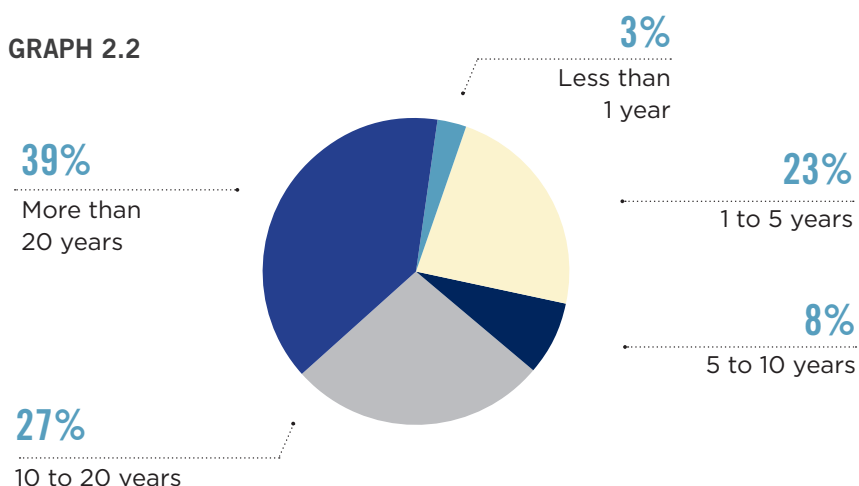
GRAPH 2.1



Q2. HOW LONG HAS THE BUSINESS BEEN IN OPERATION IN THE HEIDELBERG WEST INDUSTRIAL ESTATE?

THE MAJORITY OF BUSINESSES (66%) HAVE BEEN IN OPERATION AT THE HEIDELBERG WEST INDUSTRIAL ESTATE FOR 10 YEARS OR MORE.

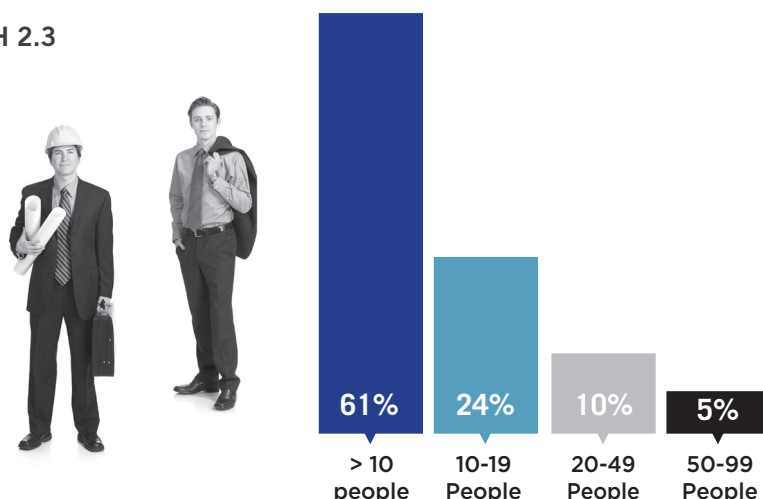
GRAPH 2.2



Q. 3 HOW MANY PEOPLE DOES THE BUSINESS EMPLOY IN THE HEIDELBERG WEST INDUSTRIAL ESTATE?

THE MAJORITY OF BUSINESSES SURVEYED (61%) EMPLOY LESS THAN 10 PEOPLE. NO BUSINESSES EMPLOY 100 OR MORE PEOPLE AND ONLY 5% BUSINESSES EMPLOY 50 - 99 PEOPLE.

GRAPH 2.3





Q.4 WHAT PERCENTAGE OF EMPLOYEES ARE FULL TIME, PART TIME OR CASUAL?

THE MAJORITY OF EMPLOYEES
(64%) ARE EMPLOYED
IN A FULL TIME CAPACITY.

GRAPH 2.4



Q5. SELECT A CLASSIFICATION THAT MOST CLOSELY MATCHES THE BUSINESS PRODUCT AND SERVICES.

MANUFACTURING
REPRESENTED THE MAJORITY
(39.5%) OF BUSINESSES
FOLLOWED BY
CONSTRUCTION (24%).

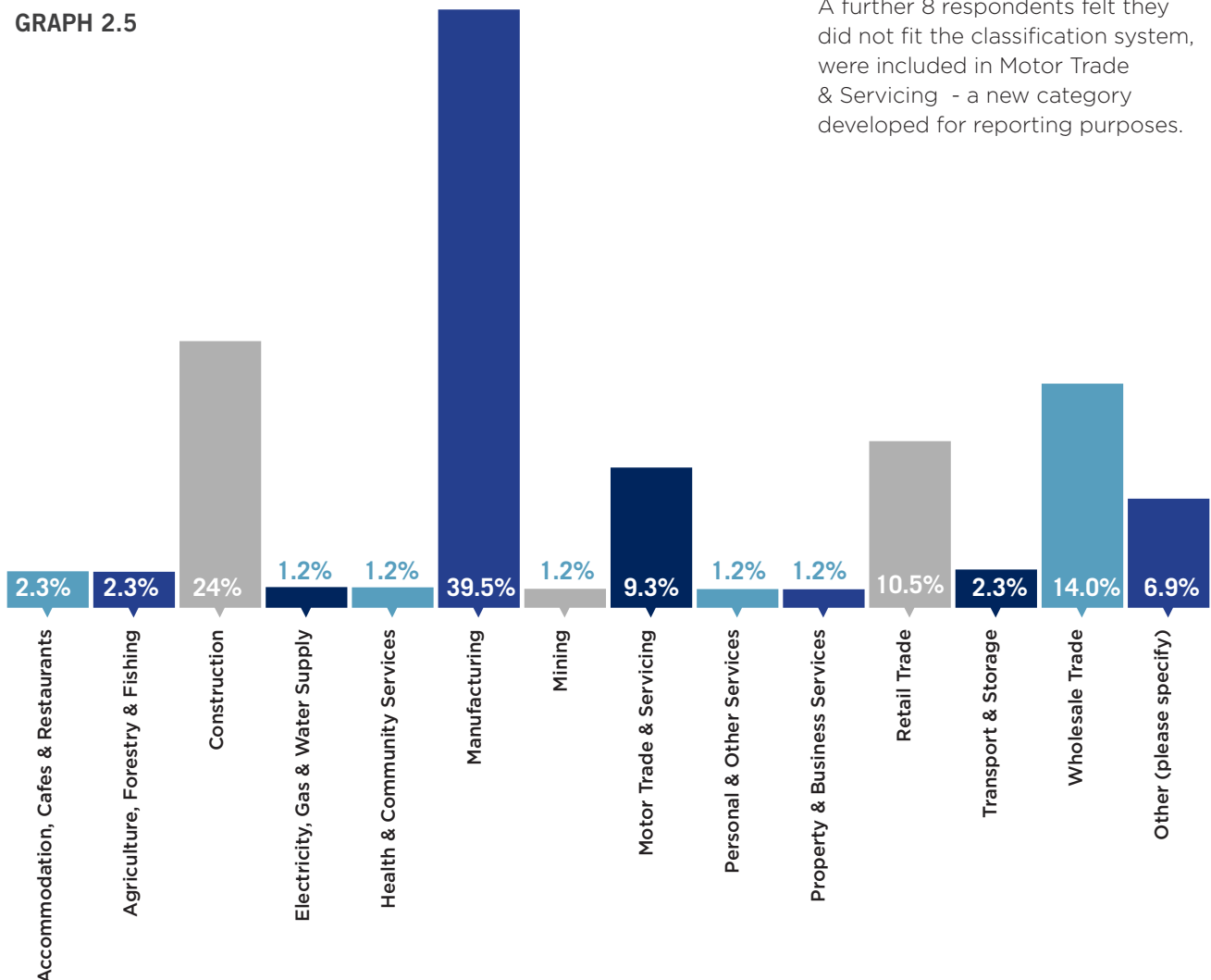
Businesses were given a list of categories based on the Australian and New Zealand Standard Industrial Classification (ANZSIC), which has been developed for the production and analysis of industry statistics.

For the 6.9% of businesses who felt they did not fit the classification system, their responses were:

- » Fitness/Entertainment
- » Cool room & freezer room construction
- » Laundry Servicing, Manufacturing, Mechanical etc
- » Flooring
- » Wholesale/Retail/Auto Parts/Clothing
- » Printing

A further 8 respondents felt they did not fit the classification system, were included in Motor Trade & Servicing - a new category developed for reporting purposes.

GRAPH 2.5

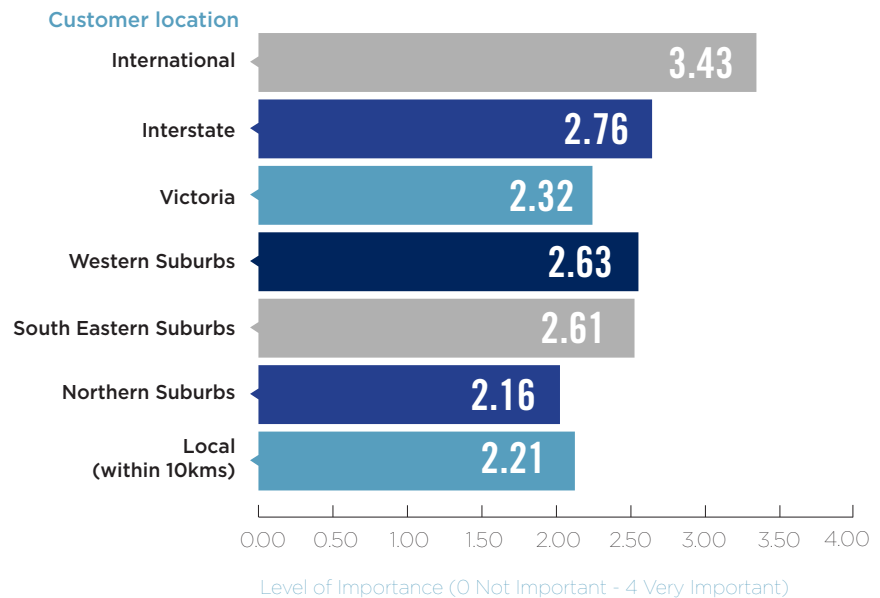




Q.6 HOW IMPORTANT ARE THE FOLLOWING CUSTOMER MARKETS TO THE BUSINESS?

Not all businesses rated each of the customer market locations, as a result the graph represents the average based on the responses collected for each area.

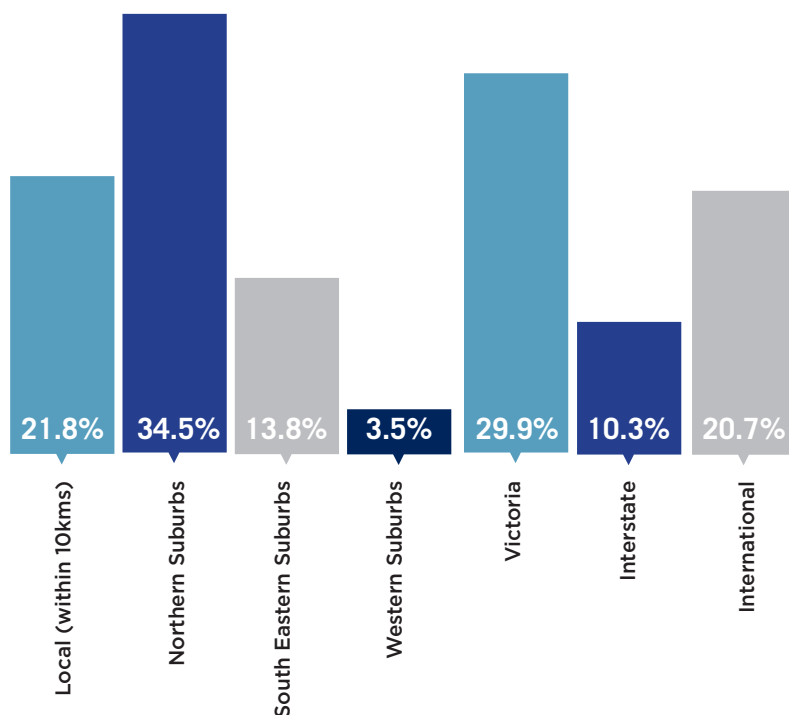
GRAPH 2.6



INTERNATIONAL AND INTERSTATE CUSTOMER MARKETS ARE VERY IMPORTANT (60% OR MORE OF BUSINESS) WITH THE REMAINING AREAS IMPORTANT (30 - 60% OF BUSINESS).

Q.7 WHERE IS THE MAJORITY OF BUSINESS SUPPLIERS SOURCED FROM?

GRAPH 2.7



BUSINESSES COULD SELECT TWO OPTIONS.

34%
OF BUSINESSES SOURCE THE MAJORITY OF THEIR SUPPLIERS FROM THE NORTHERN SUBURBS

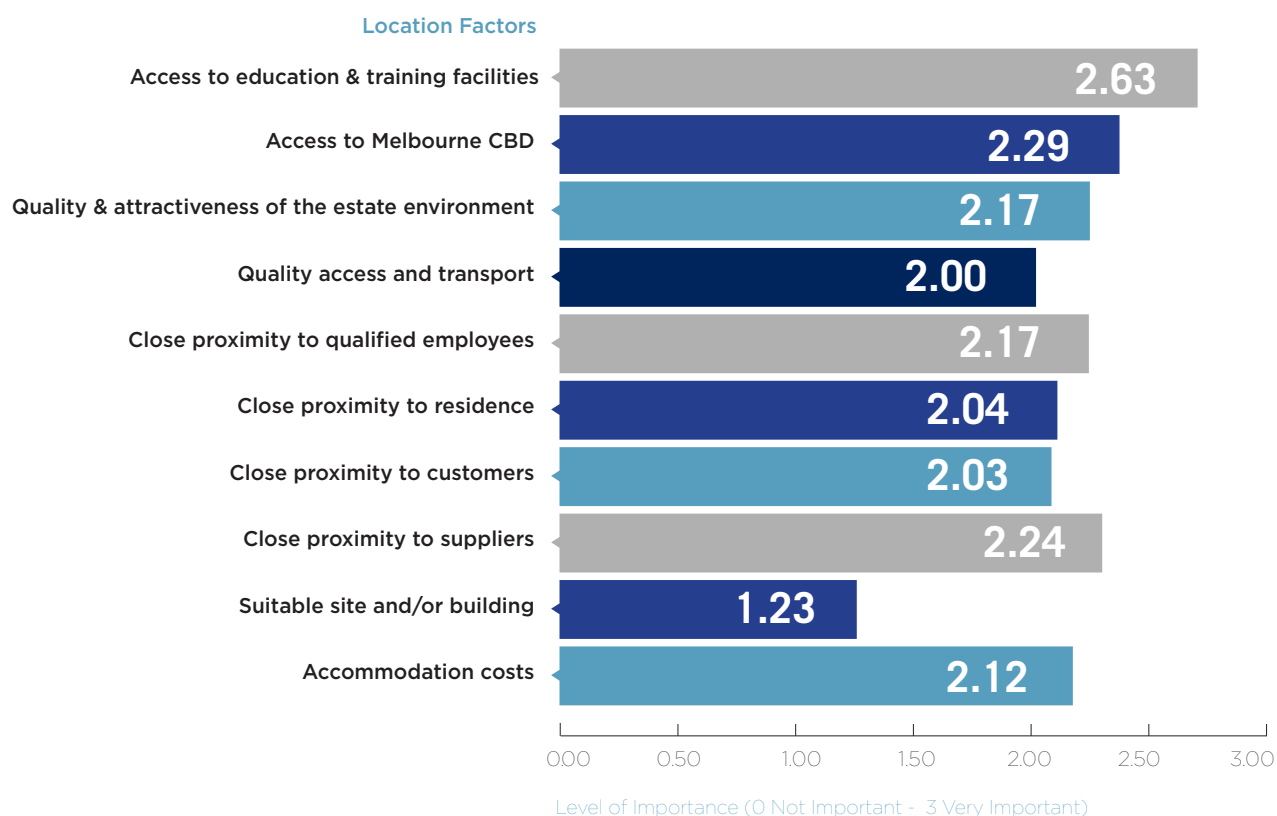
30%
OF BUSINESSES SOURCE THE MAJORITY OF THEIR SUPPLIERS WITHIN VICTORIA.

LOCAL SUPPLIERS HAD A STRONG REPRESENTATION AT 22%.

Q8. WHAT INFLUENCE DID THE FOLLOWING FACTORS PLAY IN LOCATING THE BUSINESS IN HEIDELBERG WEST INDUSTRIAL ESTATE?

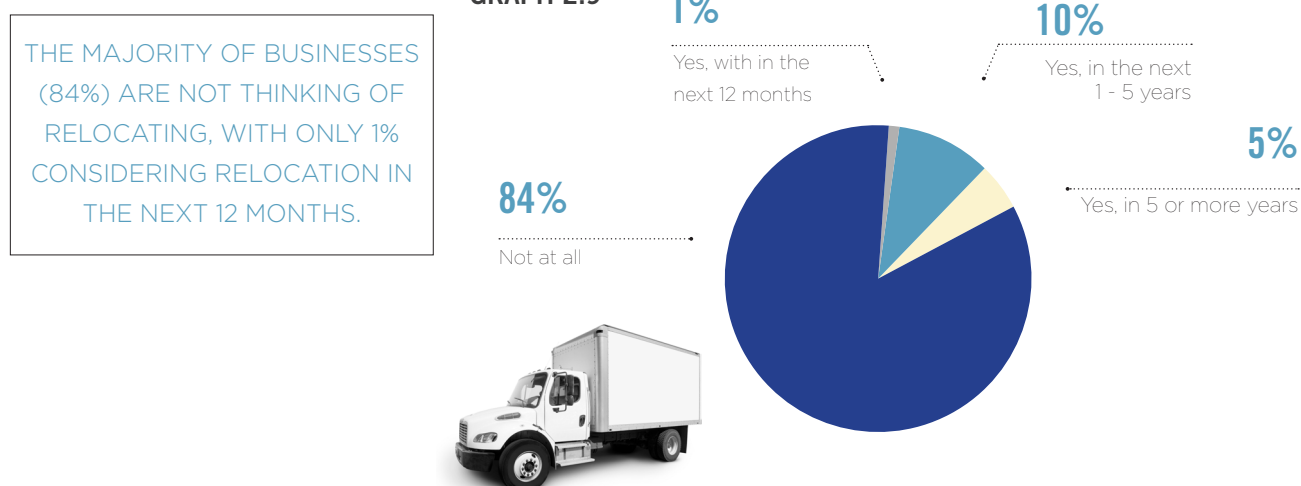
All of the factors except suitable site and/or building are considered very important for businesses. Suitable site and/or buildings are considered somewhat important.

GRAPH 2.8



Q.9 ARE YOU THINKING OF RELOCATING YOUR BUSINESS FROM THE HEIDELBERG WEST INDUSTRIAL ESTATE?

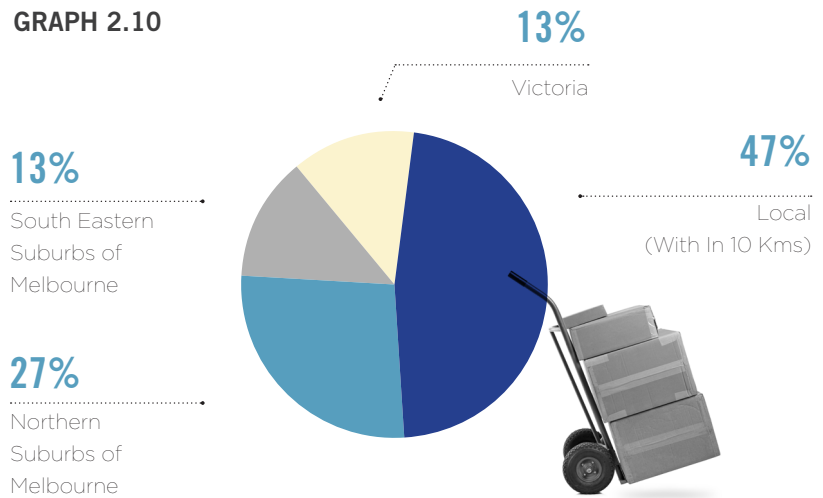
GRAPH 2.9



Q.10 IF CONSIDERING RELOCATION, WHERE WOULD YOU RELOCATE TO?

THE 14 BUSINESS WHO ARE CONSIDERING RELOCATION, THE BIGGEST PROPORTION WOULD CONSIDER LOCAL (47%) AND THE NORTHERN SUBURBS (27%).

Relocation to the western suburbs of Melbourne, interstate and overseas is not a current consideration.

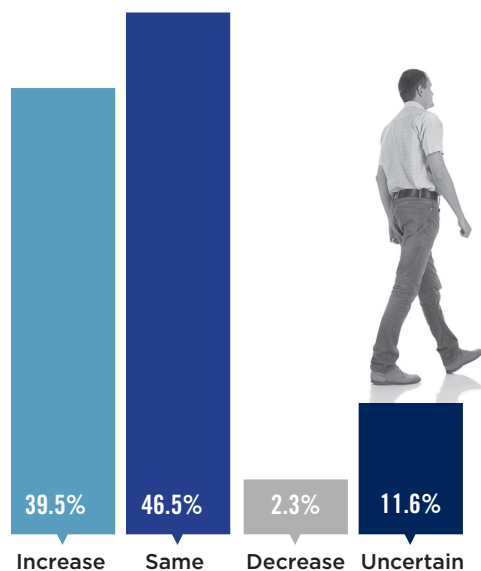
GRAPH 2.10**Q.11 OVER THE NEXT 12 MONTHS, DO YOU EXPECT TO INCREASE, OR DECREASE THE NUMBER OF INDIVIDUALS EMPLOYED AT THE BUSINESS IN HEIDELBERG WEST?**

A POSITIVE INDICATOR FOR THE ESTATE IS THAT

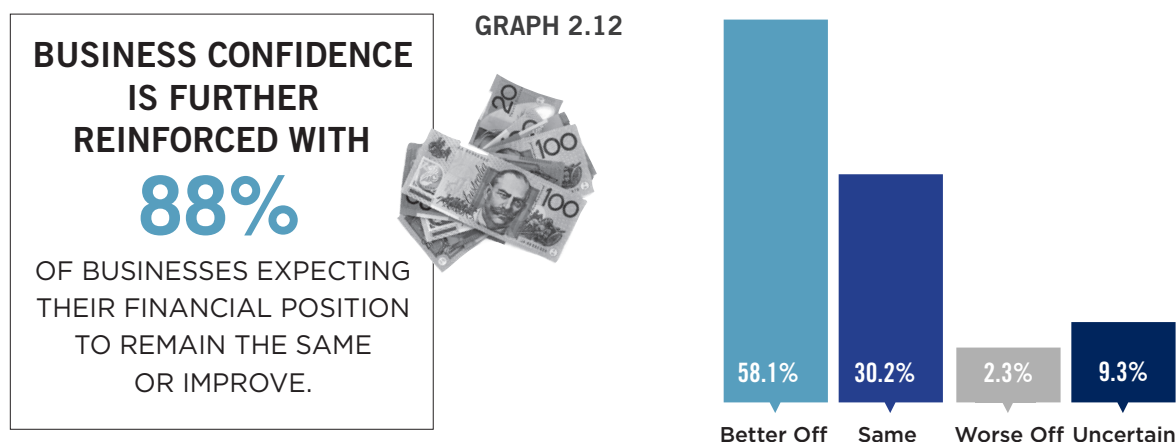
86%

OF BUSINESSES PLAN TO EITHER INCREASE OR KEEP THEIR WORKFORCE AT THE CURRENT EMPLOYMENT LEVEL.

Only 2% of respondents plan to down size employment.

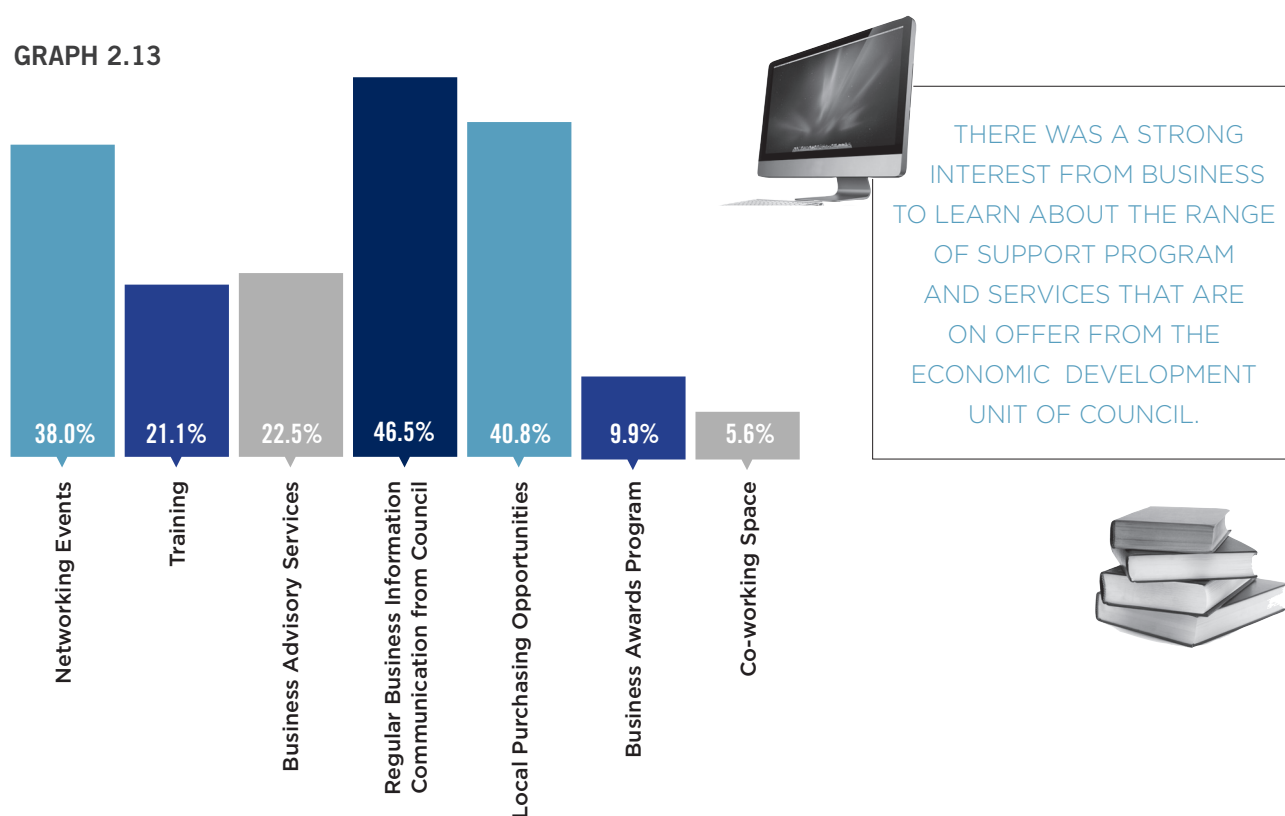
**GRAPH 2.11**

Q.12 LOOKING AHEAD TO THE FORTHCOMING YEAR, IN 12 MONTHS DO YOU EXPECT THE BUSINESS WILL BE IN A BETTER FINANCIAL POSITION THAT IT IS CURRENTLY?



Q13. THE 2015–2020 BANYULE ECONOMIC DEVELOPMENT PLAN IDENTIFIES A RANGE OF SUPPORT PROGRAMS/SERVICES TO KEEP BUSINESS ACTIVE, INFORMED AND CONNECTED. PLEASE SELECT FROM THE FOLLOWING THAT WOULD BE OF BENEFIT TO THE BUSINESS IN THE COMING 12 MONTHS:

GRAPH 2.13





THE SURVEY GATHERED
INFORMATION IN REGARDS TO
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3 Communication Program

To develop a connection with the businesses, and in turn their confidence in Council and the project, one of the primary messages conveyed in all communications was Council's commitment to supporting the estate going forward.

3.1 Overview

The communication program included a range of mediums: mail outs, direct business engagement, web editorial, social media posts and email. This ensured the message was received by all the businesses in the estate multiple times, through the duration of the project. All communication messages included the two parts of the project: audit and survey.

The primary communication mediums used in this project were:

Mail Outs

The first correspondence was sent on 24 February 2016 and it provided a project introduction and objectives. The second correspondence, sent on 24 March 2016 included the survey and return address envelope.

Direct Engagement

Direct engagement was considered to be very effective as a follow up to the mail out. Council was able to develop a relationship with the business operators and reinforce the project messages.

Anecdotally, businesses were more receptive to "cold call" on site business meetings once the extreme heat weather period ceased in mid-March 2016.

Particular emphasis was also spent on engaging unofficial "business champions" within the estate, with three café operators located in different parts of the estate who were willing to take upon the role and "spread the word".

External Communication

In addition to the planned communication program, external agencies also relayed the message. This included:

E-North Email Newsletter, 4 March 2016, small editorial

Heidelberg Leader, 12 April 2016, announcement of survey

Additional Communication

Whenever possible during direct engagement with businesses, the full range of Economic Development's support program/ services was promoted, and the corresponding information was distributed at the time or as a follow up contact via email.

4 Methodology

A full walk of the estate was done from February 2016 to April 2016. During this time, all business names in the estate were identified through signage and address matched with Council's Rates and Valuation database.

4.1 Business Audit

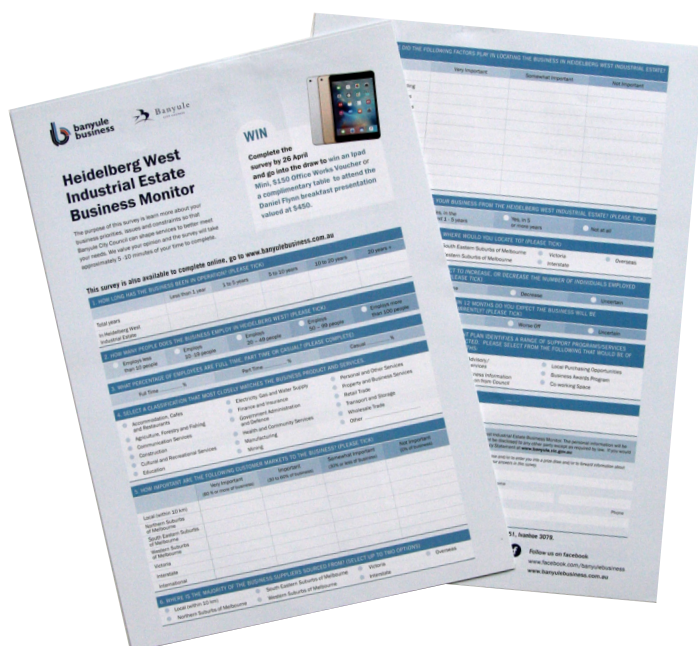
This data was collected and validated via mobile device which automatically merged with Council's rates and valuation database.

For those sites where signage was not adequate, businesses were approached to seek the required information. If this was not possible (due to closure, refurbishment or vacancy), further research was undertaken at a later time via internet and/or phone contact to confirm details.

Business details as a result of returned mail during the project were also verified, through a site visit, internet search and/or phone contact.

All business name details obtained from surveys completed were also cross checked with Council's rates and valuation database.

At the end of the project, approximately 18% sites were unidentifiable of which approximately 7% were vacant/for lease/construction or refurbishment sites.



4.2 Business Monitor

Survey Design

The survey was designed by Council's Economic Development Unit. It comprised of 12 multiple choice questions and one open ended question. The survey gathered information in regards to the type of business, time in location, employment, customers, suppliers, future growth/prospects of business and further business information requests.

As an incentive to complete, survey participants were offered a chance to win one in three prizes: iPad Mini, \$150 Officeworks voucher and a complimentary table to attend the Daniel Flynn breakfast presentation (16 June 2016) part of the Economic Development Unit's training/networking program.



Survey Distribution

The survey was available in both hard copy and electronically (Survey Monkey) to ensure the highest response rate. Hard copy surveys were distributed via direct mail to all properties in the estate with a letter of overview and a return postage paid Council addressed envelope.

The survey period was 24 March 2016 to 26 April 2016.

Survey Response

At the close of the survey period, 83 responses were collected, with 60 obtained by hard copy and 23 online.

The majority of responses were received in the first two weeks of the survey period.

Four completed surveys were received after the close of the survey period. These responses were included in the data, but the respondents were not eligible to go into the prize draw.

Limitations

Not all respondents answered all questions, in the survey. Where percentages are given in relation to a specific question they are to be read as a percentage of the respondents to that specific question.



If you need an interpreter please call TIS National on 131 450 and ask to be connected to Banyule Council on 9490 4222.

إذا كنتم بحاجة إلى مترجم، الرجاء الاتصال بالخط القومي لخدمة الترجمة الهاتفية TIS على الرقم 131 450. واطلبوا إيصالكم ببلدية بانيول على الرقم 9490 4222.

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Ako vam je potreban tumač, molimo vas, nazovite TIS National na broj 131 450 i zatražite da vas se spoji sa Vijećem općine Banyule na broj 9490 4222.

Αν χρειάζεστε διερμηνέα τηλεφωνήστε στην Εθνική Υπηρεσία Διερμηνέων Μεταφραστών στον αριθμό 131 450 και ζητήστε να σας συνδέσουν με τη Δημαρχία Banyule στο 9490 4222.

Se hai bisogno di un interprete chiama TIS National al numero 131 450 e chiedi di essere messo in comunicazione con il Comune di Banyule al numero 9490 4222.

Ако ви треба преведувач ве молиме јавете се на TIS National на 131 450 и замовете да ве поврзат со Banyule Council на 9490 4222.

如果你需要一名翻译，请打电话到国家电话翻译服务处(TIS National) 131 450，再转接到Banyule市政府9490 4222

Haddii aad u baahan tahay mutarjum wac khadka qaranka oo ah TIS 131 450 weydiina in lagugu xiro Degmada Banyule tel: 9490 4222.

Nếu cần thông dịch, xin gọi cho TIS Toàn Quốc qua số 131 450 rồi nhờ họ gọi cho Hội Đồng Thành Phố Banyule theo số 9490 4222 giúp quý vị.

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