

Cooma-Monaro Growth Strategy

Industry and Industrial Land Audit Consultancy Report

funded by
Cooma-Monaro Shire Council
in partnership with
NSW Government
Department of State and Regional Development
through the
NSW Government Developing Regional Resources Program

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Executive Summary

Audit of Industry and Industrial Land Project

This project is just one small part of the Cooma-Monaro Growth Strategy program. The program and its other projects approved to-date are explained in the Background Section. The Methodology and Project Plan section explains how the project was implemented.

The main aim of the project was to identify industry that does not exist in the Shire that could translate to potential business opportunities. This was done by reviewing existing local industry, considering the gaps for potential opportunities and gaining an understanding of the availability of industrial land to pursue such opportunities. Sections on Existing Business, Business Opportunities and Available Industrial Land provide this information.

It is considered more acceptable to confine small-scale industrial development within the industrial estate and industrially zoned land (4) areas. Should there be potential large-scale industrial developments under current Local Environmental Plans with some changes, there are other areas that could be used for certain types of “industrial” businesses.

Polo Flat industrial estate has available land for immediate industrial development needs. The acceptability, attractiveness and the availability of necessary infrastructure on specific land in the estate in its current state is questionable. This is a major issue that has been discussed for many years culminating in a Polo Flat Master Plan created in 1998. This needs to be reviewed and agreements made between Council and Polo Flat land owners and businesses of priority needs to enhance the estate to enable it to be promoted as an acceptable industrial estate.

Whilst not shown as a major concern by the majority of business survey respondents, there is anecdotal evidence that would suggest new business set-up or relocation has been lost to the Shire due to perceived delays and complications in the development consent process. This is reviewed in greater detail in the section Planning and Development Consent and Barriers. It also includes an overview of the structure of planning policy and the suggestion for a Development Application benchmarking process.

An initiative to enable easy ongoing access to accurate information on industrial land and building availability, could be a web-based mapping system integrated with current local real estate agent information. It could also become a local real estate promotion tool.

The business survey sample represents approximately 12% of businesses in the Shire. It provides additional information, over and above that intended for this project. The survey data and some analysis is provided in the Business Survey Section. There is the ability to do further comparative analysis with survey data created from a 1999 Business Retention and Expansion Project conducted by the Snowy-Monaro Business Enterprise Centre.

The business opportunities identified will require considerably more work to investigate and if feasible develop them. This is obviously an economic development role that also needs to be supported by an ongoing business and council industry development forum.

It is recommended that before any major industry development activity is pursued to attract new business, local community expectations are identified in terms of what Cooma-Monaro Shire should look like in the future and how the business / industry profile will match this community vision. This can be done within the strategic planning process that is to be undertaken by Council in the next three years.

Background

Country Centre Growth Strategy

This NSW Government initiative is designed to help selected regional communities optimise their economic growth and development through a coordinated approach for overcoming specific local impediments to economic growth and supporting local development initiatives.

Cooma-Monaro Shire was selected as one of 14 growth centres in 2002.

Cooma-Monaro Growth Strategy

Monday 25 November 2002 saw the establishment and first meeting of the Country Centres Growth Strategy Steering Committee for Cooma. Committee members included representatives from Cooma-Monaro Shire Council, Cooma Unlimited Chamber of Commerce and Industry (CUCCI), NSW Department of State and Regional Development (DSRD) and the Snowy-Monaro Business Enterprise Centre (BEC).

In March 2003, four initial projects were identified:

Audit of Heritage Sites within the Shire,

Update of Council's Prospectus, Business Executive Summary Brochure and Website,
Strategic Plans for Cooma, Bredbo, Nimmitabel and Numeralla Mainstreets,

Audit of Industry and Industrial Land within the Shire.

Applications were prepared, revised, submitted and reviewed over the next 16 months and funding gained under various DSRD programs.

Audit of Industry and Industrial Land Project

This project was funded under DSRD's Developing Regional Resources Program.

The BEC was engaged to provide the consultancy services for this project and it commenced in March 2004. Completion was intended for August 2004 but was delayed due to issues relating to the future of the BEC that interrupted the project for over four months. The consultancy report was completed in November 2004.

The aim of the project was:

To identify industry, which does not exist within the Shire, identify vacant land suitable for industrial use to encourage new industry to the Shire and to progress sustainable industry development within the Shire.

Anticipated outcomes were:

Identification of current businesses and their activities

Identification of any business opportunities or gaps in industry within the Shire

Identification of available serviced and un-serviced land

Create potential employment opportunities

To develop strategy to rectify gaps in industry within the Shire

A small sub-group of the Cooma-Monaro Country Centres Growth Strategy Steering Committee was created to provide guidance to the BEC on various aspects of the project.

Methodology and Project Plan

Methodology

A project plan was developed by the consultant and accepted as part of the original submission for the consultancy work. The main project activities are detailed below.

Current business activities were identified from ABS statistics and more detail was gained through a business survey process.

Business opportunity information was gained through the survey process with local business people given the opportunity to comment on possible opportunities. It was intended that “gaps in local industry “ could be identified through the survey process by gaining a better understanding of business inputs and outputs and therefore the potential to identify unsupplied gaps. This process of identifying industry gaps was not as successful as we felt it would be.

The “available serviced and un-serviced industrial land” was identified through the business survey, especially in the Polo Flat industrial area, Polo Flat site visits, discussions with Council planning staff and local real estate agents.

The identification of opportunities will eventually create the potential for employment opportunities.

The business survey was designed by the consultant and reviewed by the project subgroup. Resources such as the previous Polo Flat Gas Usage Survey and the Cooma Business Retention and Expansion Program (BREP) survey were used as well as the survey in a similar project in Queanbeyan. Using a similar format to the BREP survey will allow some later comparative analysis.

The full report needs to be presented to the various stakeholders at a future meeting, when the outcomes can be debated and then become the basis of an industrial development plan for Cooma-Monaro Shire

Project Plan Activities and Outcomes

Launch and Local Media Campaign

The project was initially promoted during the survey release and there was further media coverage to advise some of the initial results. Media coverage included two articles in the Cooma-Monaro Express and several news items and four radio interviews with ABC radio and Radio 2 XL. It is expected that Council will agree to further media coverage to publicise the report outcomes and a suggested public meeting presentation of the report.

Industrial / Commercial Land Availability

Discussions were held with Real Estate Agents to gain information on available industrial land, general enquiry rate, client perceptions of Polo Flat industrial estate, perceived barriers to development and industry development possibilities

The consultant spoke with Council’s Planning Manager to understand zoning for industrial / commercial land.

Face-to-face business interviews in Polo Flat industrial estate gained further information on land availability and enabled the sighting of available industrial property / land on the estate.

Requirements for Development of Industrial / Commercial Land

Discussions with Council Planning Manager and Real Estate Agents enabled a better understanding of the development process for industrial / commercial development and requirements / issues from both a planning and development perspective.

Survey of Target Businesses (Industrial and Selected Commercial Businesses)

The final survey format was agreed with the project sub-group. The survey work was done in two parts. Initially the survey was sent through Australian Post to 602 (79%) of the estimated 760 businesses in the Cooma-Monaro Shire postal codes of 2630 and 2631. There were 59 respondents (10%). This is considered a good outcome for a mail out response.

An additional 30 (55%) face-to-face interview of the estimated 55 businesses within the Polo Flat industrial estate were conducted. The same survey form was used. There are several multiple businesses in the industrial area operating from one site i.e. several business units or business names under the one business ownership.

We wanted to attract responses from a high percentage of “light industrial” business sectors of construction, engineering, transport, fabrication and manufacturing industry to enable us to assess industrial product service gap opportunities. This was mostly achieved by the later face-to-face surveys at Polo Flat industrial area. We unfortunately only gained 4% of all our survey respondents (mailing and face-to-face) from construction services but gained over 40% in total for our category of “light industrial” business sectors.

In total we had a sample of 89 completed surveys. This is 12% of the estimated overall total of 760 businesses in Cooma-Monaro Shire as calculated from the Cooma Call and technology Centre’s Business database.

Meetings of Industrial / Commercial businesses

We did not consider it necessary to hold public meetings of industrial and commercial businesses in Polo Flat and other village / town locations to promote the survey or gain further input until this report was completed. It is recommended that a post project public meeting be held as suggested below.

Consolidation and Presentation of Survey Results including a Development Workshop

With the analysis of the survey results and the report completed, the next step would be to make one report presentation in a public forum, possibly at the Council Chamber, to representatives of Council, Program Committee, Survey Repliers, DSRD and other relevant Stakeholders.

The meeting should also include a short workshop to gain further views on industry / commercial business gaps, issues with available land, issues with current development process, industrial / commercial business opportunities and ideas to market Cooma as an industry / commercial business location. This should be held in early December or late January.

Final Report

The outcomes from the Development Workshop would be added to this report as a final report.

Existing Business and Industry

There are approximately 760 businesses in the Cooma-Monaro Shire. Within the next few months with the update of the Cooma Call Centre business database we should be able to categorise them into industry groups and compare them to the employment figures below..

Australian Bureau of Statistics 2001 Census figures identify the major industries in Cooma-Monaro Shire through employment participation. The following shows the breakdown of industry by percentage of employment and compared against the South East and NSW

<i>Industry</i>	<i>Cooma-Monaro Shire</i>	<i>South East</i>	<i>NSW</i>
Retail	18%	15%	15%
Agriculture	10%	10%	3%
Property and Business Services	10%	9%	12%
Health and Community Services	9%	9%	10%
Education Services	7%	6%	7%
Accommodation	6%	9%	5%
Construction	6%	7%	7%
Government and Defence	6%	8%	4%
Manufacturing	5%	7%	12%
Utilities	5%	1%	1%
Wholesale	3%	3%	5%
Personal Services	4%	3%	4%
Culture and Recreation	2%	4%	5%
Finance and Insurance Services	2%	3%	5%
Community Services	2%	3%	2%
Mining	0%	1%	2%
Other	5%	2%	1%

For a small rural local government area, Cooma-Monaro has a diverse mix of business and industry services. Its main town Cooma reflects its regional service town status. Cooma and its region's main industries are agriculture, tourism (made up in part by retail, accommodation and cultural services) and government / community services (with major contribution from the Defence Call Centre, Correctional Services, Local Government and community-based organisations). Utilities are proportionally higher in comparison with the South East and NSW due to the Snowy Hydro having its headquarters in Cooma.

Cooma has good retail and service industries to support it as a rural regional service town. Retail in Cooma-Monaro is a higher proportion than for the South East and NSW due to the impact of its major industries, especially tourism. Whilst it may currently not have a wide variety of speciality shops, these will grow with an expansion of the Snowy-Monaro region's population and increases in tourism. The business survey highlighted the issues related to having only one major supermarket chain. There appears to be considerable support for the establishment of a store of a second major supermarket chain.

The banking sector in Cooma has been retained with all major financial institutions represented. There is adequate professional business support and services in the legal and accounting services, even though anecdotal evidence would suggest a number of businesses use professional support services external to the area.

Recent closure of the region's community-based business advisory service has reduced the capacity to support the growth of existing business and industry in the region.

Whilst local rural communities will always want more community services, Cooma for a small country town has a range of community support services through government and community enterprises. This is reflected in the positive ratings in the business survey on the Shire's community services including health, education, recreation, cultural and community support services. There are concerns of the shift to centralisation of the management of government services by State Government into larger regional towns such as Queanbeyan.

The local construction industry supports over 20 building contractors based in Cooma-Monaro Shire supported by over 30 specialist trade subcontractors. These businesses work across the Snowy-Monaro region and the industry over doubles in size when the construction industry in Bombala and Snowy River Shires are added. A small number of the local construction businesses service the South Coast and Canberra / Queanbeyan markets with contractors from those areas also competing to service our local area.

There is currently ongoing residential and commercial building plus considerable renovation work in the region that supports the local construction industry. The business survey showed that 75% of the construction and related industry respondents were utilising their plant and equipment to 100% capacity.

The region does not have heavy industry but has a diversity of small light industry mostly operating from the Polo Flat industrial estate, which has approximately 55 businesses. The Shire's small manufacturers and processors (including some retailers), as shown in the survey responses, produce a variety of products. They included herbal tonics, rabbit food, spun yarn, winery equipment, organic foodstuffs, sauces / biscuits, kit homes, verno-castings, energy storage products, moulded frames, kitchen / office furniture, cattle handling equipment, hydraulic hoses, ski industry support products and electronic control systems.

The business surveys showed a mix of transport and support industry for a small regional town that could provide the basis for an expanded transport, storage and distribution industry. 25% of the transport sector surveyed had less than 75% utilisation of their plant and equipment. The fabrication and engineering businesses surveyed showed they provided a diverse range of specialist products both manufactured and serviced with 40% of them having less than 75% utilisation of their plant and equipment. The survey highlighted a developing recycling industry.

Within the business survey responses there were several speciality services including vehicle restoration, disabled flying school, pest control, internet wool brokerage, wool blending and computer software development. Other unique business and personal services included specialist software, hypnotherapy, acrylic nail and solarium services.

There were concerns that whilst we need to look for new industry, we must maintain and expand our existing businesses. The Business Survey identified that 62% of respondents were going to grow their businesses and 68% had some spare plant and equipment capacity

Major existing organisations such as SMEC, Snowy Hydro, Monbeef, Cooma Correctional Centre and the Defence Call Centre were seen as priorities to be maintained in Cooma. Local community enterprises such as the Cooma Call and Technology Centre, Raglan Gallery and Cultural Centre and Cooma Challenge Ltd that have the potential to increase employment and economic benefit to the Shire must also be maintained and expanded.

Business Opportunities

Creating Opportunity

Communities determine what opportunities they “want” by their available infrastructure, culture and support. Opportunities are created by entrepreneurs (opportunity seekers who create value). Opportunities can be social, environmental or economic but must have some form of ongoing economic value or return if they are to be sustainable. Opportunities can be pursued by government, community and the private sector.

Communities assist opportunity creation by ensuring the necessary infrastructure, culture and support is available within the community that is conducive with the creation of the “wanted” opportunities. They then promote their infrastructure, culture and support to attract opportunity or develop existing internal opportunity.

Business Input and Output Gap Opportunities in Cooma-Monaro

The Business Survey provided little information on potential opportunities from gaps identified in the analysis of business inputs and outputs. 43% of business inputs were sourced locally with only 25% sourced from outside NSW. However for those who have tried to source locally, where it was available, price was a major factor for not purchasing locally.

In the main, the gaps were for major raw material such as steel, spare parts and specific retail stock. It is likely though that there would be insufficient local demand or local infrastructure to support certain industries to move to Cooma to service these industry gaps in the immediate future.

Suggested “New” Business Opportunities

There were a range of business opportunity suggested by survey respondents. These suggestions covered a wide range of industries both commercial as well as industrial. Some will be worthwhile pursuing, whilst others may neither be wanted by the community or be feasible for investment in the short term.

Suggestions included:

Retail - supermarket, department store and specialist shops

Manufacturing / Assembly / Service - car manufacturing, boat building, coach building, airframe construction, aircraft maintenance, skip bin / recycling product, communications equipment assembly and saw mill

Recreational / Cultural / Tourism / Community Services - indoor pool, all weather sport facilities, ten-pin bowling, mens’ refuge, museums, nightclubs, motor sports track aircraft school and entertainment

Rural Added Value - wool scour, fibre processing, water / drought related industries, equipment testing, manufacture and rural equipment assembly

Tertiary Education Institutions - expansion of Cooma TAFE and specialist trade schools

Government Departments and Agencies - an army rifle range and training camp.

Distribution / Transportation / Storage - car manufacturer storage, large multi-national company storage and distribution centres.

Professional / Consultants especially intellectual, computer related and IT based business

High Temperature Incinerator

Radio Telescope Observatory

Nuclear Power Station

Suggested “Competitive” Business Opportunities

The following additional suggestions appeared to be made to make the existing market place more competitive and targeted specific businesses. They included an additional Internet Service Provider, Security Group, Builders, Fencing Contractor, Nurseries, Medical / Dental, Glazier, Hardware, Toyota Dealership and Optical

Larger, Labour-Intensive, Special Need, Technology and Lifestyle Businesses

It was suggested in the business survey, we should focus on attracting larger business, businesses that are labour intensive to increase population, and businesses that assist employment of school leavers and mature aged workers. Whilst one respondent suggested the promotion of clean / healthy / lifestyle industries, another suggested we attract dirty / noisy industries that need space.

Providing the infrastructure was available, i.e broadband communications, lifestyle “city escapee” small businesses that operate technology-based business could be encouraged to resettle in home-based environments within our existing villages or their immediate borders.

Cooma-Monaro a Good Place from which to do Business - but we Need to do More

97% of businesses surveyed were positive in their opinion of Cooma-Monaro as a place to conduct business. The main reasons put forward for this opinion were life-style, location, some form of market advantage and local support.

Several respondents highlighted the need for Council to provide the leadership in encouraging new business start-up by creating a business incentive package (rate, land price, development, finance incentives), more tourist facilities, a quicker planning process and major improvements to the Polo Flat Industrial Area. Whilst only 32% of respondents had a positive assessment of Council only 4% saw Council as a disadvantage to doing business in Cooma. Polo Flat and light industrial respondents were more positive of Council.

Before any major industry development activity is progressed, the community needs to have a clear vision of its social, economic and environmental expectations into which an industry development plan is integrated. Before any major investment is made on promoting Cooma as a place for industrial development, the necessary infrastructure is needed and a supportive community culture.

Council’s strategic planning process aligned to changes to the development tools such as LEP, DCP etc should go a long way to putting the vision in place over the next three years.

Available Industrial Land

Small Scale Industrial Development

There appears to be adequate industrial land available for small-scale industrial development in the Polo Flat industrial estate. 75 serviced and un-serviced sites were identified in Polo Flat. Whilst the majority were being utilised, five sites were available for sale, four sites available for lease and 8 sites appeared to be vacant.

Several existing blocks could be sub-divided into smaller industrial / commercial blocks and several other areas within the zone 4 industrial classification are as yet undeveloped. Only 4 of the existing Polo Flat light industrial survey respondents required additional land for projected expansion. There appears therefore sufficient land available for new small-scale industrial business opportunities.

Large Scale Industrial Development

Large-scale industrial developments may create some issues in relation to suitable land. It would depend on the size of the development, noise, smell, infrastructure requirements, appropriateness of closeness to townships etc. In this situation there may not be the available designated industrial land.

Identifying Available Industrial and Commercial Land – a Mapping System

It is possible for Council to accurately identify through its planning mapping system all blocks of land. A further system in most cases can identify the services available on a block.. Utilising these systems or something similar and with cooperation of local real estate agents, a web-based commercial / industrial land availability site could be created. There may need to have software licensing arrangements and privacy issues addressed.

Industrial Land Pricing

There is considerable variation in pricing of industrial land. Recent sales and offers show a range from \$18,500 per acre to \$9,000 per acre. Smaller fully serviced land blocks are around \$45 per M2 but this can vary widely dependent on various factors regarding the site and the interest to purchase.

The enquiry rate for industrial land is low, especially when compared with commercial enquires, which have steadily increased in the past five years. Main street retail real estate has continual on-going demand.

The variation in pricing of land would appear to reflect:

- a) the limited demand for sites
- b) no established price structure due to irregularity of industrial land sales

Most light industrial businesses from the survey information appear to want to own their own land, which may be due to equity, business value, capital and provision for retirement.

Whilst buildings on Polo Flat Industrial Estate were not audited, our information suggests that there is also available space within some existing buildings and sheds. 14% of the Polo Flat business survey respondents saw a need to increase their building size.

Promoting Polo Flat Industrial Estate

The following issues highlighted in the survey are not insurmountable. It is to the advantage of both Council and Polo Flat landowners and businesses to work together to improve the industrial estate and thereby gain the benefit of better facilities for the town. With site improvements, businesses and land values would be increased with the Local Government Act protecting against any major rate rises (rate pegging).

Issues Raised

The business survey raised the following issues about Polo Flat:

- not seen as integrated into town business area - perceived distance / travel time to town.
- perceived as untidy and bad image - does not present well for retail “industrial” customers
- needs full infrastructure updates (communications, drainage, sewerage etc.)
- road curbing and guttering, especially on main route
- heavy vehicle access into all areas of industrial estate
- perceived costs and complexity of development process when improving sites

Priority Strategies Suggested

The suggestions to overcome the issues are not dissimilar to the 1998 Master Plan recommendations:

- beautification Plan for Polo Flat including Council and Landowner actions
- infrastructure Development Plan for Polo Flat
- promotion Plan for Polo Flat both internally to the community to create a better image and externally to attract new opportunities (once beautification and infrastructure plans are underway)

With an increased sense of pride by Polo Flat land owners in the estate and infrastructure improvements, the Fyshwick Experience of mixed commercial and industrial businesses is possible.

Planning and Development Consent

1993 planning changes, introduced two elements to planning control and consent and various planning instruments

1 *Local Environmental Plan (LEP)*

There are currently three LEPS relevant to Cooma-Monaro Shire.

Cooma-Monaro LEP 1993 (Urban)

Cooma-Monaro LEP 1993 (Rural)

LEP created by the dissolved Yarralumla Shire covering the amalgamated areas adjacent to and inclusive of Michealago up to the Australian Capital Territory border.

The Council is required to integrate these LEPS by 2007. Currently only Cooma-Monaro LEP 1993 (Urban) affects Polo Flat Industrial Area

The aims of the LEPS was to simplify planning policy/controls, encourage development, maintain and conserve the environment and heritage of the area

The Cooma-Monaro Urban LEP incorporated five planning zones.

- 1 (c) Rural-Urban Fringe
- 2 Urban
- 3 (a) Business
- 4 Industrial
- 7 (d) Environment Protection (Scenic)

There is certain flexibility within some zones, which makes the objectives of each zone open to interpretation. This means that were development consent is required for a business purpose, which is specified in the LEP, the development application needs to clearly explain the activities of the business and perceived consequences and impacts of undertaking those activities at a specific site within a zone.

In allowing elements of flexibility, to ensure that the community was adequately protected from “inappropriate” developments, Council saw a need to involve its community in the development decision-making process. This can introduce into the process considerable delays if significant objections are received. All objectors can request to be heard by Council at a Council meeting.

This flexibility by its nature introduces uncertainty into the process for applicants. The uncertainty can be reduced by applicants providing comprehensive applications that deal with any possible objections or contraventions to development “rules”

There is considerable legislation and government department “rules”, that complicate development processes, especially State Government. These have to be met to gain planning consent e.g. RTA, Protection of Environment Act etc.

2 *Development Control Plan (DCP)*

The DCP is simply a visual mapped representation for development areas of the town. These may be amended following suitable public consultation and evaluation providing they still comply with the prevailing LEP.

3 *Development Applications (DA)*

The DA is the document that is completed to enable consent to be achieved and this begins a development approval / consent process. The DA needs to be seen by developers as a “selling” document, that sells the application for development consent to Council and the community.

In explaining the change or new usage of land and buildings, applicants need to be encouraged to identify all possible issues / impacts of the development and how the development will overcome them. Delays occur when the applications are incomplete or impacts are not initially identified.

Developers should be encouraged to seek planning consultancy expertise and consider this as part of the development cost, especially when looking at substantial investments and developments. Planning consultants will undertake a comprehensive analysis of:

- 1) what is to be achieved by the development
- 2) how it will be achieved
- 3) what are the impacts and consequences of the development – both positive and negative
- 4) what strategies will be put in place to overcome any negative impacts or consequences of the development

A simple guide is to view your development as if you were a neighbour.

Perceived DA Process Issues

Anecdotal evidence suggests there is a perception that the DA process is complicated and lengthy, which in turn costs developers and business people money. Whilst there are negative stories of businesses not relocating or developments stopped due to delays, unfortunately these are never countered by the success stories and the regular approvals with no issues. In many cases developments that do not go ahead are for a variety of reasons not necessarily that DA approval was not given, the process was too complex or costly. .

In many cases there is no understanding or research by a development applicant of the content of the Local Environmental Plan and Development Control Plan. This is further complicated by constant changes by State Government and their agencies of various regulations that impact the development process.

As with other business development, there are occasions when expertise is essential and some businesses now see benefit in employing a planning consultant before starting a development process. Unfortunately for new small businesses struggling to establish, this expertise is not readily available or considered too costly.

To promote a change in community perception and ensure effective processing of DAs, Council should institute a benchmarking process. This would include a timeframe of critical points in the process and have a regular report on DAs processed. It may also include agreement with similar shires to have a common benchmarking system for comparison across shires.

Other Perceived Development Issues

Some of the issues highlighted by survey respondents and from other discussions were:

- Understanding the difference between what is retail, commercial and industrial
- No master plan for the whole town and where industrial / commercial fits into it and what will be the extent of the CBD
- The development process creates more questions than solutions. This in many cases is through lack of understanding of the process.
- Do not always get full and complete answers in the development process
- Communication issues between developers / business people and planners – don't speak the same language and have different agendas
- Conservative council staff (no incentive to bring about or progress change)
- Population size leading to increased larger retail and service businesses that impact local small businesses (competition)
- Environmental issues in planning processes
- Information on planning changes not widely circulated. Generally most of the community has no interest in planning changes unless it directly impacts.
- Rural and Rural Residential zoning distinction along one road creating narrow corridors for development. This may be due to the lack of understanding of the reasons behind the zoning decisions in the LEP.
- Infrastructure limitations – water, communications, sewerage etc

Business Survey

1 SAMPLE

1.1 Sample Size

Postal survey returns	57 (64%)
Face to face interviews	32
Total Responses	89

1.2 Postal Survey Distribution

Initial postal survey through Australia Post to all businesses with street delivery, private boxes, roadside delivery and counter delivery in the Cooma-Monaro post code areas of 2630 (Cooma, Cooma North) and 2631 (Nimmitabel), which totalled 602 businesses.

Post Code 2630 also included 38 businesses in the Snowy River post code areas of 2630 (Adaminaby and Anglers Reach. Post code areas 2626 (Bredbo) and 2626 (Michelago) were excluded. They include other areas not part of Cooma-Monaro Shire or are handled by other post offices.

The 57 postal responses represent a 9.5% response rate.

1.3 Face-to-Face Survey Interviews

As the project's main aim was to assemble information on the status of industrial land and potential industry development, Polo Flat area businesses were targeted and visited for face-to-face interview. Of 35 businesses contacted, 32 businesses were surveyed.

2 SURVEY

2.1 Design

The Survey was designed by the BEC and reviewed by the Country Growth Strategy Industrial Audit project sub-committee. The survey was broadened to provide more information than basic It was divided into sections. Each section dealt with a different aspect of the business and its activities

2.2 Data Aggregation

All data aggregation is based on 89 responses unless stated.

Some data was aggregated into category groups for comparative analysis. Location was categorised into main groups of Cooma, Polo Flat and Rural location. Industry Mix was categorised into main groups of Light Industrial, Retail and Other.

3 PART A - LOCATION and FACILITY PROFILE

Aim: To understand the capability and limitations of existing businesses land and building capacity

3.1 Location

CBD *	38 (42%)
Cooma Township *	11 (12%)
Polo Flat	33 (37%)
Cooma North *	1 (1%)
Numeralla **	2 (2%)
Adaminaby **	2 (2%)
Other Rural Areas **	2 (2%)
Total Responses	89

Later analysis has used categories * Cooma and ** Rural and Polo Flat

3.2 Light Industrial Locations

Most of the businesses in the light industrial classification, with just a couple of exceptions, were based in Polo Flat industrial area

3.3 Ownership

71% (of 80) respondents) had freehold ownership of their land as against leasehold. 80% of Polo Flat respondents had freehold ownership and businesses outside Cooma were 100% freehold landowners.

3.4 Services

With the exception of two rural area businesses all sites (87) were serviced. Virtually all sites were serviced with electricity and sewerage. 32% (28 of 87) of the respondents did not appear to have storm water service and 17% (15 of 87) had no sewerage connection. In Polo Flat 48% (16 of 33) had no storm water provision and 20% (7 out of 33) had no sewerage. 41 of the sample had gas on site of which only 6 were in Polo Flat.

All accept two businesses had a telephone connection to their site. Only 11% (10) businesses had connection to Fibre Cable of which only 2 were in Polo Flat.

3.5 Location Capability for Expansion

13% of businesses required more land space for projected business. Only 4 (4%) were light industrial businesses. 28% (25) required more building capacity of which 12 (14%) were in Polo Flat. Only 14 of the 25 businesses requiring more space were prepared to move even though over 50% were in leased premises.

Of the 14 businesses prepared to move of which 5 were from the light industrial sector, 8 from retail and 1 from "other". They saw the main barrier to gaining larger premises as finance and two highlighted that the planning process was an issue both of these were in the light industrial sector.

Only 8 of the 14 identified the size of expansion. 4 required building expansion, 2 additional land and 2 both land and building. Most required substantial increases in land and building size. Only one identified an inability to find a suitable site.

Ten businesses identified they had no need for further land as they had enough for current needs and expansion needs.

4 PART B - BUSINESS PROFILE

Aim: To understand the profile of existing businesses, their products / services and expansion status.

4.1 Industry Mix of Respondents

Based on the responses we re-categorised the industry profiles that made more sense:

Auto / Transport and related services *	15.7%
Professional Services (Solicitors, Insurance, Real Estate etc)***	13.6%
Retail**	13.6%
Personal Services (Beauty care etc some retail)**	10.1%
Rural Services *	8.9%
Retail – Food**	7.9%
Community Services*** (including Education, Sport, Culture, Health etc)	7.9%
Manufacturing / Fabrication *	6.9%
Engineering / Electrical *	6.9%
Construction *	2.4%
Accommodation***	2.4%
Other***	3.7%
Total	100%

Later analysis has used grouped industry classifications * “light industrial” (40% of the sample), ** “retail” (31% of the sample) and *** “other” (29% of the sample)

Some of the businesses, especially in Polo Flat are in several categories but we have placed them in one category. Most of the businesses conduct some form of “business to business” activity even those categorised as retail businesses

4.2 Location v Industry Mix

	Cooma	Polo Flat	Rural	Total
Light Industrial	11%	86%	3%	100%
Retail	96%		4%	100%
Other	76%	8%	16%	100%

4.3 Business Establishment Location

8 (9%) of the businesses established outside Cooma

4 of these were “light industrial, 3 “retail” and 1 “other”

5 relocated from Sydney, Canberra, Snowy River or NSW Country areas

3 established as branch offices / agencies with two now becoming owner / managed

4.4 Business Structures

Sole Traders	28%
Partnerships	20%
Companies	43%
Trusts	2%
Other	7%
Total	100%

4.5 Start-Up / Takeover Dates (sample 87)

Pre 1980	19%
1980 to 1984	8%
1985 to 1989	14%
1990 to 1994	16%
1995 to 1999	15%
2000 +	28%
Total	100%

The start-up / takeover date may not accurately reflect the age of all business as there were a small number of buyout businesses in the sample

4.6 Age of Business v Type (sample 85)

<i>Date</i>	<i>Light Industry Businesses</i>	<i>Non-Light industry businesses</i>
Pre 1980	22%	20%
1980 to 89	12%	22%
1990 to 99	56%	19%
Post 2000	10%	39%
Total	100%	100%

4.7 Age of Business v Location (sample 87)

<i>Date</i>	<i>Polo Flat</i>	<i>Cooma</i>	<i>Rural</i>
Pre 1980	21%	18%	33.3%
1980 to 89	10%	25%	
1990 to 99	53%	22%	33.3%
Post 2000	16%	35%	33.3%
Total	100%	100%	100%

5 businesses were set-up as new by people who relocated into the area and two businesses were created by residents. Three businesses were relocated to Cooma as branch offices, one of which has now been purchased as a local entity. Other relocated businesses were one from Snowy River and two from Sydney.

4.8 Age of Business v Structure (sample 86)

<i>Date</i>	<i>Sole Trader</i>	<i>Partnership</i>	<i>Company</i>	<i>Trust</i>	<i>Other</i>
Pre 1980	4%	5%	8%	1%	5%
1980 to 89	6%	4%	7%	1%	1%
1990 to 99	9%	4%	16%		
Post 2000	9%	7%	12%		1%
Total	28%	20%	43%	2%	7%

4.9 Diversity of Products and Services of Respondents

Besides standard retail and service industries that come with a regional service town the surveys highlighted a range of products and services.

Amongst the respondents were manufacturers of herbal tonics, rabbit food, spun yarn, winery equipment, organic foodstuffs, sauces / biscuits, kit homes, vermo castings, energy storage products, moulded frames, kitchen / office furniture, cattle handling equipment, hydraulic hoses, ski industry support products and electronic control systems.

The surveys showed a mix of air and road transport and transport support industry for a small regional town. The fabrication and engineering industry businesses surveyed showed they provided a diverse range of specialist products being made and serviced. The survey highlighted the developing recycling industry.

Within the sample there were several speciality services including vehicle restoration, disabled flying school, subconscious mind healing, pest control, internet wool brokerage, wool blending and computer software development

Respondents included some unique business and personal services including specialist software, hypnotherapy, acrylic nail and solarium services.

4.10 Location of Sales

As would be expected, with just a couple of exceptions, most “retail” business is created from the Cooma and the surrounding area.

47% of the “light industry” sector provides over 20% of their product to customers outside the local area. 28% provide significant amount of their product outside the local area

There is only one “light industrial” business (1%) that was surveyed that had significant direct overseas export.

4.11 Business Turnover Projections (sample 88)

Decrease	12%
Stay Same	25%
Increase	63%
Total	100%

4.111 Main Reasons for Decrease (in order of repeated importance)

Competition / market demand, drought

Increased overhead impact on pricing and competitiveness, government policy

4.112 Main Reasons for Staying the Same (in order of repeated importance)

Happy the way things are / drive / near retirement, market situation, full to capacity

4.113 Main Reasons for Increase

Internal - Better management / service / referral / better market awareness / / diversification / new technology / drought

External – Increased population / more visitors / increased building activity / growth in region / increased prosperity / reduced competition

5 PART C – PLANT and EQUIPMENT, BUSINESS INPUTS and CAPABILITIES PROFILE

Aim: To understand availability of unique products, specialist equipment / plant, its current capacity and the sourcing of business inputs

5.1 Specialist Products / Services and Equipment

As seen from Section B, the sample showed an extensive diversity of products and services for a small regional town. This brings with it a variety of specialist equipment.

29 (32%) businesses identified their products and services as unique, specialist, tailor-made or custom-built. Of these 29 businesses 24% were retail and 62% were light industrial.

There were 33 businesses (37%) who identified they had specialist equipment. Of these business 39% were retail and 51% were light industrial. There were a number of engineering, transport and fabrication businesses that had specialist equipment. Of note several retail businesses have specialist equipment for services for example racquet restringing, lead lighting, prosthetic fittings, steam dry cleaning etc. 15 of 33 businesses (45%) were those who had also identified as providers of unique or specialist products.

5.2 Light Industrial Capacity of Plant and Equipment (sample 31)

Capacity Usage	Fab / Man	Trans	Const	Whole	Total
100%	40%	42%	75%	40%	37%
75 to 99%	20%	33%		20%	30%
50 to 74%	20%	25%		40%	23%
25 to 49%	20%				7%
1 to 24%			25%		3%
Total	100%	100%	100%	100%	100%

5.3 Retail and Other Services Capacity of Plant and Equipment (sample 37)

Retail and Other Service

Capacity Usage	Retail	Other Services	Total
100%	32%	33%	32%
75 to 99%	33%		30%
50 to 74%	16%	50%	22%
25 to 49%	13%		14%
1 to 24%	6%	17%	2%
Total	100%	100%	100%

5.4 Total Capacity of Plant and Equipment (sample 68)

Capacity Usage	Light Industrial	Retail / Other	Total
100%	37%	32%	32%
75 to 99%	30%	30%	30%
50 to 74%	23%	22%	22%
25 to 49%	7%	14%	14%
1 to 24%	3%	2%	2%
Total	100%	100%	100%

67% of our light industrial plant and equipment capacity is in over 75% usage with 37% on 100% capacity usage, which shows 67% of light industrial businesses have some spare capacity.

Only 10% is lower than 50% capacity usage.

In the fabrication and manufacturing industry sub group 40% are on 100% capacity with 60% having capacity to spare. 58% of our transport industry has spare capacity.

5.5 Accessing Information on Product and Service Business Inputs (sample 81)

The most popular method of sourcing products and services was through Yellow Pages. Over 50% used this method. Other methods were Business Colleagues (43%), Trade and Industry Contacts (43%), Friends (27%), BEC (16%), Chamber (11%), Informal Word of Mouth (9%) and Council (4%). Very few used the internet (3%) to source products and services.

5.6 Business Inputs Sourced (Type) (sample 84)

Most of the products and services sourced were directly related to production or provision of services i.e stock, equipment, raw material etc. Dependent on the industry sector much of the other larger business inputs were fuel, computer / communications, labour, stationery and electricity / gas / water

5.7 Business Inputs Sourced (Geographic) (sample 86)

Geographic	Industrial	Retail	Other	Total
Local	46%	26%	57%	43%
Other NSW	37%	38%	18%	32%
Other Australia	16%	34%	24%	24%
Overseas	1% less	2% less	1% less	1%
Total	100%	100%	100%	100%

Over 75% of all business inputs are gained from within NSW and 43% locally.

5.8 Reasons for Non-local Purchase (sample 40)

Those who have attempted to source goods locally in the past two years have been able to source these goods mainly due to them not being available (83%). Retail stock and much of the industrial spare parts and raw material is not produced locally

There was a significant number (40%) who did not purchase locally due to price and a smaller number (20%) who were unhappy with local service. Product quality was not a reason for not buying locally. Industrial sector businesses were more focussed on price than the other sectors.

6 **PART D – PRODUCT / SERVICE SALES and PROMOTION and LOCAL BUSINESS COOPERATION PROFILE**

Aim: To understand how and where local business promotes its products and services and cooperate locally

6.1 Suggested Access for Information on Local Business Products and Services (sample 84)

Local Product / Service Directory	77%
Website / Internet	42%
BEC	31%
Chamber of Commerce	21%
Council	14%
Information Sessions	8%
Other – Advertising / Media / Yellow Pages / Signage / Displays	13%
Other – Local Knowledge / Word of mouth	9%
Other – Suppliers	2%

6.2 Local Cooperation in Business

80% of local businesses surveyed exchange ideas with other businesses

20% did not for the following reasons:

Never Asked	28%
Not kept confidential	14%
Would steal idea	14%
Haven't got time	7%

Other reasons included no one in their business in town, not done in the industry, depends on what and who.

6.3 Previous Situations of Business Contact (sample 85)

Social Environments	86%
Business Seminars	35%
BEC Training / Functions	24%
Industry Groups	22%
Chamber of Commerce Meetings	14%
Other contact situations included Business-to-Business, Community Service Organisations, Job Sites and Council Involvement	

6.4 E-Commerce Usage by Business

85% of the sample was connected to the Internet.

Of those connected only 30% use the internet to sell their products and 50% to buy products.

50% were aware of the Cooma Business Directory Website but only 18% were aware of the Regional Business Directory – ACR On-line

6.5 Likely Future Usage of Website Databases (as mentioned above) (sample 84)

Only 32% in total would definitely or likely use such website databases to list their products or services, whilst 32% were unlikely and 36% unsure.

49% were definitely or likely to use such website databases to find products or services, whilst 28% were unlikely and 23% unsure

The light industrial sector appeared far more unlikely to use such e-commerce methods for product and service listings and searches.

This e-commerce usage correlates with 6.1 in which only 42% of the sample suggested websites and internet was an easy way to find out more about local products and services that were available.

PART E – EXTERNAL IMPACTS PROFILE

Aim: To understand perceptions of business people of the advantages and disadvantages of doing business form a Cooma base.

Overall the respondents highlighted more advantages than disadvantage in a 1.5 to 1 ratio.

Advantages of Having Your Business in Cooma (sample 82)

The respondents provided 205 single responses. 19 respondents gave four advantages, 22 gave 3, 22 gave 2 and 19 gave 1. The main advantages highlighted were:
Life Style (attractive town, good social life, nice / trustworthy / helpful people, near to beach / ski-fields, less stress, climate and low crime rate)
Location (strategic position Melbourne / Sydney / Canberra, regional centre, low land / accommodation costs, low overheads, passing seasonal trade, climate, unrestricted)
Market Advantage (growth, tourism, specialist businesses having little competition)
Local Support (community, business support from business, talented technical people, stable workforce, schools, community services)

Disadvantages of Having Your Business in Cooma (sample 59)

The initial response was from 74 but 15 declared they saw no disadvantages so sample became 59.

The sample respondents provided 132 single responses. 13 respondents gave four advantages, 8 gave 3, 18 gave 2 and 20 gave 1. The main disadvantages highlighted were:

Small Population Base (not growing fast enough, town not big enough to support some business / industry groups)
Fuel / Freight (cost, availability)
Climate (drought, winter, cold, no rain, disruption to some businesses)
Distance / Location / Isolation (deliveries,
Local Support / Infrastructure (lack of tertiary education, banking services, local / regional transport system, unattractive industrial area, technology, professional staff)

Only 4% saw the Council as a disadvantage

Rating of Services if Recommending Cooma as a Place to Live and do Business

The following is an overview of the percentage of positive ratings (excellent, good and fair) by respondents. Full details of their ratings are below the overview.

Schools (sample 83)	99%
Community Support (sample 82)	94%
Housing (sample 85)	92%
Sports and Recreation Facilities (sample 84)	91%
Climate (sample 85)	88%
Freedom from Social Problems (sample 84)	88%
Health Services (sample 85)	87%
Other Education and Training (sample 85)	86%
Land Cost (sample 82)	85%
Cultural Facilities (sample 85)	84%
Local Business Support (sample 79)	84%
Labour Cost (sample 81)	82%
Building Costs (sample 83)	78%
Transport Costs (sample 84)	73%
Transport Costs excluding transport operators (sample 76)	75%
Energy Cost (sample 83)	67%
Energy Cost respondents with gas access (sample 39)	74%
Local Rates (sample 84)	62%
Local Rates freehold landowner (sample 57)	67%
Council Support (sample 83)	47%
Council Support Polo Flat businesses only (sample 31)	32%

<i>Schools (sample 83)</i>	Excellent	39%
	Good	52%
	Fair	8%
	Poor	1%
	Very Poor	
	Total	100%

<i>Community Support (sample 82)</i>	Excellent	18%
	Good	52%
	Fair	24%
	Poor	4%
	Very Poor	2%
	Total	100%

<i>Housing (sample 84)</i>	Excellent	7%
	Good	53%
	Fair	32%
	Poor	8%
	Very Poor	
	Total	100%

<i>Sports and Recreation Facilities (sample 84)</i>	Excellent	18%
	Good	51%
	Fair	23%
	Poor	5%
	Very Poor	3%
	Total	100%
<i>Climate (sample 83)</i>	Excellent	12%
	Good	42%
	Fair	34%
	Poor	11%
	Very Poor	1%
	Total	100%
<i>Freedom from Social Problems (sample 84)</i>	Excellent	19%
	Good	43%
	Fair	26%
	Poor	10%
	Very Poor	2%
	Total	100%
<i>Health Services (sample 85)</i>	Excellent	11%
	Good	49%
	Fair	27%
	Poor	9%
	Very Poor	4%
	Total	100%
<i>Other Education and Training (sample 85)</i>	Excellent	11%
	Good	43%
	Fair	32%
	Poor	13%
	Very Poor	1%
	Total	100%
<i>Land Cost (sample 82)</i>	Excellent	4%
	Good	35%
	Fair	46%
	Poor	9%
	Very Poor	6%
	Total	100%
<i>Cultural facilities (sample 85)</i>	Excellent	11%
	Good	34%
	Fair	39%
	Poor	13%
	Very Poor	3%
	Total	100%

<i>Local Business Support (sample 79)</i>	Excellent	6%
	Good	49%
	Fair	29%
	Poor	8%
	Very Poor	8%
	Total	100%
<i>Labour Cost (sample 81)</i>	Excellent	9%
	Good	46%
	Fair	27%
	Poor	13%
	Very Poor	5%
	Total	100%
<i>Building Costs (sample 83)</i>	Excellent	
	Good	25%
	Fair	53%
	Poor	17%
	Very Poor	5%
	Total	100%
<i>Transport Costs (sample 84)</i>	Excellent	4%
	Good	19%
	Fair	50%
	Poor	17%
	Very Poor	10%
	Total	100%
<i>Transport Costs excluding operators (sample 76)</i>	Excellent	4%
	Good	20%
	Fair	51%
	Poor	16%
	Very Poor	9%
	Total	100%

The transport costs excluding operators are simply to ensure that there was no major variation by a “biased view” of transport operators that were 9% of the original transport cost sample. The comparison shows little difference to the original sample result.

<i>Energy Costs (sample 83)</i>	Excellent	1%
	Good	22%
	Fair	44%
	Poor	29%
	Very Poor	4%
	Total	100%

<i>Energy Costs excluding non-gas (sample 39)</i>	Excellent	2%
	Good	26%
	Fair	46%
	Poor	23%
	Very Poor	3%
	Total	100%

The energy cost excluding gas is a sample of those who are connected to gas as well as other services. It does not necessarily signify they are using gas that is their major energy cost. It may though give some indication of a perceived improved energy cost structure for those who are gas users (74% to 67% positive rating).

<i>Local Rates (sample 85)</i>	Excellent	1%
	Good	18%
	Fair	43%
	Poor	19%
	Very Poor	19%
	Total	100%

<i>Local Rates freehold owners only (sample 57)</i>	Excellent	
	Good	21%
	Fair	46%
	Poor	14%
	Very Poor	19%
	Total	100%

The freehold owner sample may provide a more accurate result of perceived positive rating towards rating cost as the freehold owners are direct rate payers. The result shows freehold respondents have a more positive view of rate cost (81% to the original sample 62%)

Council Support (sample 83)	Excellent	5%
	Good	19%
	Fair	23%
	Poor	28%
	Very Poor	25%
	Total	100%

Council Support Polo Flat respondents only (sample 31)	Excellent	6%
	Good	13%
	Fair	13%
	Poor	23%
	Very Poor	45%
	Total	100%

The Polo Flat assessment of positive Council Support is considerably less than the original sample (32% to 47%)

Other comments related to the Towns acceptability as a place to live and work

Respondents provided a range of other comments, which included:

More council support especially for new business and Polo Flat

Council and Government charges

Cooma is a great place with a "go ahead" community

A great location for business

Not as tidy as it used to be

TAFE Cooma services to be increased

Local transport operators competitive – Australia-wide carriers not

Excellent business concepts + excellent Council + community leadership = boom time

Overall Opinion of Cooma-Monaro as a place to conduct business (sample 88)

Excellent	20%
Good	57%
Fair	20%
Poor	3%
Total	100%

This assessment of respondents shows a high degree of positive opinion (97%)

New Business Development Possibilities

The respondents provide the following suggestions and comments with the numbers in brackets indicating the number of repeat comments

Supermarket / Department Store (18). There was considerable response re Woolworth monopoly and consequences such as higher prices and losing business to Canberra through weekly Canberra shopping trips

Manufacturing (17). Suggestions included car manufacturing, boat building, coach building, airframe construction, skip bin / recycling product and saw mill (3)

Recreational / Cultural / Tourism / Community (7) including indoor pool, all weather sport facilities, ten pin bowling, mens' refuge, night clubs and entertainment

Rural Added Value (4). Wool scour, fibre processing, water / drought related industries / equipment testing / manufacture and rural equipment assembly

Tertiary Education Institution (4) . Expansion of Cooma TAFE was suggested with possible specialist trade schools

Large Government Departments (3). An army rifle range and camp were suggested.

Distribution / Transportation (3) especially steel, digital, internet, and communications assembly and distribution

Professional / Consultants (2) especially intellectual and IT based business

Toyota Dealership (2)

High Temperature Incinerator (1)

Radio Telescope Observatory (1)

Nuclear Power Station (1)

Speciality Retail Stores (1)

The following suggestions appeared to be made to make the existing market place more competitive

ISP(1)

Security Group (1)

Builders (1)

Fencing contractor (1)

Nurseries (1)

Medical / Dental (1)

Glazier (1)

Hardware (1)

Optical (1)

It was suggested we should focus on attracting larger business (3), businesses that are labour intensive to increase population, and businesses that assist employment of school leavers and mature aged workers.

Whilst one respondent suggested the promotion of clean / healthy / lifestyle industries, another suggested we attract dirty / noisy industries that need space.

There were suggestions that we need to maintain and were possible expand major existing businesses such as SMEC, Snowy Hydro and Defence Call Centre.

Existing infrastructure needed to be developed, such as the Polo Flat airport site with aircraft school, aircraft maintenance or motor sports track.

It was suggested that Council needed to provide the leadership in encouraging new business start-up by creating business incentive packages (rate, land price, development, finance incentives), more tourist facilities, a quicker planning process and major improvements to the Polo Flat Industrial Area.

One respondent suggested there were security problems in Polo Flat and that there was insufficient land for expansion.