

# managing business investment proposals

self help module

---

# 11



Industry &  
Investment

## executive summary

# contents

- 3 - **part 1 - About this module**
  
- 5 - **part 2 - Basic principles of business and investment attraction and retention**
- 5 - **Targeted marketing**
- 5 - **Know your competition**
- 6 - **Know your customer/investor**
- 8 - **Adopt good client service practices**
- 9 - **Develop partnerships**
  
- 11 - **part 3 - Winning the client**
- 12 - **The initial contact**
- 16 - **Interviewing the client**
- 18 - **Engaging with partners**
- 18 - **Developing and implementing an action plan**
- 19 - **Evaluating the client and the proposal**
- 22 - **Maintaining regular contact with the client and associated partners**
- 23 - **The role of incentives**
- 24 - **Industrial land**
- 25 - **Dealing with major or complex proposals**
  
- 26 - **part 4 - Regulation**
- 26 - **Introduction**
- 26 - **Ensuring transparency**
- 27 - **Maximising efficiency**
- 28 - **The role of the EDO in the regulatory process**
  
- 29 - **part 5 - After care**
- 29 - **After DA approval**
- 29 - **On completion**

### Disclaimer

Any representation, statement, opinion or advice, expressed or implied, in this publication is made in good faith but on the basis that the State of New South Wales, its agents and employees are not liable (whether by reason of negligence, lack of care or otherwise) to any person for any damage or loss whatsoever which has or may occur in relation to that person taking or not taking (as the case may be) action in respect of any representation, statement or advice referred to above.

## executive summary

Local economic growth emanates largely from investment by individuals and businesses.

The most successful and dynamic businesses look for the locations which offer the greatest advantage to them.

This module draws on the experience of leading economic development practitioners in NSW and elsewhere to identify techniques and processes which maximise chances of converting enquiries from business investors into actual business establishment or expansion.

The module focuses on what must be done from the time of the initial approach, through to providing support after the development has been approved. The module advocates a 'whole of council' approach to dealing with business investment proposals and winning investment.

This module also demonstrates the mutual benefits of early and ongoing engagement between councils and the State Government, in particular Industry & Investment NSW (I & I NSW), in dealing with investment proposals.

### **Basic principles of business and investment attraction and retention**

Your location needs to be marketed, just as any product or service should be marketed. The most effective marketing is targeted.

Marketing to everybody can result in not making an impression on anybody. There is little value in marketing to companies or industries which require resources and features that your location can't provide, or doesn't provide as effectively as other locations.

Marketing may be targeted at a geographic area and/or an industry, but it must reflect the strengths and competitive advantages of your location.

To have a competitive advantage over other communities in attracting or retaining particular industries or businesses, your community must have more of the appropriate attributes that investors require than your competitors, and/or provide those attributes at a lower cost.

The module lists some of the key elements of effective marketing and retention strategies for business and investment – see page 5.

### **Know your competition**

You are in competition with many other localities seeking to attract new businesses and hold on to existing businesses. Your location should be clearly differentiated from your competition. In order to differentiate, you need to know your competition, what they can offer and how they are marketing themselves.

### **Know your customer/investor**

Broadly, business investors are looking to minimise investment risk and maximise return on investment. Specifically, businesses will take into account a range of business and non-business factors in making an investment decision. The importance of such factors varies with the industry, type of business and preferences and values of the business owner. The module lists some of the key factors that a business will take into account in making this decision and discusses how information on these can be provided to investors – see page 6.

### **Adopting good client service practices**

Once the interest of a 'client' (or investor) is stimulated, the focus shifts to client service. The module discusses the key elements of effective customer service as it applies to business investors, including:

- Providing a single point of contact in the council at each stage of the process
- Listening to clients closely, recording and acting promptly on information provided
- Treating all clients equally, while recognising that all clients are different in their level of development and understanding of what is involved in establishing, expanding and/or relocating a business.

### **Developing partnerships**

The module identifies the key organisations and agencies which will be of assistance to you in dealing with investment proposals.

## winning the client

### **The initial contact**

There are a number of ways in which businesses contact a council, the most common being through the website of the council (or other organisation), by telephone or through visiting council offices. It is vital to have efficient processes for dealing with this first contact.

**Website**

Websites are increasingly the first point of direct contact with a council. The module identifies the key components of a website and the process for developing it – see page 12.

**Telephone**

The module discusses a number of options for dealing with initial telephone enquiries – see page 13.

**Face to face**

A visit by the client to the council offices provides an opportunity for the staff member responsible for economic development matters to meet the client face to face. These meetings still provide the best way of evaluating prospects and developing relationships. Councils should also place an emphasis on the appearance of offices and foyers.

**interviewing the client****Seeking information from the client**

Detailed information on the nature and scope of the development should be obtained and acted upon by the designated staff member(s) through an interview with the client by telephone or face to face.

The module lists the key information which should be sought in the interview – see page 16.

**Providing information to the client**

The module identifies the information which clients are likely to seek from you – see page 17.

**Engaging with partners**

The module identifies the organisations and agencies which can assist in assessing and facilitating investment proposals, and with which it is appropriate to make early contact.

**Developing and implementing an action plan**

The module identifies the organisations and agencies which can assist in assessing and facilitating investment proposals, and with which it is appropriate to make early contact.

**Evaluating the client and the proposal**

Before investing significant time in facilitating a business investment proposal, it is important to be satisfied of its genuineness and viability. There are a number of elements and dimensions to this:

- Establishing the bona fides of the client(s)
- Evaluating the ongoing viability of the investment in general and in the location/community
- Evaluating the likelihood of the investment actually proceeding.

**Maintaining regular contact with the client and associated partners**

Given the long lead times of most business investment proposals, together with the fact that the speed and progress will vary over time, it is important to maintain regular contact with the client and any partners. This provides an opportunity to monitor progress, and identify and address any difficulties being experienced.

**Incentives**

Not all councils provide incentives to businesses. The key questions to be addressed in deciding whether incentives should be provided are:

- Do the benefits of providing the incentive outweigh the costs?
- Will the incentive make a positive difference?
- What would happen if the incentive wasn't offered?

The module discusses the types of incentives commonly provided by councils and conditions which can and should be applied to them – see page 23.

**Dealing with major or complex proposals**

The module identifies issues associated with major businesses and projects which may require additional effort on the part of the council.

**regulation**

Business investments are more likely to proceed if the regulatory process is transparent and efficient. The module discusses a number of ways to ensure transparency and efficiency – see page 26.

**The role of the EDO in the regulatory process**

It is generally acknowledged that the EDO needs to remain detached from the regulatory process. However, this does not preclude the EDO from acting as a conduit for information and/or as an intermediary between the client and the planning department.

There should be a clear protocol on how to manage such matters, and this should be made clear to the client.

**after care**

Regular contact should be maintained to ensure projects proceed. Once the project has been completed, regular contact will help to reassure the proponent of the council's commitment. New opportunities may also arise, so it is useful to provide the same assistance to this new project as is provided to other businesses.

## part 1

### about this module

Local economic growth emanates largely from investment by individuals and businesses, including:

- Businesses relocating from elsewhere
- Businesses expanding from outside into the local economy (particularly large corporations establishing outlets or branches such as supermarket chains)
- Existing businesses expanding
- Local residents or investors from elsewhere establishing new businesses.

All of these sources of investment are important to local economies. This is reflected by the increasing activity of local governments and communities and economic development agencies in advocating, attracting and facilitating business investment.

Businesses are more mobile than ever before. The most successful and dynamic businesses look for the locations which offer the greatest advantage to them. It has been said that businesses go where they are wanted and stay where they are appreciated.

As a result, the investment marketplace is highly competitive and local governments need to have efficient and effective processes for dealing with approaches from investors, whether they be from elsewhere or local.

This module describes techniques and processes used by economic development agencies including local governments, which have been proven to make the most of opportunities to convert enquiries from business investors into actual business establishment or expansion.

The module does not provide information on generating a business investment proposal which is a complex process in itself. By necessity, reference is made to a number of principles of marketing a locality, as a significant aspect of dealing with proposals.

This module focuses on what must be done from the initial approach, to managing the Development Approval (DA) process and providing support after the development has been approved. It does so because it is well

established that investment proposals can be lost at any point because of inefficient processes, delays, poor communication and/or perceptions of over-regulation. All of these contribute to loss of the investor's time and money.

The module advocates a 'whole of council' approach to dealing with business investment proposals and winning investment. The module is designed for use by anyone in the council who is responsible at some time for dealing with enquiries and/or proposals from business investors, including:

- General Managers (GM)
- Members of the Economic Development Unit (EDU), if it exists, including Economic Development Officers/Managers (EDOs/EDMs)
- Planning staff
- Customer service/administration staff
- Councillors.

It is important to understand that an investment is not won until business starts. It is also important to understand that missing out on a particular investment does not rule out your location from deriving benefits from it. In particular, if the investor chooses a location in close proximity to yours, there is potential for flow on benefits to your economy in the form of employment of local residents and engagement of local businesses to provide services, materials or resources.

The principles and approaches described in this module are drawn largely from the experience of leading practitioners in NSW and elsewhere. Where possible and appropriate, reference has been made to specific approaches adopted by local councils of different sizes in regional NSW and dealing with investment proposals of different scales.

Notwithstanding the earlier comments about the important role of local government in economic development and the concept of a 'whole of council' approach, the most successful examples of local economic development involve strong collaboration of all three tiers of government, and in particular between local and State Government.

One of the key priorities of the NSW Government State Plan is to increase business investment across NSW. Industry & Investment NSW (I & I NSW) is the agency with prime responsibility for this. I & I NSW assists businesses seeking to expand or invest in regional NSW and can provide practical help to businesses in sourcing locations, facilities, skills and services. It also delivers a range of programs targeted at business investment and helping regional communities to improving their local business environment.

I & I NSW is an important partner to economic development agencies, including councils, in facilitating business investment.

**This module demonstrates the mutual benefits of early and ongoing engagement between councils and I & I NSW in dealing with investment proposals.**

## part 2

### basic principles of business and investment attraction and retention

This module does not deal with methods of marketing your location to business investors. However, it is worth reviewing what needs to be done in order to get to the point of fielding an enquiry.

Your location needs to be marketed as any product or service should be. Appendices 1 and 2 list some of the key elements of effective marketing and retention strategies for business and investment.

I & I NSW may be able to provide assistance to conduct a business retention and expansion survey and/or development of local government/regional economic development strategies. Information on programs relevant to regional areas and businesses can be found at <http://www.business.nsw.gov.au/business/programs/regional+programs.htm>. Programs relevant to small businesses in general are at <http://www.business.nsw.gov.au/business/programs/small+business.htm>.

#### targeted marketing

The most effective marketing is targeted. Marketing may be targeted at a geographic area (such as businesses being affected by urban encroachment in metropolitan areas) or an industry, but it must reflect the strengths and competitive advantages of the location.

A firm can have and maintain a competitive advantage across different locations due to factors internal to it, such as intellectual property associated with a product or process. Equally, the ability of a location to provide additional benefits to the firm is highly beneficial.

It is worth reiterating what constitutes competitive advantage. As defined by Michael Porter<sup>1</sup>, advantage arises from two factors, cost and differentiation. A competitive advantage exists when a firm (or location) is able to deliver the same benefits as competitors, but at a lower cost, or delivers benefits that exceed those of its competitors (and which can't easily be replicated by them).

To have a competitive advantage over other communities in respect to attracting or retaining particular industries or businesses, a community must have more of the appropriate attributes

than its competitors and/or provide those attributes at a lower cost.

For example, if a particular factor such as gas power is absolutely necessary to a business, having it available is not a competitive advantage. An advantage would exist if it were cheaper and/or more plentiful and accessible than in other locations.

Marketing to everybody can result in not making an impression on anybody. There is little value in marketing to companies or industries which require resources and features that the location can't provide or doesn't provide as well as other locations.

#### know your competition

Each location is in competition with many other localities seeking to attract new businesses and hold on to existing businesses. Importantly, competitors are not just neighbouring areas. Many businesses are 'footloose' and will look at widely dispersed locations, including different regions, States, or even countries.

A location needs to be clearly differentiated from its competition. In order to differentiate, it is important to know what the competition can offer and how it is marketed. This is especially so when seeking to attract large corporations.

<sup>1</sup>Michael E. Porter, *Competitive Advantage: Creating and Sustaining Superior Performance*, Free Press, 1998 (1985)

## know your customer/investor

The approach to generating and dealing with enquiries from investors needs to be based on a clear understanding of their needs and motivations.

Broadly, business investors are looking to minimise investment risk and maximise return on investment. Businesses will take into account a range of factors in making an investment decision. Don't underestimate the importance of non-business related factors, especially when a number of locations are equally attractive in a purely business sense.

**The issues listed at Appendices 1 and 2 will be influential.**

I & I NSW has developed a guide for businesses considering relocation which can also help organisations marketing a location to understand customer needs. It lists the issues and items businesses should take into account when contemplating relocation. It is equally relevant to expanding or newly establishing businesses. **The guide is at Appendix 3.**

The importance of such factors varies according to the industry and type of business. Also, different issues may be more or less important at different stages of the decision making process or even at the stage of development of the business.

The International Economic Development Council explains these differences in the following way:

'In the early stages of a location decision making process, businesses tend to look at broad based or regional factors such as proximity to markets, transportation systems. In the later stages, they will look at location specific factors such as the availability of sites or facilities.

In the early stages of business development, where a business is developing a service or product, they are likely to place greater emphasis on access to support and advice, for instance from universities. As they move into the production phase, they need skilled labour and financing for equipment. In the mature phases of a company, cost factors, such as cheap labour and transportation, are more critical'<sup>2</sup>.

This information should be readily available for investors when they make enquiries and where possible included in the information provided in marketing collateral, websites, etc.

I & I NSW has a number of programs which can assist councils in developing and implementing business retention and attraction resources and strategies. Information can be found at <http://www.business.nsw.gov.au/business/programs/regional+programs.htm>.

**Note:** Companies that are highly mobile will always be looking to other regions to meet their needs. They may choose to move away from a location if conditions change. Other councils will also be trying to attract businesses away from other locations and regions. For these reasons it is important to also focus on assisting existing businesses to become prosperous and comfortable in their current location.

<sup>2</sup> International Economic Development Council, 'Economic Development Marketing and Attraction', International Economic Development Council, Washington DC, 2006

## TYPES OF BUSINESS INVESTMENT

While all types of businesses are important to a local economy and part of the clientele of the EDU and/or EDO, there are distinct differences in the nature of the benefits they provide.

'Economic drivers' generate additional income and wealth in the community by providing products and services to customers and markets outside the community. They also increase local production capacity and output.

In contrast, 'economic distributors' generate significant investment and employment but their main effect is to redistribute income and wealth in the community. A prime example is a supermarket.

By definition, it is the economic drivers which will create growth and increase prosperity, and consequently should generally have the higher priority as far as the extent and type of assistance to be provided and as a target for marketing.

Table 1 is a list of some of the types of investment enquiries which you might deal with.

**TABLE 1: SOME TYPES OF BUSINESS INVESTMENT**

table 1

EXISTING LOCAL BUSINESS - MINOR EXPANSION	EXISTING LOCAL BUSINESS - MAJOR EXPANSION	BUSINESS OR FRANCHISE INVESTIGATING POTENTIAL OF THE AREA
<p><i>For example:</i> Retail shop that needs more space but won't necessarily create more jobs.</p> <p>Value adding farmer who decides to offer additional services/products on farm.</p> <p>Home-based business expanding into other premises due to need to expand or employ staff, noise complaints etc.</p>	<p><i>For example:</i> Manufacturer needing new premises that will result in the creation of additional jobs.</p> <p>Business introducing new technologies requiring new skills and business support.</p>	<p><i>For example:</i> Supermarket or fast food outlet that conducts its own research into suitable locations.</p>
BUSINESS START UP	BUSINESS INITIATED RELOCATION	TARGETED BUSINESS RELOCATION
<p><i>For example:</i> Business about to commence operation either from the area or elsewhere.</p> <p>This could vary from single person operations to major employers.</p>	<p><i>For example:</i> Existing business that has decided to relocate. This may be for reasons of proximity to raw materials or customers.</p> <p>In some cases, it may be because of pressures associated with urban encroachment in its current location.</p>	<p><i>For example:</i> Existing business identified and targeted for relocation to the area.</p> <p>Similar issues may apply as for business initiated relocations.</p>

## adopt good client service practices

The marketing of your location is an ongoing process. Experienced economic development practitioners say that most enquiries they receive are either from 'tyre kickers' or people who are looking at more than one potential location. The first contact with or from an investor is usually just an indication of possible interest. An enquiry from an investor represents nothing more than that.

Business investors will risk time and money on a business investment only after they have established the area as a good place to do business, and that there are people who will support them through the regulatory process who understand their business imperatives.

As with any product or service, once the interest of a 'client' (or investor) is stimulated, the focus shifts to client service, the importance of which is one of the essential messages of this module.

Fundamentally, the establishment of an honest and professional relationship is at the heart of good client service. It is critical to establish a positive relationship from the outset, and maintain this throughout and beyond the business deal.

Clients are often reluctant to speak to councils about anything other than regulatory issues because of perceptions that councils are primarily regulatory authorities and do not understand the needs of businesses. The first requirement of client service and by extension selling your location as the preferred place to do business is to establish trust and credibility.

Clients are looking for the "right" person or people (and organisation/s) as much as the right location.

The client needs a single point of contact in the council, somebody who knows their case and is able to act as a conduit of information and contact with other relevant staff and, where necessary and appropriate, other agencies or organisations. This may be, at various stages, members of the EDU (or whoever has designated responsibility for dealing with investment enquiries), or a planning officer, once the DA is in process.

These principles apply regardless of the size of the council. Establishing and maintaining contact with investors is a prime responsibility of EDOs and should over-ride virtually any other activities. If an EDO does not have time to

conduct the follow-up necessary, then the priorities of the position need to be reviewed. Even in councils which do not have an EDU, or EDO it is vital to establish roles and responsibilities for all the tasks and processes described in this module.

It is worth commenting here on how enquiries are received and dealt with by councils. A common practice is for initial enquiries from businesses (particularly for DAs, but also more broadly) to be automatically referred to the planning department, even when an EDO employed. Consequently, the EDO may never hear of that enquiry. This can lead to missed opportunities if the EDO does not learn of prospective relocating businesses, and/or of plans of existing businesses. It is important that there be a protocol within council which ensures EDOs are at least informed of such enquiries.

Alternatively, many councils refer all enquiries from businesses, whether regulatory or otherwise, to the EDO who acts as a conduit of information or as an intermediary. The quality of these relationships will contribute in a large part to the ultimate chances of the investment proceeding.

Generally the client will cover every aspect of their requirements, all their objectives, and importantly where they are in the decision making process. Listening to the client will help to build rapport and providing useful, relevant comments will establish credibility. Asking relevant questions will also contribute towards developing the relationship with the client.

Listening is just the first stage; it is also important to record and act on the information provided. Never over promise and under deliver as this damages any credibility and rapport built up over time.

Follow up actions promptly and keep responses to requests to the shortest possible turn around. In general, private enterprise works faster than councils so responding in a timely manner will further develop credibility and trust. At the same time, recognise that the lead time for investment projects can be very long. For large projects in particular, the time lapse between an initial enquiry and the lodgement of a DA can be as much as four years. It is vital to maintain commitment to the client through such protracted processes.

Every client is important. Whilst it is important to prioritise time, making assumptions about the value of pursuing certain investment projects over others can be risky. Investors and developers come in all forms, and until a positive relationship has been developed, it will be difficult to evaluate expectations for the investment project.

Investors from elsewhere may appear to be more attractive, but it is estimated that 70% of local economic growth emanates from existing local businesses.

Each of the client types referred to in Table 1 will differ in the amount of support and input required to fulfil their business goals and complete an investment. The needs of each client will need to be carefully assessed with time and resources allocated to reflect this.

### **Dealing with business enquiries is not 'one size fits all'.**

For some clients, establishing, expanding or relocating a business is an activity they will undertake on only a few occasions in their business career. They might require support through the process, and occasionally an adviser and advocate.

Other clients will be well practised in these matters. Importantly also, the enquiry may not necessarily come from the actual investor or even an employee of that business. Increasingly, third parties act on behalf of business investors, where they have significant financial resources but no institutional capacity to conduct searches. Leading economic development practitioners estimate that these represent up to 10% of enquiries and are on the increase. In this case, leading practitioners point out that the aim should be to establish contact with the actual client as soon as possible in order to influence them directly.

In either case, expect such clients to be extremely well informed, requiring a high level of preparation and knowledge from the EDO.

### **Above all, offer a great service and then deliver – every time.**

#### **develop partnerships**

There are a number of organisations which will be of assistance in dealing with investment proposals. It is important to develop professional relationships with each of them to enable quick response to opportunities and resolution of problems which might arise with investment projects.

Some of the key partners and their roles are listed in Table 2.

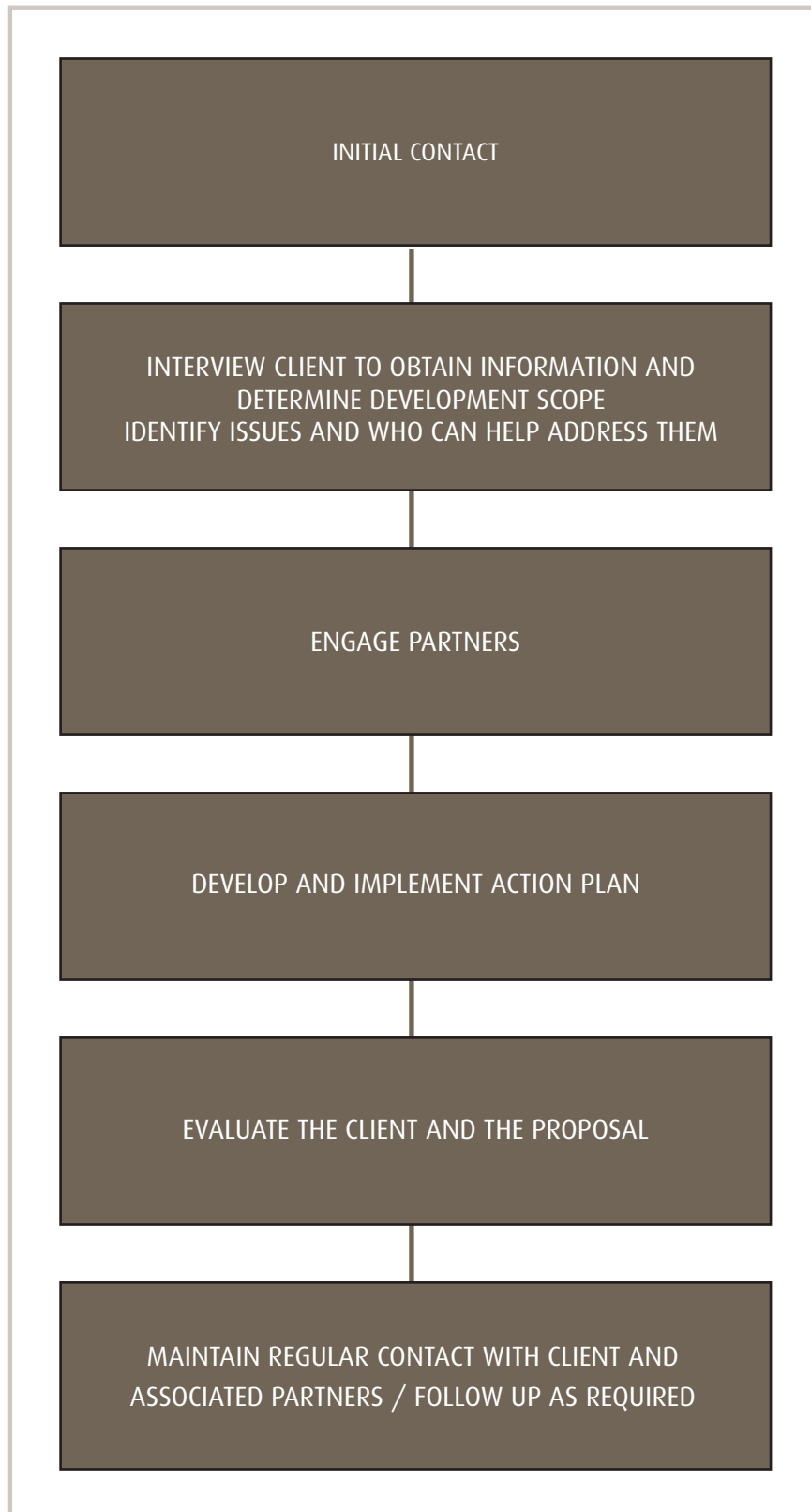
TABLE 2: KEY RELATIONSHIPS

I & I NSW	<p>Referral of investors</p> <p>Funding assistance for development of business plans, business establishment, expansion or re-location</p> <p>Non financial support, including:</p> <ul style="list-style-type: none"> <li>• Assistance in assessment of proposals and clients.</li> <li>• Liaison with other State Government agencies.</li> <li>• Coordination of State Government response to major projects.</li> <li>• Identifying and facilitating links to infrastructure providers and market development opportunities for businesses.</li> </ul>
Business Advisory Services	Business planning assistance to start-up or expanding small businesses.
Innovation Advisory Services	Advice on how to commercialise innovations.
Industry Capability Network	<p>Assists businesses find new business opportunities by identifying purchasing requirements within the government and private sectors.</p> <p>Matches Australian suppliers with buyers, according to identified purchasing requirements.</p> <p>Provides advice on resources and capabilities of local industry to assist businesses.</p> <p>Identifies appropriate Australian supply solutions to business purchasing and supply requirements.</p> <p>Assists in finding competitive Australian sources to meet procurement and project needs, irrespective of the business or industry sector.</p>
Real Estate Agents	<p>Intelligence on who is making enquiries, current trends.</p> <p>Advice and assistance to investors in identifying and purchasing land/buildings.</p>
Other councils	Support in developing the business case for large projects.
Regional Development Boards	<p>Referral source for investment proposals.</p> <p>Helping to develop regional marketing collateral.</p>
Industry Association/Chamber of Commerce/Progress Association	<p>Business Contacts.</p> <p>Local industry status/information.</p>

table 2: key relationships

part 3  
winning the client

PHASE 1: WINNING THE CLIENT FLOWCHART



## the initial contact

Whatever way the initial contact is obtained, whether generated from marketing efforts, initiated by the investors, or referred by organisations such as I & I NSW, enquiries need to be handled systematically and efficiently. This is the first opportunity to make a strong and good impression on and establish credibility with the potential investor, obtain information on them, their needs and plans, and provide key information to encourage them to continue to investigate the location.

**Remember the old saying:  
You don't get a second chance at a first impression.**

There are a number of ways in which businesses contact a council (or other organisation), the most common being the website, by telephone or through visiting council offices.

### WEBSITE

Websites are increasingly the first point of direct contact with a council. Businesses generally consult a council website to seek information on the local government area, its attributes as an investment location, regulatory requirements and to gauge council readiness.

This reinforces the importance of having comprehensive, easy to access information on the website of the type referred to in Part 2 and in Appendices 1 and 2.

Experienced practitioners all confirm the importance of a good website and have devoted considerable effort to optimising them. They advise that, by the time most investors speak to the relevant staff member in council, they have already done considerable research, much of it through websites.

Websites serve multiple purposes by providing information and acting as a communication mechanism. Depending on their timeframe for making the investment decision, the business may simply browse for information, but they may also wish to contact council for further information.

Apart from the information previously discussed, key elements of a website include:

- Contact details for the EDO or other relevant staff member
- A pro forma on which clients place their contact details for follow-up by the relevant staff person

- Some councils also provide the option of receiving some form of information package either electronically or by hard copy. Examples include Coffs Harbour, Clarence Valley and Greater Taree. The content of these information kits ranges from basic facts on the location to a comprehensive package on the economy, industry structure, services, infrastructure etc. In some cases, the kit is dispatched by customer service staff, in other cases by the Economic Development Unit (EDU) or the EDO.

- It is essential that all requests for information are recorded to enable follow-up.

- Further to this, where an information kit is sent out, this should be followed up within an appropriate timeframe - no more than two weeks (even if, as is the often the case, the client may simply be browsing and/or may not be a business investor). Without follow-up, a potential lead may be lost.

- Some councils have placed detailed enquiry forms on their websites, seeking information on the proposed investment and the investor. This can be an efficient way of obtaining such information but many investors may be reluctant to provide detailed information at such an early stage. An example of an enquiry form is at Appendix 4.

*See Appendix 5, 'Ten Tips for Creating a Great Economic Development Website' for information on how to develop an effective website.*

## TELEPHONE

Some EDUs or EDOs prefer all enquiries to be directed to their phone number. This is preferable to having to call a general council number. Many EDOs have calls forwarded to their mobiles when they are not in the office. This is also good practice and contributes greatly to creating an image of professionalism and commitment.

In cases where the client has obtained the relevant number from the website, they can obviously ring the number directly. All staff members who potentially answer calls from clients (which in many councils is all staff) must know who the appropriate staff member is and be prepared to immediately refer the client to that person.

As with website enquiries, if the relevant person is not available at that time, the client should be provided with a guarantee of a rapid response.

A standard maximum response time of leading practitioners is 24 hours.

In order for this to occur, the contact person must be informed of the enquiry immediately.

Some councils (especially larger councils) have established 'investment hotlines' (via a 1300 or 1800 number) which puts the caller in direct contact with an economic development staff member. Individual councils need to make a decision on the viability of this, taking into account the number of enquiries and the number of staff to deal with them. In this case, the term 'hotline' should be taken seriously. It is not a 'hotline' if a number of business days elapse before a return phone call is received!

In other councils, customer service personnel distinguish and deal with business investment enquiries through the provision of:

- Basic information on the LGA, its economic structure, infrastructure and services
- Information kits
- Key documents/strategies, including economic development strategies, local environment plans, development control plans, development application (DA) documentation, and industrial land strategies.

It is also advisable to obtain basic information about the caller, including contact details, at the point of initial contact. This should be provided to the responsible staff member for follow-up at an appropriate time.

Customer service staff require training to be able to provide this service, including developing a thorough familiarity with and understanding of information on the website and other relevant materials.

The customer service staff should not be expected to provide information beyond that available on the website. As soon as the client requires information that is beyond that available on the website and/or is specific to their case or strategic in nature, they must be referred to the responsible staff member.

In some councils, requests for an information kit are forwarded to the relevant staff member, who is responsible for sending it out. In this way, the relevant staff member has the contact details for follow-up.

This module does not advocate a specific approach. It is essential that individual organisations determine the extent of information and advice which customer service staff provide to clients. The approach taken will depend on issues such as the skills of staff, staff turnover and the frequency, complexity and nature of enquiries.

## FACE TO FACE

Similar principles and processes as described above apply when the customer has come to the council offices.

As with telephone contacts, customer service staff can provide a range of information of the type listed above, or simply act as a referral point to the relevant staff member. They should also obtain contact details for the client to allow follow-up at a later date.

The clear difference is that a visit to the council offices provides the opportunity for the relevant staff member to meet the client face-to-face. The customer service officer should offer that opportunity to the client. If the relevant staff member is in the building, barring exceptional circumstances, they should make themselves available for a meeting. Face-to-face meetings still provide the best way of evaluating prospects and developing relationships.

A meeting room should be available if possible to meet face-to-face with potential investors to assure confidentiality.

Councils should also place an emphasis on the appearance of offices and foyers. Many councils have information kits on DA processes available in foyers but there is also an opportunity, given space constraints, to provide information about the local area and its readiness to support businesses. This provides time-poor clients with the opportunity to take an information kit away without having to wait in a queue for service.

As important as process, is the attitude and image portrayed to clients. At all times, an efficient and courteous attitude should be adopted by all staff dealing with clients.

Table 3 is a list of do's and don'ts, summarising the key points discussed above.

TABLE 3: DO'S AND DON'TS OF CLIENT SERVICE

<p><b>Do</b> use language that takes ownership of the situation eg “The exact person you need to talk with is (give a name) I will find them for you now”</p> <p><b>Do</b> develop phrases or strategies to deal with customer enquiries, regardless of whether staff are on a rostered day off or holidays eg “Let me get the details of your enquiry and I shall have someone call you back within *** hours”. Then deliver what is promised.</p> <p><b>Do</b> deal with enquiries in the shortest timeframe humanly possible. Refer customers to the right person where possible, and provide them with the mobile phone numbers or email addresses to enable them to make contact with appropriate staff for information and assistance.</p> <p><b>Do</b> have a strategy for referring clients to the right staff quickly. Customers should not have to repeat their story more than once before they connect with the designated officer.</p> <p><b>Do</b> establish a foyer that has plenty of information about the area and its readiness to support businesses. eg information kits, business cards of key staff, copies of strategic plans/economic development strategies promotional materials/community demographics. Also useful is an inquiry form that can be completed by the customer and then forwarded to the right staff member...but only if the right staff member cannot come to the counter.</p> <p><b>Do</b> take the customer into a quiet, confidential space. Keep files on each client that can be accessed by appropriate staff – this way, others can deal with the client in an informed and professional manner.</p>	<p><b>Don't</b> use language that could be perceived as bureaucratic eg “I can not help you as I am not in that department”</p> <p><b>Don't</b> refer to rostered days off (RDO) or staff holidays. These phrases do not inspire respect from private enterprise.</p> <p><b>Don't</b> make your customers wait because of your workload.</p> <p><b>Don't</b> use front office staff as ‘guards’ for the organisation, with their purpose to protect staff.</p> <p><b>Don't</b> have signs in the foyer that appear adversarial or confrontational eg. “Our staff are busy, if you don't have an appointment we cannot guarantee you can talk with someone”</p> <p><b>Don't</b> talk about business in the foyer or in ear shot of other employees – ever!</p>
---	---

## interview client

### SEEKING INFORMATION FROM THE CLIENT

In order to progress a proposal, detailed information on the nature and scope of the development is required. This should be obtained and acted upon by the designated staff member(s) only by interview with the client by telephone or face-to-face.

There are a number of scenarios in which this interview might take place:

- At the time a client visits the council offices or makes an initial call to council
- After the client has made an initial call to council and/or obtained information through the website or other sources.

As mentioned earlier, some councils in Australia and overseas place a detailed enquiry form on the website and/or as part of an information kit which the client then sends to the appropriate staff member. Even in this case, this should be followed up with an interview.

It would be ideal if this information could always be obtained at the initial contact but this is not generally possible. It is more than likely that there will be a time delay between the initial contact as described above and the opportunity to obtain detailed information. If contact details have been obtained at the initial contact, this delay can of course be controlled.

While the initial contact with the council is crucial in establishing a good image for the council and the location, the interview represents the first substantial opportunity to establish the positive and professional relationship which is at the heart of good client service. It is both an information gathering and relationship building exercise.

Key information to be obtained includes:

- Background of business/idea/proposal
- Names and background of principals involved in the proposal
- Legal name of entity
- Requirements of clients such as
  - > land and building requirements
  - > office space
  - > electricity or gas power
  - > water
  - > price range
  - > zoning issues/requirements
  - > telecommunications
  - > transportation/logistics

- > timeframe
- > financial requirements
- > financial and other assistance required
- > labour force required.

The content of the enquiry form at Appendix 4 can be adapted to provide a template for the interview.

Confidentiality issues should also be addressed, including establishing whether the client is prepared for information to be passed on to other parties, such as real estate agents or I & I NSW. (This is discussed further below).

The interview is also the first step in establishing the genuineness and viability of the proposal. In other words, it is the first step in the 'due diligence' process.

The key things to establish in the interview are:

- The level of development of the proposal
- Whether the client is looking at more than one location
- The extent to which the client has an understanding of requirements to make the project work (investment readiness)
- Types and number of jobs
- Timeframe for the development.

This is discussed further in the section on evaluating the proposal.

Depending on the level of development of the proposal, the types of assistance which may be available to the client may also be discussed. These include:

- Any incentives provided locally, including concessions in rates and/or Section 94 contributions, subsidised industrial land. These are discussed in detail later.
- Those available from other agencies, such as I & I NSW
  - > the EDO may refer the business to I & I NSW at this stage or contact I & I NSW on behalf of the client, but only if the client has agreed.

### PROVIDING INFORMATION TO THE CLIENT

It is likely that the client will also seek information. Some of this may be available on the website, but there may be questions about issues such as:

- Specific land or buildings and costs (increasingly businesses are looking for fully serviced industrial sites in preference to greenfield sites)
- Labour and skills/training availability
- Housing costs and availability
- Council charges
- Supply chain information/local transport and logistics
- Community services and infrastructure, such as schools, sporting facilities, medical services etc
- Government assistance available
- Assistance available from other organisations (eg energy providers, chambers of commerce)
- 'One off' issues, such as employment opportunities for spouses and/or children.

Any answers that are not provided immediately should be provided as soon as possible.

As mentioned above, client service is not a 'one size fits all' process. This will be reflected in the initial interview. There will be significant differences in the type of information required and overall nature of the interview with the different types of clients and investments listed in Table 1.

The following is a brief discussion of the potential differences in themes that might be explored in the initial interview with the different types of investors listed in Table 1.

### BUSINESSES RELOCATING FROM ELSEWHERE

The client is likely to need information on all the issues described above.

They may also benefit from being introduced to existing businesses that can advise them on the local business environment and/or provide services and materials.

### LOCAL RESIDENT EXPANDING OR ESTABLISHING A BUSINESS

In these cases, it is likely but not guaranteed that the client will have a good knowledge of local real estate, infrastructure and services. It is also more likely that the EDO will have a reasonable understanding of the client's background.

The emphasis may therefore be on issues such as:

- Explaining regulatory requirements
- Facilitating various forms of support (eg financial)
- Linking to relevant organisations, sources of advice and assistance.

Depending on their level of experience, the client may require some assistance in developing the business model/case.

An example of this would be a farmer proposing to value add to products. Of course, it is not appropriate or necessary to become a consultant to the client, but it is useful to at least highlight for them the issues they need to address for themselves.

### BUSINESS OR FRANCHISE EXPANDING FROM ELSEWHERE

In this case, the role of the economic development organisation is one of efficient response/provision of information on processes and opportunities.

As noted in Table 1, in such cases, the clients have established criteria for locations for developments and site selection. They are unlikely to make contact with a council until they have determined that the location is appropriate and the business viable. The requirement may be more likely to be associated with:

- Identifying sites/buildings and/or
- Explaining regulatory requirements.

## engage with partners

There are a number of organisations which can assist in assessing and facilitating investment proposals. With the agreement of the client, it is advisable to make early contact with:

- I & I NSW, to inform them of the proposal, so they are able to make an early determination of the types of assistance they might be able to provide. Proponents should be made aware that they must contact I & I NSW before making a final location decision
- Business or industry organisations in the area, such as the chamber of commerce or tourism association, or key local businesses for the client to contact to discuss the business environment
- Real estate agents, to identify appropriate land/buildings/housing
- The local Business Advisory Service, for business planning assistance to business start-ups/expansions
- The Innovation Advisory Service, for advice on commercialisation of innovative new products or services
- The Industry Capability Network, to assist businesses to identify suppliers and potential new markets.

Contact details should not, of course, be passed on without the express agreement of the client.

It is preferable to have an arrangement with these other organisations to be informed of any direct contact they have with the client.

In some cases, it may also be appropriate to attend meetings, particularly at the client's request.

## develop and implement an action plan

Investment project facilitation is a complex process, which should be approached as a project. As with any project, it is good practice, once you have undertaken the initial interview and initial due diligence, to develop an action plan, including:

- Key actions and events
- Who is responsible for them
- Timeframes.

A good record keeping system will support the action plan. The long lead time for investment projects reinforces the importance of good record keeping, for the project manager and others who may become involved.

The EDO might be the main contact for the client, but the system must be understood and accessible to others taking on the role.

Files on each client should be maintained so they can be accessed by appropriate staff so others can deal with the client in an informed and professional manner.

A database of prospects should also be maintained, including those who have gone beyond an initial enquiry. This allows monitoring and making contact on an occasional basis.

Microsoft Outlook is used by many leading practitioners as the platform for maintaining this information. Other client relationship management (CRM) tools are also available. Each council may also have its own system/database.

A key component of the plan is maintenance of regular contact with the client, as discussed later.

## evaluate the client and the proposal

Facilitating business investment proposals generally requires significant time and effort on the part of council staff. Before such an investment is made, the EDO should be satisfied of the genuineness and viability of the concept.

There are a number of elements and dimensions to this:

- Establishing the bona fides of the clients – identifying the ‘tyre kickers and the frauds’
- Evaluating the ongoing viability of the investment in general and in the location
- Evaluating the likelihood of the investment actually proceeding.

Some of these can be established at an early stage, but much can only be established over time.

Remember to continue to deal with the client in a courteous and professional manner in the course of undertaking these due diligence checks. Unless and until it is established that the project is not likely to proceed, treat it as a positive prospect and do whatever is feasible to maximise its prospects of proceeding.

### ESTABLISHING BONA FIDES

Experienced practitioners advise that a significant proportion of enquiries come from people who are merely browsing for possibilities, who may or may not have genuine intentions, and the capability and/or resources to undertake the investment. Others may be investigating a number of locations. There are also increasing numbers of individuals with bright or innovative ideas, but with little or no ability to commercialise those ideas. Still others are fraudulent.

Establishing bona fides is a vital first step in due diligence. In many cases, the genuineness of the client can only be established over time. Nevertheless, steps can be taken to minimise the risk of wasting time and energy on poor prospects.

This can be done prior to the interview (which requires a reasonable amount of information having been obtained on the clients and their business at the time of initial contact) or following the interview.

There are a number of steps to be taken here, including:

- Establish that the company actually exists and conducts the activities claimed using a company search through the Australian Securities and Investment Commission, Australian Business Register and/or a commercial source such as Dunn and Bradstreet
  - > in the case of well known companies, this may not be necessary, but is generally worthwhile if it is a business or individual of whom you have not heard or raises suspicions eg by asking too many questions, seeking high levels of assistance, special treatment
- Even in the case of a well known company, it is worthwhile establishing that the person making the approach is a genuine representative of the company by contacting the company's head office
- Bankruptcy checks.

Some practitioners also conduct other forms of investigation, where doubts exist as to the genuineness of the client and their proposal:

- Viewing the house or office of the client to establish that the house is occupied or the business is operational (obviously only feasible if the client is in the same or nearby location)
- Tools such as Google Earth can also be used to establish whether a business exists.

I & I NSW is a vital source of assistance in this process. It has a number of resources to assist in establishing the bona fides of a client, including offices throughout NSW, which can provide information and background on clients from other parts of NSW.

## EVALUATING FEASIBILITY

### “Is any business good business?”

It is occasionally argued that any business is indeed good business and that this means that any enquiry should be pursued vigorously. The temptation to ‘court’ all investment proposals can be particularly strong when the local economy is undergoing transition or restructuring. This is all the more tempting when the proposed investment entails a relatively large number of jobs.

A separate case is those businesses which have the potential to deliver economic benefits but have social or environmental costs or dimensions to them. This often becomes a political issue to be resolved through regulatory processes.

This module contends that there is little value in pursuing investment proposals which do not fit within the council’s economic plan, may not gain council approval, are unfeasible in the long term or likely to fail once established.

There are two broad questions regarding the long term viability of a proposal:

- Does the investment have a good prospect of success in any location?
- Is the investment likely to be successful in the proposed location?

This is not so much about picking winners as avoiding losers.

While it is not necessary or appropriate to undertake a detailed feasibility study, it is wise to at least make some broad assessment of the potential of the investment, taking into account factors such as:

- Skills and experience of the management team
- Market potential
- Availability and cost of inputs
- Access issues
- Financial requirements, including whether clients have access to adequate capital (both establishment and working)
  - > While it is not necessary for a client to have secured sufficient financial resources at an early stage, there should at least be a strategy for doing so.

These issues could be explored in the first interview but can and should also be monitored as the relationship develops. I & I NSW can assist in this area, as their Business Development Managers (BDMs) are experienced in analysing business viability. Information on financial requirements of the project will also assist I & I NSW in determining what assistance, if any, may be available.

If there is an economic development strategy which identifies priority industries for support and development, it is appropriate to adhere to it and advise the client of this. This would also imply that assistance would be limited.

There is good reason for this. It can generally be assumed that a strategy will identify priority industries and businesses on the basis of competitive advantage in terms of raw materials, location, climate, services, infrastructure and other features or identified gaps and opportunities.

If a client maintains interest in the location despite clear gaps, it is quite likely that they have a better knowledge of their business sector, emerging technology and markets than either council and/or those who developed the economic development strategy. This should become evident in discussions with the client. Nevertheless, in the absence of a clear strategy for overcoming any apparent disadvantages, there is reason for caution. Leading practitioners warn that this can be evidence of a client seeking to obtain advantage by playing different locations against each other, as a way of soliciting incentives.

Notwithstanding any concerns about the client, a positive and courteous approach should be maintained by all council staff.

It is possible that certain shortcomings or gaps can be overcome, with assistance from council or other agencies. However, the costs of addressing those deficiencies need to be weighed against the potential benefits of the investment. It is also inadvisable to expend considerable effort on addressing these deficiencies before there is relative certainty of securing the investment.

For instance, many companies require natural gas and some councils have supported investigations into the technical and financial feasibility of connection. In some cases, this has demonstrated that connection is not feasible and has informed councils' marketing priorities. EDOs should also be wary of clients who make grandiose claims about the scale and potential economic benefits of the investment. Investors will commonly refer to the 'multiplier' effects of the investment. A multiplier is a measure of the flow on impacts and benefits (eg purchases of goods and services from local firms, employment of local labour, payment of wages and salaries to local employees which in turn is re-spent) to an economy of the investment.

Higher numbers imply that:

- The recipients of the expenditure have a high propensity to spend their income and
- A high proportion of that expenditure is made in the local economy.

Some practitioners report that some investors have claimed a multiplier effect of four and above. In reality, a multiplier of more than about 2.5 is unrealistic. Even at this level, there would have to be minimal 'leakage' of expenditure outside the economy.

#### **LIKELIHOOD OF INVESTMENT PROCEEDING**

It is of course possible that despite a business investment proposal being clearly sound and feasible, and a firm decision on location having been made, the project does not actually proceed.

This can come about for many reasons, many of which are beyond the control of clients, such as changes to market and economic conditions, and needs/wants of families of key personnel.

This is difficult, if not impossible for a local government to control. This is especially so given the long timeframe of many investments. A council may have committed significant time and resources to attracting and facilitating a business investment project before a project fails.

In some cases, this will be unavoidable. Nevertheless, it is important that progress is monitored, so that the council does not expose itself to unnecessary risk, through incurring cost on behalf of the client, for example developing industrial land.

Reasons for failure of projects to proceed may be:

- Inability to secure finance
- Recruitment (or retention) of key staff
- Seeking and obtaining regulatory approval
- Changes in market, economic and/or industry conditions
- Inability to establish suitable, adequate or affordable logistical arrangements
- Inability to find appropriately zoned land
- Difficulties in procuring raw materials and/or essential business support services.

## maintain regular contact with client and associated partners

Given the long lead times of most business investment proposals, together with the fact that the speed and progress will vary over time, the maintenance of regular contact with the client and partners is vital. This serves a number of purposes:

- In the early stages of decision making, it is a reminder and confirmation to the client of interest and commitment
- It is an opportunity to monitor progress and identify any difficulties being experienced and what may be done to overcome them.

Be sensitive to the fact that the client is likely to be busy and may well be receiving calls from the competition. Contact for its own sake may well be counter-productive. It is desirable that contacts be linked to milestones eg:

- If a client has advised of an important meeting relating to the project on a particular day, contact them shortly afterwards to check outcomes
- Alternatively, call the client the day before such a meeting to check whether they need any information.

Nevertheless, as suggested above, contact can be effective simply as a means of confirming interest and readiness to assist. Be clear about the purpose of the call and restrict it to business issues - the contact might simply be to see what progress has been made. Use the contact to inform the client of a recent important development or economic good news story in the LGA, which may encourage them to think positively about the location. 'Small talk' should generally be avoided unless instigated by the client.

At the first interview, establish a protocol for contact, including timing and the medium (phone is generally better but email may suffice with many clients). This will be based to some degree on the personal style and preferences of the client and the practitioner.

There are differing views and practices amongst leading practitioners.

Some argue that the client should establish how and when each succeeding contact should be made and that this should be strictly adhered to. This means that, even if the client does not make contact at an appointed time, council does

not follow up. Others initiate contact on a regular basis, the frequency depending on the stage of the decision making process or project.

The process should be agreed with the client.

Clearly, if the investor is a local resident, the maintenance of contact is potentially much easier and possibly can be done in a more informal way than with an investor from elsewhere.

Again, it is important to have good record keeping processes to track contacts. Leading practitioners use Microsoft Outlook or similar applications to provide electronic prompts when a contact is due.

### ARRANGE A SITE VISIT

Once due diligence has been completed and available forms of assistance determined, the client should be invited to inspect potential sites. A site visit is a very effective means of influencing the client in favour of the location. It is an opportunity to showcase sites, the location and its attributes, and the business community. It is also another opportunity to reinforce the credibility and commitment of the council.

The site visit should include a meeting with key people, including:

- The Mayor
- General Manager (GM)
- Planning Manager
- I & I NSW, if I & I NSW has indicated that it may be able to provide assistance in facilitating the project, and
- The owner of the land or building, if identified.

Some practitioners argue that the GM is a potential advocate for the project and thus should be involved in such meetings. Other councils have decided that the Mayor and GM should be kept at arm's length from the process and not be involved in any such meetings. However the GM (and possibly the Mayor, especially if he/she has introduced the investor) must be kept abreast of progress.

Whichever approach is chosen, it should be supported by a written protocol which describes clearly the parameters within which EDO and other staff members are able to operate. In particular, it should be made clear what role, if any, those staff members would have in the DA process. This lets all stakeholders (including the clients) know what can be done and by whom.

It is also useful, if possible, to introduce the client to leading business people, including potential suppliers of inputs or services. Depending on the scale of the investment, it may be worthwhile conducting a familiarisation tour for key employees.

### the role of incentives

One of the objectives of assessing the client and the proposal is to determine what, if any incentives should be provided.

### THE PROS AND CONS OF INCENTIVES

Many councils have a policy of not offering incentives, concentrating instead on accentuating the benefits of conducting business in the location.

Moreover, the offering and use of incentives can escalate into bidding wars with other councils.

On the other hand, incentives potentially provide a real benefit to businesses by ameliorating the effects of concentrating initial costs at a time when business revenue is low. At the very least, this can allow the project to proceed earlier or more quickly.

In making a decision on the provision of incentives, council needs to weigh the potential benefits against the costs. A key question to be considered is:

**Do the benefits of providing the incentive outweigh the costs?**

An obvious benefit is additional rate revenue to the council. However, most councils would argue that the primary benefit is employment creation and the many flow on benefits this provides to the local economy and community.

**The other key question is:**

**What would happen if the incentive wasn't offered?**

Assuming that the location 'ticks the boxes' in terms of what the business needs, the business itself is actually 'investment ready'. If there is no other location with exactly the same attributes, it is likely the investment would proceed without an incentive.

In practice however, we know that councils increasingly find themselves in a position where they believe they have to provide some form of inducement to attract or retain a business, primarily because the business is considering more than one location.

Councils should have a clear policy and process for offering or responding to requests for incentives. This may or may not be made public. Many councils do not reveal what incentives may be offered until they have a reasonable level of confidence that the project will proceed. Others provide detailed statements on their website describing the types of assistance available and the conditions and process for obtaining them. An example is Wakool Shire. Its investment incentive policy is at Appendix 6.

## TYPES OF INCENTIVES

Councils report providing various incentives, especially:

- Deferred payment of rates
- Reduced rates in designated business or industrial areas
- Postponement/waivers/reductions in Section 94 contributions and other developer charges
- Provision of in-kind support such as loan of council equipment and/or staff to conduct earthworks
- Lease/buyback of buildings.

I & I NSW can also provide various forms of assistance. It is able to structure its assistance in a way which can defray some of the costs of establishing or expanding a business. Refer to the I & I NSW website for information – [www.business.nsw.gov.au](http://www.business.nsw.gov.au).

## CONDITIONS FOR PROVIDING INCENTIVES

As noted above, increased local employment has major benefits for the community. There is therefore a strong argument for tying incentives to employment creation. If there are shortages of skilled labour, there may also be scope to provide incentives tied to the training of local residents, including employment of apprentices and trainees.

Another factor for consideration is that not all business developments which receive development consent proceed to construction and implementation. In general therefore, it is prudent to make the provision of incentives performance based.

Common conditions/performance criteria used by councils include:

- Commencement of construction of a building within a certain timeframe
- Infrastructure improvements in place
- Confirmation of project proceeding eg. once the DA is approved
- Commencement of operations
- Rate adjustments based on employment levels at specific points in time.

Most councils seek to structure any incentives so that they are completed within a relatively short timeframe, such as two years.

To minimise risk, it can also be useful to include 'clawback' provisions, whereby some of the incentive is repaid by the business if new jobs are not created or do not last for a specific period.

## industrial land

Some councils consider the provision of industrial land as an incentive. It is arguable whether this is really the case as the availability of appropriately zoned and serviced industrial land is a fundamental requirement for economic development.

There are many examples around NSW of councils encouraging and supporting developers to establish industrial land.

However, where private developers are not present, councils have developed land owned by them and sold, or leased it at market rates. This is not only financially sound practice but, more particularly, enables an LGA to compete for investments which it otherwise would not be able to. Examples include Liverpool Plains and Nambucca Shire Councils.

It can be worthwhile maintaining an inventory of industrial and commercial land, in conjunction with local real estate agents. An inventory should include key information such as:

- Location
- Size
- Zoning and allowable uses
- Lease or purchase price
- Services and infrastructure in place/available
- Accessibility.

If the site has an existing building, the inventory should include the following information:

- Dimensions
- Condition
- Age
- Number of truck and drive-in doors
- Amenities.

## dealing with major or complex proposals

The processes described above hold for all types and scale of investment proposals. However, there are a few issues associated with major projects which may require additional effort and/or a different approach on the part of council.

There is no simple definition of a major or complex investment proposal. To some extent, the concept is relative to local conditions. In a local economy predominated by small businesses, a manufacturing business employing 20 people might be considered a major project.

Moreover, a project involving a relatively small investment or generating limited employment may still be complex. It may, for instance, have significant environmental or social impacts or benefits, not commensurate with its financial value. In contrast, some projects involving large investments or job creation (such as major retail developments) can be relatively straight forward.

### LEAD TIME

The most obvious difference is the time required to bring a major project to fruition. This means that council needs to maintain its commitment to the project over a longer period of time than for simpler projects. It is typical for a complex project to take at least four years from an initial contact with a council until construction commences.

An associated challenge is identifying and developing and maintaining relationships with key personnel and decision makers. The longer a project runs, the more likely it is that personnel will change. The EDO should establish contact with new staff very soon after they become involved with the project.

### LABOUR REQUIREMENTS

Large businesses and projects are likely to have significant labour requirements.

While a relocating business may bring some or all of its management and other key staff, it is likely they will need to source a substantial proportion of operational and/or lesser skilled staff from the local area. The same obviously applies to local businesses which are expanding. This can present a significant challenge in regional areas with low population bases and low unemployment.

The issue of labour supply is a key one in the current environment and councils should have strategies for assisting businesses to source adequate numbers of appropriately skilled staff.

I & I NSW has produced two brochures to assist regional communities and businesses dealing with shortages of skilled labour. They can be found on the I & I NSW website at [www.business.nsw.gov.au/region/assistance/Regional+Skills+Shortages.htm](http://www.business.nsw.gov.au/region/assistance/Regional+Skills+Shortages.htm).

### LOGISTICAL REQUIREMENTS

Major or more complex projects, especially those involving manufacturing and/or processing of natural resources or food may require complex logistical arrangements for the transport of raw materials and finished products to and from the site. Councils may need to identify possible solutions for businesses. I & I NSW can also assist with this.

### INFRASTRUCTURE

Larger projects are likely to require significant supporting infrastructure and services, such as water, gas and electricity. It may be necessary for council to assist the investors in ensuring that these are available in sufficient quantities and to an appropriate standard of reliability.

### REGULATORY REQUIREMENTS

Larger projects are likely to involve regulatory requirements which are outside the authority of council. Once the project is scoped, the client should be advised of the consent authority and given information to assist them in meeting regulations.

### ROLE OF I & I NSW IN MAJOR PROJECTS

I & I NSW can assist councils in identifying solutions to the above issues and acting as an intermediary with State Government agencies and instrumentalities. I & I NSW may also facilitate contact with utility and other service providers.

## part 4 - regulation

### INTRODUCTION

A project is not won until the business commences.

The chances of business investments proceeding will be maximised if the regulatory process is:

- Transparent, with all clients being treated equally and provided with clear and consistent information, and
- Efficient.

This is not to seek to downplay the importance of the regulatory role or suggest that economic development interests should over-ride them. Rather, this section provides some ideas about how to ensure that the regulatory process can be made more 'user friendly' to business investors, without compromising regulatory integrity, at the same time as maintaining or enhancing the council's reputation for being pro-business established in the 'winning the client' phase.

### ensuring transparency

#### PROVIDING CLEAR INFORMATION TO CLIENTS ON PROCESS AND REQUIREMENTS

In a relatively complex process such as DAs, the timely provision of detailed and understandable information on requirements is a key element in ensuring good outcomes. The better the proponents understand the development assessment the more effective and efficient the application process.

The process is made much easier and outcomes better for all involved, if information on processes and the likely timeframe and costs are provided prior to the lodgement of a DA.

This commences at first contact. The EDO must understand the development process intimately, to explain it to business investors and indeed evaluate whether the location is appropriate for a client.

Councils should prepare clear DA guidelines for applicants outlining the minimum requirements for plans, reports and studies to reflect the type of development under assessment. Application forms should be straightforward and simple, using language which is understandable to all users. Lodgement procedures should also be clearly explained.

A number of councils, such as Nambucca and Cowra Shire Councils have developed simple guides to the DA process.

Some councils, such as Dungog Shire Council, have developed fact sheets on requirements associated with particular types of business development.

Web based processes that take clients through a question and answer process add value and streamline the application process by identifying issues from the outset. For example, a number of councils in the Riverina have adopted "Start Your Business Here", a web based program that allows potential investors to identify the appropriate information, forms and contacts to assist in developing their proposal.

#### PROVIDE COMPREHENSIVE AND CLEAR ADVICE ON COSTS

The DA process imposes costs on developers in the following ways:

- Council fees and charges
- Developer contributions
- Fees of service providers, such as consultants and private certifiers
- Time spent by proponents
- Length of time/delays in processing.

There needs to be clear communication at the outset of the process on base-line costing and add-ons to assist developers to assess the financial viability of the development.

Where developer contributions are levied for specific matters eg public car parking, there should be tangible results for them. It is acknowledged that it is not necessary for a particular contribution to result in an improvement to services or infrastructure directly or solely related to that development. At the very least though, clients should at least be informed of how their contributions are used.

### PROVIDE COMPREHENSIVE AND CLEAR ADVICE ON TIMEFRAME

Council should provide clients with a clear indication of the expected length of time to process a DA, preferably in writing. Once this is done, it is vital that councils make every effort to meet that timeframe.

A major factor impacting on timeframes is the involvement of outside consent authorities. This should be explained to the client at the outset and should be reflected in the advice provided on the timeframe for processing.

### PRE DA COMMITTEES

Councils and their clients are increasingly using pre-DA committees (also variously called pre-lodgement, pre-submission or pre-application committees) to provide this information and advice.

Pre-DA committees provide advantages not only to the client, by providing them with guidance on issues they will need to address and their likely costs, but also to council, by potentially improving the quality of the DA.

This approach is generally used for more complex proposals, but is equally useful for smaller projects. To be most effective, the potential applicant provides basic information on the proposed development, sometimes using an application form or a concept plan and presents it to a meeting with key council staff, who can identify and provide advice on regulatory and other issues which may affect the proposal, the process and associated timeframes and indicative charges. This should include advice on consent authorities.

Some pre-DA committees include independent members with specialist expertise eg architecture, design, engineering.

Some councils use an alternative approach whereby the EDO obtains basic information on the proposal, liaises with appropriate staff and meets with the client.

It is preferable if advice provided in pre-DA committees is confirmed in writing (with a caveat that the advice provided is based on information provided). This provides the client with additional confidence in the guidance given.

### PROVIDE INFORMATION IN FOYERS AND WEBSITE

The council foyer and website are prime sites for provision of information on the DA process, including the materials referred to at the beginning of this section.

### maximise efficiency

Each business investment proposal and client is unique and needs an individual approach, including in the regulatory phase.

The NSW Department of Planning has commented:

‘It is a commonly expressed view that the current planning system is based on a ‘one size fits all’ approach. Rather, plan-making and development assessment processes should reflect the importance and level of complexity of the issues which they address.

....a simple and straightforward proposal should be assessed through a simple and straightforward process. On the other hand, a major proposal, which raises strategic and significant issues, should be assessed in an appropriately detailed, timely and considered way to reflect its complexity, its sensitivity and environmental consequences’.

This is confirmed by comments of many business investors that their cases are dealt with as being no different to that of a simple residential DA such as a pool fence, garden shed or deck. There is a feeling amongst some business investors that, if there are 100 residential DAs lodged before their business related DA, it must ‘wait in line’. Some business investors have even stated that they believe that complex proposals are given low priority, simply because they are complex.

There is potential for councils to improve the overall efficiency of the DA process, including business related DAs, by ‘streaming’ DAs, so they are dealt with in a way which reflects their complexity and significance to the community and economy.

### EXEMPT AND COMPLYING DEVELOPMENT

The Department of Planning has identified a number of ways in which the overall time for processing DAs can be reduced. One approach is to maximise the use of exempt and complying developments. A number of rural and regional councils have demonstrated that it is possible to achieve between 30 to 50 per cent of complying development under current controls. Exempt and complying developments can also potentially include simple business DAs, such as for refurbishments of shops.

Greater use of exempt and complying developments would enable the time of planners to be freed up to deal with more significant and complex DAs, including business DAs.

### MINIMISE REQUESTS FOR ADDITIONAL INFORMATION

A contributor to delays (and additional costs) is the imposition of additional conditions over time. Many business investors have experienced situations where they have taken action to comply with a direction from a council only to be notified of further conditions from another council officer.

Clearly this situation is partly contributed to by tardiness on the part of the applicants. The Department of Planning also notes that councils often respond to inadequate DAs by asking for excessive amounts of information not directly related to the level of assessment required for the application.

It is preferable that requests for additional information are minimised. The use of pre-DA committees should assist in minimising the need for additional information.

### USE SHADOW STAFF

Relying on a single staff member to process a particular DA can contribute to time delays. Staff going on leave or becoming sick can result in DAs becoming stalled.

Many councils use 'shadow staff', so that an alternative staff member is made familiar with the case and able to take it up when necessary.

### USE TECHNOLOGY

Mention was made above of using the council's website to provide advice on the DA process and DA documentation.

Use of online applications (or e-planning as it is sometimes called) for the DA process is seen as a most effective means of increasing the efficiency of the planning process. E-planning tools are increasingly being used for online lodgement of DAs. They not only have the potential to speed up the process, but can also provide in-built quality control mechanisms (eg standard checklists and compulsory information fields to be entered before DAs are accepted). This should reduce the number of incomplete DAs submitted.

E-planning can also be used for:

- DA tracking - applicants can view the status of their proposal as it moves through council's internal assessment system and any external agencies to which the proposal is referred for assessment. It may also be used for noting submissions on the project
- Online maps – users can search for their site and view layers of information, eg zoning, environmentally sensitive areas, and heritage items.

Many NSW councils have implemented at least some element of e-planning.

The NSW Government is committed to working with councils to upgrade the level of usage of e-planning.

### the role of the EDO in the regulatory process

The EDO and/or EDU should understand the planning process intimately, so they are able to explain it to the client if and when required.

Beyond this, councils adopt differing approaches on the role that EDOs play in the regulatory process. In some cases, the EDO is a member of pre-DA committees. Beyond this point, it is generally agreed that the EDO needs to remain detached from the regulatory process. However, in some cases, clients are permitted to contact the EDO or EDU with any enquiries or concerns and the EDO acts as an intermediary with the planning staff. (As noted earlier, the EDO is the first point of contact in many councils for regulatory issues affecting businesses). In other cases, any enquiries or concerns are handled solely by planning staff.

There should be a clear protocol on how such matters are to be managed, and this should be made clear to the client.

## part 5

### after care

#### after DA approval

Even after a DA is approved, it does not always mean that a project has been won.

Regular contact should be maintained to ensure projects proceed and to assist the investor company with meeting DA conditions and/or other issues that may arise. If projects are lost, it is always good to find out the reasons.

It is desirable that the EDO monitor progress of the project through contact with proponents and/or key personnel. Where possible, the project should also be visually monitored.

#### on completion

It is good practice to conduct an exit survey on completion of the process to aid in improving processes. Support may be given in other ways such as helping with any official opening.

When a new or expanded business is operational, regular contact should be maintained. This will reassure the proponent of the council's commitment, that they are valued and ensure that any additional support and assistance can be provided so the investment remains viable and/or able to grow.

'Remember, if you're not talking to your businesses, someone else is.'

Maintaining contact with businesses not only maximises the chances of retaining them in the community, but is also a way of identifying opportunities to attract related businesses.

At a broader level, concentrate on continually improving the 'product' (ie the location) to better meet the needs of business customers, for example by improving:

- Branding and image
- Infrastructure and services.

## appendix 1

### components of a business retention and attraction strategy

#### IDENTIFYING TARGET MARKETS

- Have you identified the competitive advantages (and weaknesses) of your location? (noting that advantage is not having something but having more of it than other places)
- Have you considered developing an economic development strategy, and/or an audit of industry, services and infrastructure?
- Have you identified priority industries based on comparative advantage, gaps/opportunities and targeted businesses in priority sectors/industries?
- In prioritising industries, have you distinguished between economic 'drivers' and 'distributors'?

#### BUSINESS ENVIRONMENT

- Have you talked to your existing businesses to find out what is good and bad about the location as a place to do business?
- Have you taken action to address any of the 'bad' aspects identified?
- Do you stay in constant contact with existing businesses to identify and address difficulties and opportunities as they arise?
- Have you talked to companies who have left your community to find out why?

#### CONNECTING WITH YOUR MARKET

- Have you developed a tailored information package and/or investors guide, including the above information and other data from the ABS, the Department of Employment and Workplace Relations (DEWR), BRE Surveys, community strategic plans, etc
- Have you developed a website specifically to market your locality or included marketing material on your council or other website?
- Have you contacted prospects directly by email, letters, postcards, brochures?
- Have you or your community attended trade shows and other events such as Country & Regional Living Expo (formerly known as Country Week).
- Were local business operators represented at these events?
- Have you engaged in joint marketing of your region with other councils and/or economic development agencies?
- Have you engaged in joint marketing of your locality in conjunction with a private sector developer eg for an industrial estate?
- Have you undertaken other forms of advertising?
- Have you used the media to convey good stories about your locality as a place to do business?
- Are efforts made to ensure that people who are visiting the area as tourists have ready access to information on business opportunities and the business environment?

## appendix 2

## checklist of components of an economic profile/audit

Current business mix	
Economic structure	
Business climate, including information on how businesses are performing	
Demographics	
Educational levels of population	
Local labour market	
Climate	
Access to markets	
Access to raw materials	
Location - travelling time to key locations	
Transportation	
Facilities	
Industrial land	
Commercial properties	
Utilities	
Knowledge resources	
Education/training providers	
Professional services and other business support services	
Business Organisations	
Housing – costs and availability	
Arts/culture	
Sporting facilities	
Child care facilities/services	
Planning processes	
Regulatory Requirements	

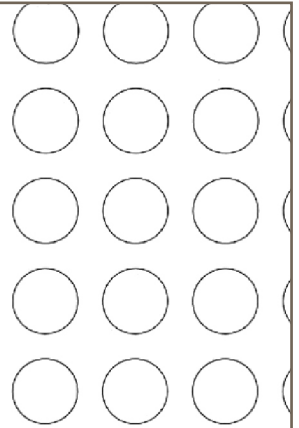


First for Regional Business

# Business Relocation Guide

The degree of success achieved by a relocated business is directly related to the quality and extent of the prior groundwork which is committed to the process of site selection. The following checklist covers some of the items that need to be taken into account by a firm contemplating relocation:

1. Develop a site selection brief which allows matching of your business's essential and preferred location criteria against individual location options. This should include such criteria as proximity to raw materials, market access, transport, availability of skilled labour, energy specifications. *Allow adequate time to investigate all potential sites in a chosen location.*
2. Compare various locations for quality of life factors and general amenity including education facilities, recreation facilities and quality, availability and cost of housing. *These factors are important in attracting and retaining skilled employees.*
3. Make key cost comparisons between different locations, such as site costs, building costs or factory lease costs, energy costs, freight costs, etc. *Caution should be exercised against being concerned purely with initial land and building costs at the expense of considering recurrent costs at the location.*
4. Ensure that sites have safe vehicular access and that there is sufficient space for on-site parking to meet your business's needs.
5. Ensure that all services required are available for connection to the site and are adequate for immediate and future demands (electricity, water, gas, communications, waste disposal). *Infrastructure upgrade or modification costs for these services as well as recurrent costs should be ascertained as part of the site selection process.*
6. If business will benefit from high public visibility, consider sites which are in a prominent position from major roads and highways.
7. Where possible, speak to firms which have already relocated to your preferred location(s) to draw upon their experience of relocation.
8. Ascertain the nature and scope of all local council charges, contributions towards infrastructure maintenance and requirements such as an Environmental Impact Statement prior to making a final site selection. Waste treatment, zoning and environmental issues and regulations for specific sites should be investigated and taken into account in the site selection process.
9. Ascertain that there are adequate numbers of suitable employees living within a practical traveling distance from the preferred location or site. *Discuss with the manager of the local employment agency the likely level of available employees.*
10. Make an assessment of whether local housing costs are compatible with salary levels of prospective or relocated employees. *The needs and financial situation of employees who may be relocated should be factored into site decision making.*



11. Ascertain the availability and cost of management, technical and scientific expertise required by your business in the area to which you are considering relocation. *Access to research and development facilities and/or universities will be a critical consideration for some types of businesses.*
12. Assess prospective locations with respect to key transport needs for product distribution or personnel transport eg frequency and cost of airport services, road and rail access, travel times and freight costs, port and waterway facilities and costs, etc.
13. Ascertain accessibility to suppliers of materials (or other inputs) and/or services for locations being considered. *The NSW Industrial Supplies Office may be of value in providing advice to relocating firms on local industry capability (telephone number (02) 9819 7200).*
14. Ascertain the adequacy and cost of telecommunications infrastructure to support the business's communications and information technology needs.
15. If applicable, assess the availability of local business networks which can assist your business collaborate with other firms to attain the scale necessary to compete for export orders or large domestic contracts.
16. Seek advice on local community and council attitudes to your business activity. Where a development approval is required to be submitted, early discussions with the local council is highly recommended. *Many successfully relocated businesses have identified significant cost reductions in establishing at a new site where projects are guided through the development approval process by a pro-active council or local economic development agency.*
17. Assess the availability of business services to support your firm's growth at the location being considered.
18. Contact the Business Licence Information Service (BLIS) of the NSW Department of Fair Trading to ascertain requirements for State and Federal Government permits and licences which may be required to operate your business from new premises.
19. Organise a familiarization program for key employees and their families to the preferred location to optimise the chances of these employees being retained by the business.
20. Project manage the relocation in the same professional manner as would be applied to managing a key account. Develop a relocation plan which assigns responsibilities to staff members for all aspects of the move including quotes for transport of equipment, decommissioning and recommissioning of plant, insurance, security, changing of contact details on company literature and stationery, staff orientation, etc. Importantly, put in place contingency plans to allow for down-time at the new location.

The Department of State and Regional Development through its network of 18 offices across the regions of NSW can provide local information, advice and contacts which can help businesses gather the essential data to select potential sites for relocation. Contact should be made with the Department's Client Manager at the relevant regional office or offices to receive advice on programs and services available to firms contemplating relocation to regional NSW.

<b>Albury</b>	<b>(02) 6041 4808</b>
<b>Armidale</b>	<b>(02) 6771 3284</b>
<b>Ballina</b>	<b>(02) 6686 3008</b>
<b>Bathurst</b>	<b>(02) 6332 6837</b>
<b>Broken Hill</b>	<b>(08) 8087 8033</b>
<b>Coffs Harbour</b>	<b>(02) 6658 0351</b>
<b>Dubbo</b>	<b>(02) 6884 2611</b>
<b>Gosford</b>	<b>(02) 4324 2300</b>
<b>Goulburn</b>	<b>(02) 4821 8000</b>
<b>Grafton</b>	<b>(02) 6642 6511</b>
<b>Newcastle</b>	<b>(02) 4929 7122</b>
<b>Orange</b>	<b>(02) 6361 2444</b>
<b>Parramatta</b>	<b>(02) 9890 9066</b>
<b>Port Macquarie</b>	<b>(02) 6583 5647</b>
<b>Sydney</b>	<b>(02) 9338 6719</b>
<b>Tamworth</b>	<b>(02) 6766 1360</b>
<b>Tweed Heads</b>	<b>(07) 5524 3892</b>
<b>Wagga Wagga</b>	<b>(02) 6921 6422</b>
<b>Wollongong</b>	<b>(02) 4225 9055</b>

## appendix 4

### sample business enquiry form

<b>Name of business:</b>	
<b>Description of business:</b>	
<b>Industry sector:</b>	
<b>Size of land:</b>	
<b>Size of building:</b>	
<b>Type of building:</b>	
<b>Buy or lease?:</b>	
<b>Price range:</b>	
<b>Zoning / environmental considerations:</b>	
<b>Office space:</b>	
<b>Transport access:</b>	
<b>Power requirements:</b>	
<b>Water requirements:</b>	
<b>Gas requirements:</b>	
<b>Number of employees:</b>	
<b>Finance required:</b>	
<b>Broadband internet required?:</b>	
<b>Property required:</b>	
<b>Preferred location:</b>	
<b>Toilet/kitchen:</b>	
<b>Waste:</b>	
<b>Contact details:</b>	
<b>Other notes:</b>	

## appendix 5

### ten tips for creating a great economic development website

*By Chris Ryan, Economic Development Manager, Greater Taree Shire Council. Published in 'Economic Development: The quarterly journal of Economic Development Australia, Vol 1, Summer 2007*

#### 1. DETERMINE YOUR OBJECTIVE AND TARGET MARKET

To give visitors 'everything they need' when they visit your website, make it a 'whole of community' website – not just a 'council website' or 'tourism website' or 'economic development' website. Work out what sort of people will be visiting the site and what information they'd like to get. You'll have to work hard to 'win' the support from all involved but it'll be worth it in the long run.

#### 2. DEVELOP YOUR SPECIFICATIONS

Write a brief followed by a contract or specification so that you crystallise exactly what it is you want from your developer and vice-versa.

#### 3. DETERMINE WHAT CONTENT MANAGEMENT SYSTEM YOU NEED AND GET IT INSTALLED

In this day and age, you need a Content Management System (CMS) – it's as simple as that. This means that you and your team can quickly, easily and cheaply manage content without having to contact a web designer. This means you should be able to add, edit and delete entire pages or content within websites and that your menu system updates automatically when this occurs.

We use a product called WebComm supplied to us by a company called AusSoft (see [www.aussoft.com.au](http://www.aussoft.com.au)). Get a good designer so your site looks good and is easy to use. If the people providing your Content Management System (CMS) aren't good at designing, get someone else to do the templates. But make sure your IT department is on-side and that this system is compatible with any other IT-related hardware or software you may have!

When designing your site, look at hundreds of others. Pinch other people's ideas and then find a way to implement their good ideas in your site. (Don't pinch my ideas though!)

#### 4. ASSEMBLE YOUR TEAM AND TRAIN THEM

You can't do it all by yourself. Empower your people at council, from within the community, the local Chamber of Commerce or Business Enterprise Centre and get them to add and manage content as well. We trained approximately 50 people across every department within council (and a few random externals) so that they could manage their own information.

#### 5. DEVELOP THE HIERACHICAL STRUCTURE

Work out where everything goes and in what order. You need to work out the main headings, sub-headings, sub-sub headings etc. and to be consistent! Try not to fall into the trap of allocating 'headings' consistent with your departmental structure. Think about it from the users point of view, ie where would the average Joe look for information? As they may not know your departmental structure, write it up and get everyone to agree on it.

#### 6. GET GOOD IMAGERY

A picture tells a thousand words so make sure you have heaps of good imagery to put on your site so people get a really good 'feel' for your area.

## 7. CONSIDER THIRD PARTY ADDITIONS

### COMMUNITY, DEMOGRAPHIC AND ECONOMIC PROFILES

No one will invest in your area without fully understanding your community, demographic and economic profile, so you need to have this information at your fingertips. We use a company called Informed Decisions ([www.id.com.au](http://www.id.com.au)) who can do all of this at a relatively affordable price. By making an investment like this, you'll find that you save a great deal of time down the track.

### CONSIDER A SKILLS MATCHING DATABASE

If your area suffers from a skills shortage, consider installing a skills matching database that matches up skilled people with local employers through an automated email system. We developed our own which has listed more than 1000 skilled people on it since it was launched around 12 months ago (see [www.tellusyourskills.com.au](http://www.tellusyourskills.com.au)). We offer this package for sale to other councils/organisations and can install this package on your website for just \$3000 + GST which is a fraction of what the cost has been to develop it.

### FORM A SYNDICATION PARTNERSHIP WITH STATE AND FEDERAL GOVERNMENT AGENCIES

You can extract data from dozens of state and federal government agencies daily and display the information on your website as if it was your own. Information such as how to start a business, taxation issues, employment legislation etc. can be made available for free! (See [www.business.gov.au](http://www.business.gov.au) and click on 'content syndication' on the right.)

### INSTALL YELLOW PAGES ON YOUR SITE

You can get Yellow Pages installed on your site which is much cheaper and easier to maintain than if you were to develop your own business database. Get a tourism accommodation booking engine installed. Your visitors will love it if they can make accommodation bookings in real-time when they visit your site. There are a number of engines available that work similarly to wotif.com (try [www.bookeasy.com.au](http://www.bookeasy.com.au)).

## 8. ADD THE CONTENT AT 100mph!

Get your team cracking and get the content in. In the early stages, make sure you have some sort of moderation process in place so that you can check the quality of the work.

Consider adding a page specifically designed to attract people and businesses to your area. We have a page called 'Relocate here' which

summarises all the types of advice and assistance we have on offer, with links to the relevant pages. People wanting to invest in your area or to relocate, also need to bring their families so they need to know about schools for their kids, where to find a home, how to link with community and business organisations etc, so make sure all of that information is available. Register with heaps of search engines and ensure that you add meta data keywords etc. so that they can find you.

## 9. PROMOTE YOUR SITE

Develop a media campaign to promote your site. Locals will need to know about it. Try to get other sites to link to yours as this will increase your visibility on other search engines.

## 10. REVIEW AND UPDATE – STAY ON TOP OF THE GAME

Constantly check and re-check your site to ensure that the content on is still relevant and not out of date. Adding new content all the time will drive visitors back to your site time and again. Keep an eye on your 'hit count' and monitor it over time to see what changes occur. This will help you further develop your site as you'll know what works.

## appendix 6

### wakool shire business development incentive policy

#### OBJECTIVES

The Wakool Shires Business Development Incentive Policy is an element of the Wakool Shire Council's approach to encouraging business investment and economic development for the district so as to strengthen the local economy, improve employment and thereby improve overall quality of life for the residents of the Shire.

#### SPECIFIC GOALS OF THE POLICY

1. To encourage the development of suitable business enterprises within the Shire involving the attraction and establishment of new businesses and the expansion of existing businesses.
2. To offer incentives to new or expanding business in the form of rate concessions and/or deferment of payment of rates and/or development charges of Council.
3. To establish a budget allocation for funding of subsidies and mechanisms for close monitoring to ensure the objectives of the policy are being met.

#### FOCUS OF INCENTIVES

The categories of development that qualify for consideration under Council's Business Incentives Policy are as follows:

- new and expanding commercial developments. (see note 1)
- new and expanding industrial developments. (see note 1)
- new and expanding tourist businesses including tourist accommodation (see note 1.)
- provision of additional accommodation for the elderly. (to qualify under this provision development must meet the criteria of housing for the aged under State Environmental Planning Policy No 5.)

**Note 1.** The policy does not apply to a change of use of an existing business unless there is an expansion in employment and/or economic activity beyond the former use, in which case the policy applies to the extent of the increase.

**Note 2.** The policy does not apply to residential or rural residential subdivision nor for the development of residential accommodation including detached dwelling houses and other multi housing.

The explanation as to why these categories of development do not qualify for subsidy is as follows:

- Each subsidy provided to development is a charge against Council's resources and is ultimately funded by the ratepayer. As such, Council wishes to maximise the return on investment for incentives and this can be best achieved by directing subsidies to projects that both stimulate additional economic activity and create permanent jobs.
- Council is mindful that if new and expanding opportunities are occurring within the Shire, then this activity will encourage migration of further residents which in turn will naturally stimulate the housing sector of the economy.
- The application of incentives is to be performance based. That is developers who not only submit ideas but who are prepared to transfer these into successful working developments on the ground should be the beneficiaries of Council subsidy or other assistance. Quite a number of development concepts are approved by Council but never proceed to construction and implementation stage. The community only really receives benefits from development when it is implemented and therefore subsidies should target this phase of process.

#### APPLICATION OF INCENTIVES

Two areas of incentive are offered under this policy:

- (a) Deferred payment of rates
- (b) Postponement of Payment of Developer Charges (section 94 charges and Water/Sewer Headwork's charges).

**COMMENCEMENT BONUS**

The incentive implies the deferment of rates for 12 months and or waiving of that first 12 months rates if in that period, there is substantial commencement of the project in accordance with the consent granted by Council at the start of the rate deferment period.

In other words, if a developer receives consent for a qualifying project he/she is entitled to apply for a 12 months postponement of rate payments as of the date of consent and should the development construction be substantially commenced within the 12 month period, then rates for this first year shall be waived.

Normal rate charges will then apply from the second year on in accordance with the normal quarterly payment requirements under the Local Government Act.

**POSTPONED APPLICATION OF DEVELOPER CHARGES**

Most commercial and business developments attract some developer charges under section 94 of the Environmental Planning and Assessment Act or headwork's policies to address the impact of the developments on Council's services and infrastructure.

Under the terms of this policy, qualifying development is not liable for payment of the required Section 94 or headwork's charges until the approved business activity has been operational for 24 months. At this time the full charges are payable without interest.

The purpose of this incentive is to allow an establishing business a period of time in which to consolidate rather than face the additional burden of payment of developer charges before the business commences.

**SITE WORKS**

Depending on the type of facility, the Council may provide assistance in carrying out earthworks on industrial land.

**CRITERIA**

All initial discussions will be treated as commercial in confidence. Projects will be considered on their merits; they will be assessed using the following criteria and the incentive program will not be made retrospective.

**ASSESSMENT**

The General Manager, with the assistance of the Economic Development Officer (EDO) and Councillors, will make assessments on a case by case basis. This group may need to interview the applicant business representative in order to clarify or enhance information provided. Financial resources of the applicant firm and the background of their location, establishment or expansion will also be taken into account.

The final approval for any assistance will remain with the Wakool Shire Council.

**INVESTMENT FACILITATION**

The Wakool Economic Development Officer/ General Manager can undertake to facilitate all applications with the firm, minimizing any potential delays associated with such applications.

Facilitation to government department funding organisations on behalf of the applicant will be carried out by the Economic Development Officer.

**APPLICATION PROCEDURE**

Firms, applying under this program should outline their proposal and case for assistance, specifying the areas/incentives of most significance, estimates of project costs, income sources and demonstration of past business success should be provided on request by the Shire.

**PERFORMANCE MONITORING**

Information provided by businesses applying under the Wakool Shire Business Development Incentive program will be used to determine conditions associated with offering an incentive. This will include commencement dates, employment targets and extent of works.

Incentives offered will need the applicant's formal acceptance of set conditions and any non conformance could result in removal/withdrawal of assistance.

Upon acceptance of an offer, the firm agrees to allow the delegate of the Council to undertake ongoing monitoring of the impact such incentives provide.

## appendix 7

### acknowledgements

I & I NSW wishes to thank the following for their assistance in developing this module.

**Sean Constable**, Upper Hunter Shire Council

**Mike Foster**, Cowra Shire Council

**Don Gray**, Singleton Shire Council

**Kerren Law**, Clarence Valley Shire Council

**Wayne Lowe**, Nambucca Shire Council

**Geoff Marshall**, Gloucester Shire Council

**Mike Massey**, Oberon Shire Council

**Leo McMaster**, Wakool Shire Council

**Kavita Payall**, Cessnock City Council

**Chris Ryan**, Greater Taree Shire Council