

Business & Economic Development Advisory Committee

Minutes

12 September 2023

Our Vision

*A City which values its heritage, cultural diversity,
sense of place and natural environment.*

*A progressive City which is prosperous, sustainable
and socially cohesive, with a strong community spirit.*

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City of
Norwood
Payneham
& St Peters

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VENUE Mayors Parlour, Norwood Town Hall

HOUR 6.18pm

PRESENT

Committee Members Mayor Robert Bria (Presiding Member)
Cr Grant Piggott
Cr John Callisto
Ms Amanda Grocock
Ms Amanda Pepe
Mr Ben Pudney
Mr Joshua Baldwin
Mr Matt Grant
Ms Rebecca Thomas
Ms Trish Hansen

Staff Mario Barone (Chief Executive Officer)
Keke Michalos (Manager, Economic Development & Strategy)
Tyson McLean (Economic Development Officer)

APOLOGIES Cr Victoria McFarlane

ABSENT Nil

TERMS OF REFERENCE:

The Business & Economic Development Committee is established to fulfil the following functions:

- *To provide high-level independent expert advice to the Council on economic development matters and employment growth opportunities in the City of Norwood Payneham & St Peters and to have oversight of the continued implementation of the Council's Economic Development Strategy.*
- *To identify issues, opportunities, and initiatives which impact on business and economic development in the City of Norwood Payneham & St Peters.*
- *To provide advice to the Council and recommend actions, including the conduct of studies associated with business and economic development, as required, in order to facilitate the identification of opportunities, issues, strategies and actions.*
- *To assist the Council to facilitate and promote economic growth and development in the City of Norwood Payneham & St Peters.*
- *To provide advice to the Council as required, to facilitate the creation of business networks (both within South Australia and Australia), which provide benefits for the City of Norwood Payneham & St Peters and the business sector.*
- *To provide strategic direction and leadership to ensure that members of the business community are able to participate in the development and implementation of the City's business and economic development outcomes.*
- *Conduct forums to identify and articulate relevant information in respect to services and activities in the City of Norwood Payneham & St Peters that contribute to the City's economic growth.*
- *Advocate and work actively with State and Federal Governments and their agencies, the private sector and relevant peak bodies on key economic priorities which deliver positive outcomes for the City and the community.*
- *Consider and advise the Council on medium and long term matters relevant to business and economic development within the City of Norwood Payneham & St Peters.*

1. CONFIRMATION OF MINUTES OF THE BUSINESS & ECONOMIC DEVELOPMENT ADVISORY COMMITTEE MEETING HELD ON 4 JULY 2023

Mr Joshua Baldwin moved that the minutes of the Business & Economic Development Advisory Committee meeting held on 4 July 2023 be taken as read and confirmed. Seconded by Ms Amanda Pepe and carried unanimously.

2. PRESIDING MEMBER'S COMMUNICATION
Nil

3. STAFF REPORTS

3.1 SMALL BUSINESS FRIENDLY COUNCIL INITIATIVE (1 JUNE 2022 – 31 MAY 2023)

REPORT AUTHOR: Economic Development Coordinator
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4616
FILE REFERENCE: qA109047
ATTACHMENTS: A

PURPOSE OF REPORT

The purpose of this report is to provide the Business & Economic Development Advisory Committee, with a copy of the report that was submitted to the Small Business Friendly Council (SBFC) for the period 1 June 2022 – 31 May 2023.

BACKGROUND

On 30 August 2017, the Office of the Small Business Commissioner (OSBC), in conjunction with the Member for Giles, Mr Eddie Hughes MP, launched the Small Business Friendly Council (SBFC) Initiative. The SBFC Initiative aims to recognise Councils that are working to support the small business communities within their Local Government areas.

The benefits of being small business friendly and supporting the growth of small business include:

- supporting the Council's local economic area, including job opportunities;
- meeting the needs of ratepayers through the provision of local goods and services; and
- creating the right environment to establish and grow a business.

At its meeting held on 6 November 2017, the Council considered a report on the SBFC Initiative and resolved to participate in the Initiative. Shortly after the Council's resolution, the Charter Agreement was signed. The Charter outlines what the Council agrees to do, which includes the following five (5) initiatives:

- implementing activities to improve the operating environment for small business within Council's area;
- establishing a business advisory group (if one does not already exist) to assist Council's understanding of small business needs in its local area;
- implementing a procurement policy which recognises and supports local small businesses wherever possible;
- paying undisputed invoices from small businesses within 30 days; and
- implementing a timely and cost-effective dispute resolution process to manage disputes.

The Charter also requires the Council to submit annual reports to the OSBC website platform, which will assist the OSBC to identify examples that can be shared with other participating councils.

RELEVANT STRATEGIC DIRECTIONS & POLICIES

The initiatives delivered during this reporting period, align with the following Outcome and Strategies as contained within *CityPlan2030: Shaping Our Future – Mid Term Review 2020*:

Outcome 3: Economic Prosperity – A dynamic and thriving centre for business and services.

- ***Objective 3.1: A diverse range of businesses and services.***
 - *Strategy 3.1.2 Attract diverse businesses to locate in our City.*
- ***Objective 3.2: Cosmopolitan business precincts contributing to the prosperity of the City.***
 - *Strategy 3.2.3 Promote the City as a visitor destination.*
- ***Objective 3.3: Attract new enterprise and local employment opportunities to locate in our City.***

The initiatives also align with the following Strategies set out in the *2021-2026 Economic Development Strategy*:

- **Dynamic & Diverse City: Support the growth and viability of the City's business sectors based on their competitive strength and strategic priority.**
 - *Strategy 1.1: Focus on the support and growth of the City's priority sectors.*
 - *Strategy 1.4: Promote opportunity and collaboration across the sectors.*
- **Destination City: Increase the number of people who live, work and visit the City to enhance the community well-being of existing residents, workers and visitors.**
 - *Strategy 2.1: Showcase and promote the City's attractions and events to facilitate growth in visitation and spending.*
 - *Strategy 2.2: Support the City's vibrant mainstreet precincts.*
 - *Strategy 2.3: Facilitate the activation of key spaces and precincts in the City.*
 - *Strategy 2.4 Work with local business operators to strengthen the viability of precincts and enhance the customer experience.*
- **Business Friendly City: Remove barriers and make it easy for business owners to start, run and grow a business.**
 - *Strategy 4.1 Ensure that Council processes are business friendly and contribute to a well-functioning City.*

FINANCIAL AND BUDGET IMPLICATIONS

The three (3) initiatives which are outlined in the *Small Business Friendly Council* report and their respective budgets, which include research, campaign development and execution are:

- A Day of Fashion on The Parade (\$30,000);
- Labour Force Reports (\$1,520) and
- Activity Precincts Occupancy Report (Staff resources).

The funding for the *Labour Force Reports* Budget was allocated from the Council's 2022-2023 Economic Development Precinct Management Budget and *A Day of Fashion* was funded through the 2022-2023 Norwood Parade Precinct Budget. Research and development to produce the *Activity Precincts Occupancy Report* was conducted by Council Staff and no funds was required to deliver this initiative.

EXTERNAL ECONOMIC IMPLICATIONS

The success of the initiatives and ultimately the *2021-2026 Economic Development Strategy*, will continue to be impacted upon by the broader economic environment and world events that impact in one way or another on the economy. The three (3) initiatives highlighted in this year's SBFC report, focus on promoting sustainable fashion practices in the retail sector, the performance of the City's workforce and the health of the key activity precincts within the Council jurisdiction. The findings in these initiatives have and will continue to be impacted by the broader economic environment.

RESOURCE ISSUES

The delivery of the three (3) initiatives that are outlined in this report were initiated and managed by the Council's Economic Development Unit and supported by the Council's Events Unit.

DISCUSSION

The three (3) initiatives highlighted in this year's SBFC report, focus on promoting sustainable fashion practices, the performance of the City's workforce and the health of the key activity precincts within the Council jurisdiction.

A Day of Fashion on The Parade and its associated events, were curated with the consumer at the forefront of every decision. It was the first time, through the Norwood Parade Precinct Committee (NPPC), that a spotlight was shone on sustainable fashion in a prominent way. Leading researchers spoke about the new ways of making fashion more sustainable, ethical and equitable, while remaining positive and insightful. Following the panel discussion and remaining on topic, a free 'Sip & Swap' clothing exchange event was held at the Don Pyatt Hall at the Norwood Town Hall, which clearly demonstrated fashion circularity and a practical way of achieving it. All day offers from retailers and hospitality businesses contributed to the experience and success of the day.

Comparing the *Labour Force Report Quarter 1 2022*, to the *Labour Force Report Quarter 4 2022*, there has been an increase in the number of people who are employed, which is also reflected in the decrease in the unemployment rate. The youth unemployment rate has decreased and the participation rate continues to rise. One of the influencing factors to the change in the City's labour force, have been the effects of the COVID-19 pandemic and how various industries have responded to the pandemic, both during and post. The Council will continue to produce quarterly labour force reports to monitor the changes to the City's labour force and identify any potential trends.

To understand the changes and trends that are occurring annually, it is important for the Council to measure the occupancy and vacancy rates within the City's major activity precincts. The *Activity Precincts Occupancy Report* is an important tool for not only the Council, but also businesses and investors who are looking to locate to these precincts, to assist them in their decision making.

Small businesses are the backbone of the economy, making up 98% of total businesses in the State and this is a similar statistic in the City of Norwood Payneham & St Peters. Small business not only create local employment, they also provide essential goods and services and help create attractive, liveable communities. Monitoring their performance and identify trends, enables the Council to support these businesses and ultimately deliver community well-being.

The continuation of the three (3) initiatives highlighted in this report, the ongoing support to business, business owners and employees, through a range of service areas within the City, and the introduction of new initiatives guided by the Council's Economic Development Strategy, will ensure that the City of Norwood Payneham & St Peters continue to attract people to live, work and visit the area.

A copy of the report submitted to the *Small Business Friendly Council* for the reporting period 1 June 2022 to 20 May 2023, is contained in **Attachment A**.

COMMENTS

The Council prides itself on delivering exceptional service to all businesses within the City of Norwood Payneham & St Peters and it is essential that the Council continues to focus on building stronger, more productive relationships, which result in better outcomes for businesses and in turn the community.

It is pleasing that the Council is being recognised as a Council that is business friendly, through its commitment to the Office of the Small Business Commissioner.

RECOMMENDATION

That the report be received and noted.

Cr Callisto moved:

That the report be received and noted.

Seconded by Mr Matt Grant and carried unanimously.

3.2 GLYNDE AND STEPNEY FOOD AND BEVERAGE MANUFACTURING PRECINCTS

REPORT AUTHOR:	Manager, Economic Development & Strategy and Economic Development Officer
GENERAL MANAGER:	Chief Executive Officer
CONTACT NUMBER:	8366 4509
FILE REFERENCE:	qA109047
ATTACHMENTS:	A

PURPOSE OF REPORT

The purpose of this report is to present to the Committee for its consideration the findings of the initial investigations that have been undertaken regarding the Glynde and Stepney food and beverage manufacturing precincts.

BACKGROUND

At its meeting held on 3 July 2023, the Council considered a Notice of Motion regarding the Glynde and Stepney Food and Beverage Manufacturing Precincts and resolved the following:

1. *That staff prepare a report regarding the Glynde and Stepney Food and Beverage Manufacturing Precincts discussing the following issues:*
 - (a) *potential for new food and beverage related events and activities;*
 - (b) *a new marketing and promotional campaign, including reviving the Food Secrets Ambassador program;*
 - (c) *opportunities for collaboration between food and beverage business within and across both precincts;*
 - (d) *legal and regulatory requirements to facilitate exports of local produce to overseas markets;*
 - (e) *increasing the level of engagement between Council and the South Australian Government (Department for Trade and Investment) and other relevant stakeholders;*
 - (f) *preparing a strategic document/business plan to attract state and/or federal government funding to improve infrastructure and facilitate the expansion of existing business and the overall growth of the food and beverage manufacturing sector;*
 - (g) *identify threats and challenges to existing and future land use in Glynde and the Stepney Triangle to determine if there is a need for Council to prepare a Code Amendment to provide certainty to existing and potential food and beverage manufacturers regarding long-term planning and investment in the sector;*
 - (h) *the level of connectivity with the South Australia Food and Beverage Five Year Strategy (2022-27);*
 - (i) *opportunities to partner with South Australia universities for research into food innovation; and*
 - (j) *other issues considered relevant.*
2. *That the report be presented to the Council's Business & Economic Development Advisory Committee to be held on 12 September 2023 for consideration and recommendations to the Council.*

The purpose of this report is to provide the first response to the Notice of Motion to assist the Committee in making a recommendation to the Council. The extent of the issues raised in the Notice of Motion range from high level strategic investigations through to operational actions. This report aims to address the issues outlined in the Notice of Motion, as well as highlight the opportunities, constraints/challenges and priorities in relation to the Glynde and Stepney Food and Beverage Manufacturing Precincts and more generally, the manufacturing and light industrial uses located within these two (2) precincts. In undertaking this work it is acknowledged that these precincts have and will continue to play a crucial role in the South Australian food and beverage industry, as well as more generally in the contribution of low scale manufacturing and light industry, and their development and growth are essential to not only the local economy but for the region's economic prosperity.

- **Food and Beverage Manufacturing**

The food and beverage manufacturing sector encompasses businesses that are primarily engaged in processing, packaging and distributing products which are made from raw food materials. The largest sub-sector of food and beverage manufacturing, includes makers of processed foods like breads, soft drinks, chocolate/candies, dairy products and ice cream.

The food and beverage industry is Australia's largest manufacturing sector and a particularly important part of Australia's overall food production. Its annual turnover is approximately \$50 billion, which equates to approximately 18 per cent of Australia's total manufacturing turnover. The industry is also a major employer and the fastest growing manufacturing employer in regional Australia.

Australia is recognised as a world-leading source of high-quality, safe and innovative processed food, with demonstrable expertise in the supply of quality products to domestic and export markets, and the food manufacturers in Glynde and Stepney are no exception. Research undertaken by staff has highlighted that Australia's top five export markets are currently Japan, United States of America, Korea, Indonesia and New Zealand.

One of the key reasons why Australia is recognised as such a reliable source is that it has the ability to provide its food and beverage manufacturers with the security of supply and access to raw ingredients, which are of a high quality and competitive in price from a large and diverse local agricultural sector. In addition, Australian products have high safety and quality standards, driven by Australia's robust regulatory, governance and compliance frameworks. In addition, Australian food producers and processors are recognised globally for the innovative and reliable production of high-quality 'clean and green' processed food and agricultural products, services and technology. All of these attributes are considered by international analysts to be important factors in the industry's export success.

While the food and beverage manufacturing sector is extremely strong, it is critical to recognise that over 80 per cent of the production and exports actually emanate from the eastern states of Australia, namely Victoria, New South Wales and Queensland, with most of the food manufacturing, occurring in the urban centres of Sydney, Melbourne and Brisbane. One of the key reasons for this is the strong transportation network within these States and direct access to export markets.

- **Food and Beverage Manufacturing Precincts**

A food and beverage manufacturing precinct, by definition is a designated area or zone where various activities related to food production, processing, and distribution are concentrated. These precincts are often strategically planned to facilitate efficient and sustainable food production, promote innovation, and support economic growth in the food and beverage industry. The exact details of a food manufacturing precinct can vary widely based on location, local regulations, and industry needs.

A food and beverage manufacturing precinct can contribute significantly to the local economy by creating jobs, attracting investment, and generating revenue through taxes and fees.

However, a successful food and beverage manufacturing precinct is reliant on a number of key factors, these are briefly outlined below:

1. **Location:** The location of the precinct is crucial. It should be easily accessible to transportation networks, including major arterial roads, railways, and ports, to ensure efficient distribution of products.
2. **Infrastructure:** Adequate infrastructure, such as water, electricity is also essential for food and beverage processing facilities.
3. **Zoning and Land Use:** In an ideal land use scenario a food and beverage manufacturing precinct would be zoned specifically for food manufacturing activities, ensuring that the land is used for its intended purpose and minimising potential conflicts with other land uses.
4. **Industry Clustering:** One of the main benefits of a food manufacturing precinct is the opportunity for businesses in the same industry to cluster together. This encourages collaboration, knowledge sharing, and potential synergies between different businesses in the food value chain.
5. **Innovation and Research Facilities:** A successful food manufacturing precinct (depending on its size) might include a research and development centre, food technology laboratories, and testing facility to foster innovation, product development, and quality control.
6. **Regulatory Compliance:** Strict adherence to food safety and quality regulations is paramount in food manufacturing. The precinct should be designed to meet or exceed these standards to ensure the safety of consumers.
7. **Environmental Considerations:** Because sustainability and environmental considerations are becoming increasingly important, a food manufacturing precinct should incorporate waste management systems, renewable energy sources, and water conservation practices.
8. **Workforce Development:** Access to training in order to provide a skilled workforce for the industry, will contribute to the success of the businesses and ultimately the success of the precinct. This could involve partnerships with local educational institutions (ie Universities and TAFE) to offer specialised programs related to food manufacturing.
9. **Logistics and Distribution:** The precinct should have well-designed transportation and logistics infrastructure to facilitate the movement of raw materials, intermediate goods, and finished products.
10. **Support Services:** Access to ancillary services like financial institutions, legal services, marketing agencies, and industry associations are critical to support businesses within the precinct.

- **Food and Beverage Manufacturing Sector in the City Of Norwood Payneham & St Peters**

The food and beverage manufacturing sector within the City of Norwood Payneham & St Peters, is generally concentrated in the Employment Zones of Glynde and Stepney, with some smaller scale production occurring in other locations across the City. The food and beverage manufacturing sector within the City of Norwood Payneham & St Peters, contributes approximately \$395M (5.3%) of total output generated in the City of Norwood Payneham & St Peters. As a percentage of total State output, this contribution equates to 0.15%. Of the total number of people employed in the City of Norwood Payneham & St Peters, 2.4% are employed within the food and beverage manufacturing sector.

In the period between 2015 – 2023, food manufacturing within the City experienced a growth rate of 10.2%, with beverage manufacturing growing at a rate of 13.29%. However in relation to Glynde and Stepney specifically, the number of food manufacturing businesses has declined from 17 to 12. While beverage manufacturing has grown from one (1) to two (2).

RELEVANT STRATEGIC DIRECTIONS & POLICIES

The key strategic documents that align with the Notice of Motion are listed below:

- *The 30 - Year Plan for Greater Adelaide*
- *Greater Adelaide Regional Plan – Discussion Paper*
- *CityPlan 2030: Shaping Our Future – Mid Term Review 2020*
- *City of Norwood Payneham & St Peters - Economic Development Strategy 2021-2026*
- *South Australia's Small Business Strategy 2023 - 2030*

- **Greater Adelaide Regional Plan – Discussion Paper**

The *Greater Adelaide Regional Plan – Discussion Paper* (the Discussion Paper), was released for consultation by the State Government on Monday 14 August 2023. It has been prepared to stimulate new thinking about how Greater Adelaide will grow, where Greater Adelaide should grow and how the State and Local Governments can sustainably provide for future residential and employment growth and change.

The intent of the Discussion Paper is to inform the development of the *Greater Adelaide Regional Plan*, which will establish a new 30-year vision for the Greater Adelaide region. Its purpose will be to identify where people live and work, how they move around and where they will access services. The Discussion Paper makes reference to sixteen (16) State Planning Policies, one of which is Employment Lands. It is the intent that these State Planning Policies will be used to guide sustainable development and support jobs and economic growth, while improving environmental outcomes.

Interestingly, the Discussion Paper states that while manufacturing remains the State's largest employer, the share of the State's Gross State Product (GSP) attributable to manufacturing has declined from 16% in 1990 to approximately 6% in 2019.

In relation to Employment Lands, the Discussion Paper, identifies that a prosperous economy requires the State to have employment land that:

- will accommodate its current and future industries;
- is appropriately serviced and connected to the world through digital infrastructure, roads, rail, ports and airports;
- is well connected to a skilled work force and environments that are attractive places for talented workers; and
- is protected from incompatible development and balances competing uses appropriately.

It also recognises that manufacturing will continue to grow and remain the largest employer, with jobs driven primarily through the investment in defence projects. However, it does recognise that employment precincts are increasingly accommodating activities linked to the provision of services and retail and these population serving activities will continue to play an important role in providing the products and services that underpin urban productivity and liveability. More specifically, the Discussion Paper suggests that the number of jobs across inner-suburban employment lands is expected to grow and that these jobs will be driven by knowledge-intensive activities that seek locations near the CBD and access to skilled workers. This is particularly interesting given that the knowledge sector is the City of Norwood Payneham & St Peters greatest asset.

Interestingly, the Discussion Paper recognises and states that "*Locations for inner-suburban employment precincts are often identified for rezoning to residential uses. This highlights the need to balance new city-fringe housing with future employment needs.*" It goes on to say that "*while inner city employment land has become an attractive proposition for residential development, we need to safeguard employment land near where people live to continue providing services that meet the needs and demands of the growing population.*"

Despite recognising that this is an issue of concern, in a separate section of the Discussion Paper it identifies the Stepney Triangle as an area for Strategic Infill, which adds a level of confusion as to what the State's priorities really are. The advantage of the confusion presented by the State is that it demonstrates that there is a need and opportunity for the Council to set the direction for Stepney and determine a clear vision for the future of the Stepney Triangle.

More specifically, the Discussion Paper classifies the current employment lands into four (4) categories, Traditional, Freight and Logistics, Knowledge Intensive and Population Serving. Glynde together with Somerton Park, Seaford and Beverley, are all recognised as Population Serving precincts, whereas Stepney is categorised as a Knowledge Intensive precinct, similar to Tonsley, Lot Fourteen, Technology Park, Torrensvile and Kent Town.

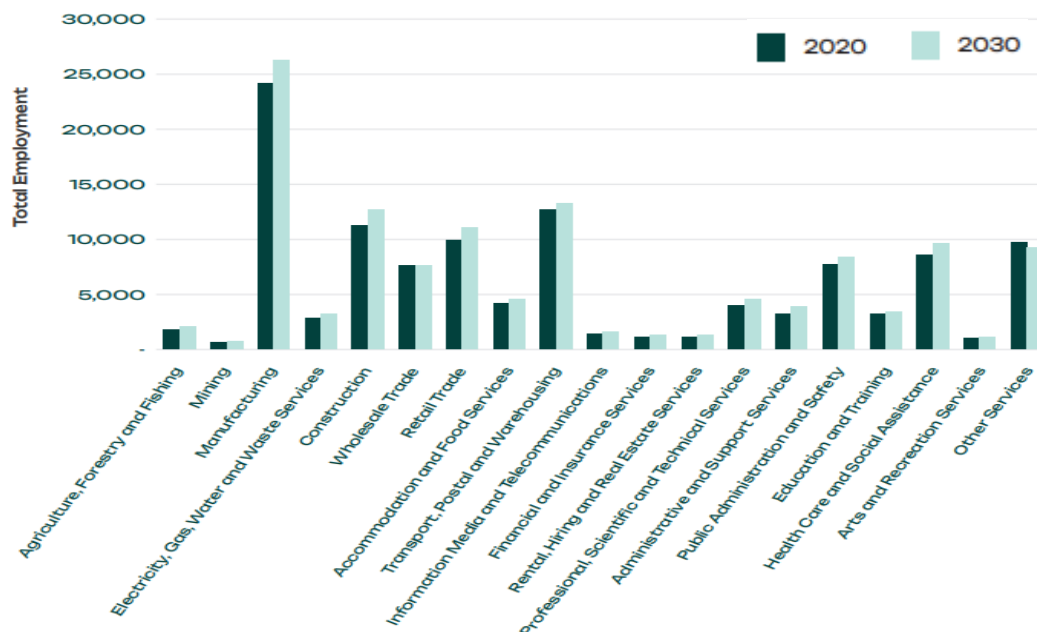
Population serving uses are shaped by demand-generated activities to meet day-to-day-needs. Activities include retail, education, health care, recreation and social services, along with other occasional needs like car maintenance, which on a superficial level, reflects some of the current uses in Glynde, while at the same time dismissing the contribution made many of the other businesses.

The classification of Stepney as Knowledge Intensive, suggests a predetermined vision for Stepney, which aligns with the concept of Strategic Infill, which if implemented, would see Stepney evolve as an extension of Kent Town and West Norwood and move away from its roots of being a mixed-use precinct with a light industrial component. If not managed properly this could see businesses such as Quinzi's forced out of the Precinct to accommodate the evolution of the Stepney Triangle.

Also interesting is the statement that *"Governments are recognising the need to invest in new infrastructure to ensure that urban economies are positioned to prosper"*. This could be advantageous for the Council, once it establishes its vision for these two (2) precincts.

The Figure below, which was extracted from the Discussion Paper, compares the employment by industry type across Greater Adelaide in 2020, with the projections for 2030.

FIGURE 1: TOTAL EMPLOYMENT BY INDUSTRY TYPE ACROSS GREATER ADELAIDE 2020-2030



The timing of the release of the Discussion Paper and the opportunity to set the vision for the City and more specifically, Glynde and Stepney, assuming that the State Government is accepting of feedback, could be extremely beneficial for the Council and more broadly for the community and this opportunity needs to be taken if the Council wishes to lead the discussion in respect to the future of this City.

- **CityPlan 2030: Shaping Our Future – Mid Term Review 2020**

The Council's Strategic Management Plan, *CityPlan 2030: Shaping Our Future*, provides the overarching strategic framework for all of the Council's services, projects and decision-making. It is based on a Quadruple Bottom Line approach, applying best practice sustainability principles to guide all decisions as to how the Council plans and delivers its services and facilities. The four (4) pillars of integrated sustainability, upon which the Council has based its strategic plan are: Social Equity, Cultural Vitality, Economic Prosperity and Environmental Sustainability.

The most relevant Objectives and Strategies, which support the food and beverage manufacturing sector in the City are contained under the outcome of Economic Prosperity, these are outlined below:

Outcome 3: Economic Prosperity – A dynamic and thriving centre for business and services.

Objective 3.1: A diverse range of businesses and services.

- *Strategy 3.1.1: Support and encourage local small, specialty, independent and family-owned businesses*
- *Strategy 3.1.2: Attract diverse businesses to locate in our City*

Objective 3.2: Cosmopolitan business precincts contributing to the prosperity of the City.

- *Strategy 3.2.1: Retain, enhance and promote unique character of all out City's business precincts*
- *Strategy 3.2.2: Retain commercial and industrial land in appropriate locations, and protect it from the encroachment of incompatible land uses*
- *Strategy 3.2.3: Promote the City as a visitor destination*

Objective 3.3: Attract new enterprise and local employment opportunities to locate in our City.

- *Strategy 3.3.3: Promote and support local food and beverage manufacturing.*

Objective 3.5: A local economy supporting and supported by its community.

- *Strategy 3.5.1: Support opportunities for people to collaborate and interact in business precincts*
- *Strategy 3.5.4: Support opportunities for the community to access locally produced food and beverage produce*
- *Strategy 3.5.5: Encourage community support for and promote awareness of all businesses in our City.*

- **Economic Development Strategy 2021-2026**

The *Economic Development Strategy* has identified Food & Beverage Manufacturing as one of the four (4) priority sectors in the City. The Objectives, Strategies and Actions that relate to food and beverage manufacturing are outlined below:

Dynamic & Diverse City: Support the growth and viability of the City's business sectors based on their competitive strength and strategic priority.

- *Strategy 1.1: Focus on the support and growth of the City's priority sectors: Food & Beverage Manufacturing*
- *Strategy 1.4: Promote opportunity and collaboration across the sectors*
- *Strategy 1.5: Identify and promote local competitive advantages*
- *Action 1.1.1: Continue to support and promote the Food & Beverage Manufacturing sector;*
- *Action 1.1.2: Continue to host regular bus tours, initiatives and events that showcase the City's food and beverage offering;*
- *Action 1.1.3: Identify and work with local business operators that currently export or have the ambition to export; and*
- *Action 1.1.4 Advocate for the retention of existing zoning to protect the Food & Beverage Manufacturing sector.*

Destination City: Increase the number of people who live, work and visit the City to enhance the community well-being of existing residents, workers and visitors.

- *Strategy 2.4: Work with local business operators to strengthen the viability of precincts and enhance the customer experience.*

Innovative City: Attract and maintain competitive businesses with the capacity for resilience and ongoing sustainability, innovation and growth

- *Strategy 3.1: Maximise new investment and growth opportunities*
- *Strategy 3.2: Recognise businesses and business sectors that make a significant contribution to the City*

Business Friendly City: Remove barriers and make it easy for business owners to start, run and grow a business.

- *Strategy 4.1 Ensure that Council processes are business friendly and contribute to a well-functioning City*

- **South Australia Food and Beverage - Five Year Export Strategy (2022-2027)**

The food and beverage industry is a major economic driver for South Australia and exports of premium food and beverage products make a significant contribution year on year to the State's growth. In 2021, \$2.6 billion export revenue was generated by food and beverage products (excluding wine).

The objective of the five-year export strategy is to provide a simple roadmap for exporters and decision makers to determine where to export, why and how, while also recommending the priorities for resourcing and support.

- **South Australia's Small Business Strategy 2023-2030**

South Australia's Small Business Strategy 2023-2030 outlines how the Government's policies and programs will support and empower business owners to take their business to new heights. The strategy aims to create jobs, build the State's economy and most importantly future proof South Australia's 150,000 small businesses.

The strategy identifies twenty (20) initiatives that the State Government is undertaking over the next three (3) years to help address the themes identified by small businesses.

This Notice of Motion aligns with the following Theme and key initiatives:

Theme 6: Improving access to government services

Export Ready support – a range of supports are available to help small businesses explore, start and expand their exporting journey.

- *Export 101 – are you ready to start exporting?*
- *Export ready – taking the next step to exporting*
- *Export expansion – growing your export business to the next level*

FINANCIAL AND BUDGET IMPLICATIONS

There is no budget allocated to this project at this point in time. Should a decision be made to progress this project and the various initiatives, a budget that accurately reflects the scope will need to be allocated by the Council.

EXTERNAL ECONOMIC IMPLICATIONS

- **National Employment Growth in the Manufacturing Industry (November 2021 to November 2026)**

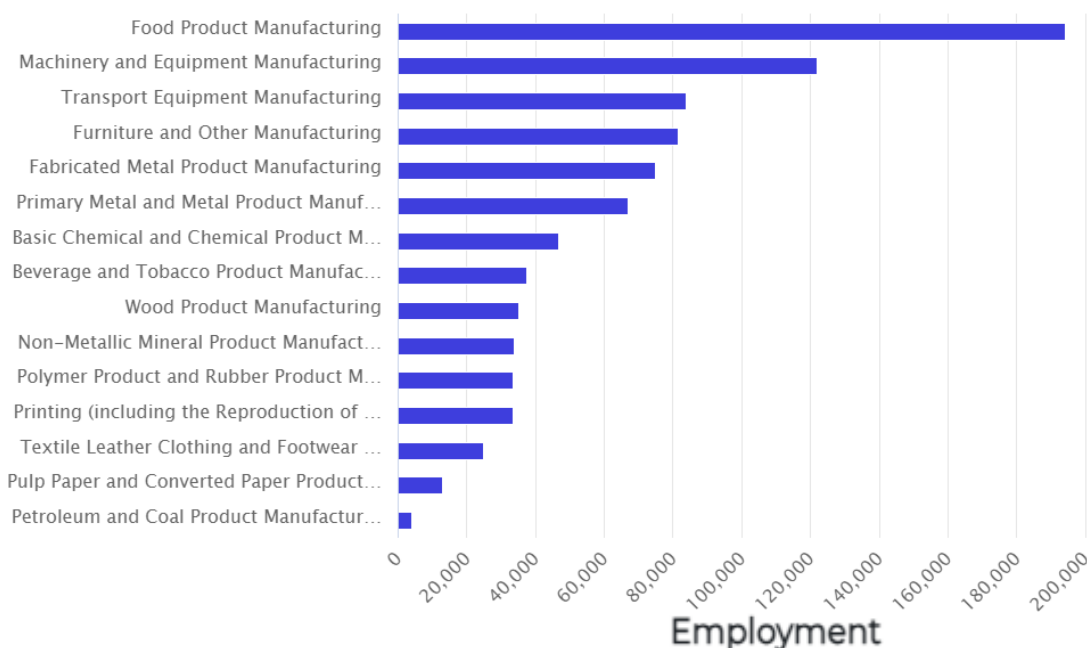
Each year the National Skills Commission releases the National Skills Commission (NSC) Employment Projections to provide a guide to the likely direction of the jobs market over the next five years. The latest data available is for the five years to November 2026.

Employment in manufacturing is projected to increase by 23,100 (or 2.7 per cent) over the five years to November 2026 and deliver the twelfth (12th) highest growth by industry contributor. Whilst the long-term decline in some manufacturing sectors is expected to continue, growth in other sectors, such as food manufacturing, is expected to remain robust and support an increase in employment for the industry over coming years as indicated in **Figure 2** below.

Overarching trends within the manufacturing industry, such as the shift to higher skilled employment and a resilient Food Manufacturing sector, are reflected at the occupational level. Employment is projected to increase strongly for Production Managers (up by 9,800 or 13.0 per cent), Food and Drink Factory Workers (up by 3,500 or 17.5 per cent) and Meat, Poultry and Seafood Process Workers (up by 2,700 or 13.8 per cent).

FIGURE 2: TOTAL NATIONAL EMPLOYMENT WITHIN THE MANUFACTURING SECTOR

Employment by sector, Manufacturing industry



- Economic and Market Analysis**

In order to assist the Council in understanding the full extent of the economic implications, both positive and negative, it is recommended that a detailed economic and market analysis be undertaken. This would include an investigation into the highest and best use for each of the two (2) precincts, which will include a comparison of the Glynde and Stepney food and beverage manufacturing precincts with other similar precincts across the greater Adelaide region, the State and more broadly across Australia, as well as identify the level of demand for not only food and beverage manufacturing but also light industrial land more generally and the opportunity cost of retaining the precincts as employment land versus other land uses (ie uplift) or sacrificing employment land for residential, in the case of Stepney.

In addition, the analysis should include an examination of the economic impact that these two (2) precincts make to the local and regional economies, employment generation, value chain linkages, innovation and technology adoption, and overall growth potential. The following is a very general outline of the key components that should be included as part of the economic and market analysis.

1. **Contribution to GDP and Output:** Assess the gross domestic product (GDP) contribution of the food and beverage manufacturing precincts in Glynde and Stepney, to South Australia's economy compared to other food and beverage manufacturing precincts in the State. Calculate the total output and value added by these precincts, considering factors such as production, sales, and trade.
2. **Employment Generation:** In theory, the establishment of a food manufacturing precinct, would create a significant number of direct and indirect employment opportunities. From skilled positions in food production and quality control to logistics, administration, and maintenance roles, the precinct would cater to a diverse range of skill sets. This influx of jobs would contribute to reducing unemployment rates and boosting the local economy.

Future investigations undertaken by the Council should analyse the extent to which the Glynde and Stepney precincts could contribute to employment in the region and compare the increase in the food and beverage manufacturing with the loss of employment in other sectors in the precinct. The investigations should consider both direct employment within the food and beverage manufacturing sector and indirect employment resulting from supply chain linkages and related services.

3. **Skills Development:** If developed properly the Glynde and Stepney Precincts could serve as a hub for skills development and training in the food manufacturing sector. This supports the growth of a skilled workforce, aligning with industry trends and ensuring a steady supply of qualified professionals.
4. **Supply Chain and Linkages:** The establishment of a food and beverage manufacturing precinct encourages the integration of the entire food supply chain, from primary production to processing and distribution. This integration reduces supply chain inefficiencies, resulting in cost savings and improved resource utilisation.

Future investigations undertaken by the Council should examine the interconnections between the food and beverage manufacturing precincts and other sectors in the economy. It is envisaged that the Precinct's operations would stimulate economic activity through increased demand for goods and services. The detailed analysis should evaluate the multiplier effect, where investment within these precincts results in ripples through the economy, generating additional economic activity.

5. **Innovation and Research:** In theory, concentrating food manufacturing activities in a precinct encourages collaboration among companies and research institutions. Shared facilities and knowledge exchange promote innovation, leading to the development of new products, processes, and technologies that enhance the industry's competitiveness.

It is recommended that the Council investigate the role of innovation, research, and technology adoption within these precincts and analyse whether these precincts have the potential to act as innovation hubs, fostering the development of new food and manufacturing businesses (start-ups) or even locations for new food and beverage industry product development. As part of these investigations, any gaps in the South Australian market can be identified.

6. **Export Opportunities and Trade:** High-quality food products produced within the precinct, could be exported to international markets, leveraging South Australia's reputation for clean, safe, and sustainable practices. This expansion of export markets enhances the state's trade balance and attracts foreign investment.

A critical component of any future investigations will be the need to assess the extent to which the businesses within these two (2) precincts could realistically contribute to South Australia's export earnings and trade balance, as well as their potential for growth in foreign markets. In investigating this component, consideration should be given to the capacity of the Glynde and/or Stepney precincts and more specifically, the businesses themselves, to accommodate growth, which will enable the volume of production required for foreign markets.

7. **Investment and Capital:** The presence of a well-equipped food manufacturing precinct has the potential to attract domestic and foreign investment, as well as State and Federal Government funding. Businesses looking to establish or expand operations in South Australia are more likely to invest in areas with specialised infrastructure that can streamline their production processes. While the size of the Glynde and Stepney precincts may preclude any large-scale investment, these precincts could attract smaller scale opportunities.

Determining the level of private and public investment required to protect these precincts for light industrial/manufacturing and more specifically for the expansion of food and beverage manufacturing in these precincts is important. Understanding the extent of capital required will assist the Council to identify and target potential sources of funding, including State and Federal Government partnerships, government grants, industry partnerships, and private investments.

8. **Infrastructure:** Evaluate existing infrastructure and identify the upgrades that are required to accommodate the potential land uses and vehicles that will support the efficient functioning of these precincts. Assess whether there are any bottlenecks or limitations that could hinder growth.
9. **Sustainability and Environmental Impact:** Consider the environmental sustainability practices adopted by the businesses in these precincts. Examine existing and potential solutions to minimize waste, energy consumption, and environmental impact.
10. **Local Community Impact:** Assess the effects of these precincts on the local communities, including both positive and negative impacts, including job opportunities for local residents, and potential strains on local resources and any potential interface issues between the surrounding residential areas and the operations on the employment land.
11. **Barriers to Growth:** Identify any challenges or barriers that could hinder the growth of food and beverage manufacturing in these precincts – including regulatory requirements, gaps and/or shortage in the skilled workforce, access to financing, or market volatility, competition and general demand. As part of this analysis, consideration should also be given to the current zoning and its opportunities and constraints.
12. **Comparative Analysis:** Compare the performance and potential of the business in these precincts with food and beverage manufacturing in other similar precincts across South Australia and more broadly Australia.
13. **Future Growth Potential:** The detailed analysis, will also need to project the future growth potential for these precincts and should consider factors such as emerging market trends, technological advancements, and changing consumer preferences, as well as competing demands on the land use based on the location of the precincts. It is anticipated that Stepney's close proximity to the CBD will highlight competing demands for the land.

Given the specialised nature of a large component of the economic and market analysis required to provide the Council with a comprehensive assessment to determine the potential for the food and beverage manufacturing precincts in Glynde and Stepney, a suitably qualified consultant will need to be commissioned to undertake the work.

The results of this study should also determine if there really is a demand and what that demand looks like. It may be that these precincts need to continue as mixed use or simply light industrial precincts rather than for food manufacturing. The results of the analysis may also highlight a gap in the market that would be suitable for the City of Norwood Payneham & St Peters to adopt.

It is envisaged that a study of this nature would cost in the vicinity of \$50,000, depending on the level of detail.

RESOURCE ISSUES

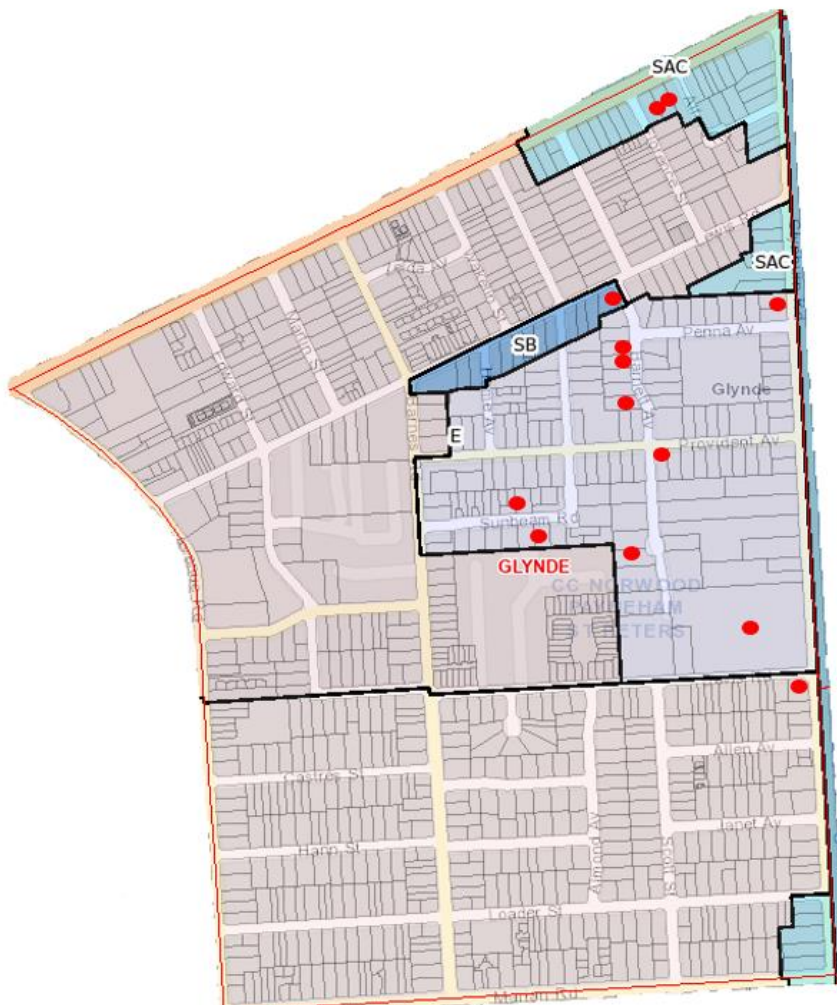
Given the extent of the work required to bring this project to fruition, it is envisaged that a range of consultants will need to be engaged to deliver the various components, ranging from the preliminary investigations through to the detailed masterplans. Council staff will manage the consultants and oversee the delivery of the overall project.

DISCUSSION

- **Glynde**

The Glynde Precinct is located in the north eastern section of the City of Norwood Payneham & St Peters, approximately 8 kilometres northeast of the Adelaide Central Business District. It comprises of a range of light industrial and manufacturing uses, which are concentrated within the area bounded by Lewis Road to the North, Glynburn Road to the East, Davis Road to the South and Barnes Road to the West, as indicated below in **Figure 3**. Glynde is well-positioned with good transport links to the City and other parts of Adelaide. Glynde is accessible via major roads such as Payneham Road, Glynburn Road, and Lower North East Road. The top three (3) business sectors in terms of the number of businesses in the Glynde Precinct are Construction, Rental, Hiring & Real Estate Services, with manufacturing sitting at number eight (8), and accounting for 6.85% of the total land uses in the Precinct. Of the total 6.85%, food and beverage manufacturing accounts for 2.74%.

FIGURE 3: LOCATION OF FOOD AND BEVERAGE MANUFACTURING BUSINESSES IN GLYNDE



Zoning

The State-wide *Planning & Design Code* came into effect on 19 March 2021.

The predominant zoning in both the Stepney triangle and Glynde is the Employment Zone, an enabling zone for a range of land use activities, including light industry (manufacturing) and larger scale shops (if on an arterial road). The Employment Zone has been applied to all areas across the State with a mix of industrial and commercial land uses, including large-format retail showrooms.

The Glynde and Stepney precincts were converted from the former Light Industry Zone within the Norwood Payneham and St Peters Development Plan in 2021, to the Employment Zone, through the introduction of the *Planning & Design Code*.

The Employment Zone has two 'Desired Outcomes' as follows:

DO 1 A diverse range of low-impact light industrial, commercial and business activities that complement the role of other zones accommodating significant industrial, shopping and business activities.

DO2 Distinctive building, landscape and streetscape design to achieve high visual and environmental amenity particularly along arterial roads, zone boundaries and public open spaces.

A range of employment generating land uses such as light industrial, service trade, motor repair and other compatible businesses servicing the local community that do not produce emissions that would detrimentally affect local amenity are the uses envisaged in the Employment Zone including (but not limited to):

- | | |
|------------------------------|-------------------------------|
| • Consulting room | • Retail fuel outlet |
| • Indoor recreation facility | • Service trade premises |
| • Light industry | • Shop |
| • Motor repair station | • Store |
| • Office | • Telecommunications facility |
| • Place of worship | • Training facility |
| • Research facility | • Warehouse |

The majority of the food and beverage associated businesses in Glynde and Stepney comprise 'Light Industry' land uses, a term defined in the Code as follows:

Light Industry means an industry where the process carried on, the materials and machinery used, the transport of materials, goods or commodities to and from the land on or in which (wholly or in part) the industry is conducted and the scale of the industry does not:

- a) detrimentally affect the amenity of the locality or the amenity within the vicinity of the locality by reason of the establishment or the bulk of any building or structure, the emission of noise, vibration, smell, fumes, smoke, vapour, steam, soot, ash, dust, waste water, waste products, grit, oil, spilled light, or otherwise howsoever; or*
- b) directly or indirectly cause dangerous or congested traffic conditions in any nearby road.*

The application of this zone over the Glynde and Stepney areas, is considered suitable in theory as the most appropriate zone to support the protection and encouragement of new food and beverage manufacturing businesses.

However, while Light Industry is a key use within the Employment Zone, the zone is not inclusive to these types of land uses and as the envisaged land use list indicates, a range of other land uses are permitted.

While the introduction of the *Planning & Design Code* has simplified the State-wide planning policy, the result is more genericised policy which, while facilitating flexibility and perhaps more market driven development outcomes, has diluted planning policy such that the Glynde and Stepney Employment Zone is no different to any other Employment Zone across the State and does not offer any tailored policy seeking to encourage food and beverage manufacturing businesses. As such, land uses are predominately dictated by market forces which if left unchallenged, will over time be saturated with retail, office, commercial and residential land uses.

A map showing the extent of the Employment Zone and the surround commercial business zones in Glynde is contained in **Figure 4**.

Restricted Land Uses

The only Restricted form of land use in the Employment Zone is certain types of shops. However, a shop which is less than 1,000m² gross leasable area, or a shop that is defined as a Bulky Goods Outlet, can not be restricted and could readily gain approval in the Employment Zone.

As such, subject to market driven demand, retail shops could ultimately pose a threat to the Glynde and Stepney business areas, while modest retail which supports and is in association with the food and beverage manufacturing businesses is positive and suitable, large format retail “invasion” could greatly impact these areas.

Notwithstanding this, the zone does encourage bulky goods outlets and standalone shops to be located on sites with a frontage to a State maintained road (ie Glynburn Road), providing some protection to the internal area of the Zone. However, given that the Glynde Precinct does not have a large footprint, such encroachments will result in a significant loss of valuable light industrial land to bulky goods/retail development.

Options to resolve this could include the Council engaging with the State Government to have additional land uses listed as Restricted within the Zone, particularly if a pattern of Development Applications seeking land uses which undermine the food and beverage activities are becoming apparent.

In addition to retail, residential land uses (dwellings, apartments, etc) are not listed as restricted in this Zone. While the nature of Employment Zones, as it applies to Glynde, is such that it is unlikely that residential development would pose a threat to the activities within the Zone, firming up the Restricted list within the Zone may offer greater protection long term. However, the risk of residential development in Stepney is however much greater, particularly given the State Government’s identification of Stepney as a Strategic Infill location. Establishing clear clarity regarding the future vision of Stepney is therefore critical.

Creation of a Sub-Zone

Another option which could be explored, is the creation of a sub-zone within the Employment Zone, which promotes the food and beverage manufacturing activities to a greater degree than the generic Zoning policy does.

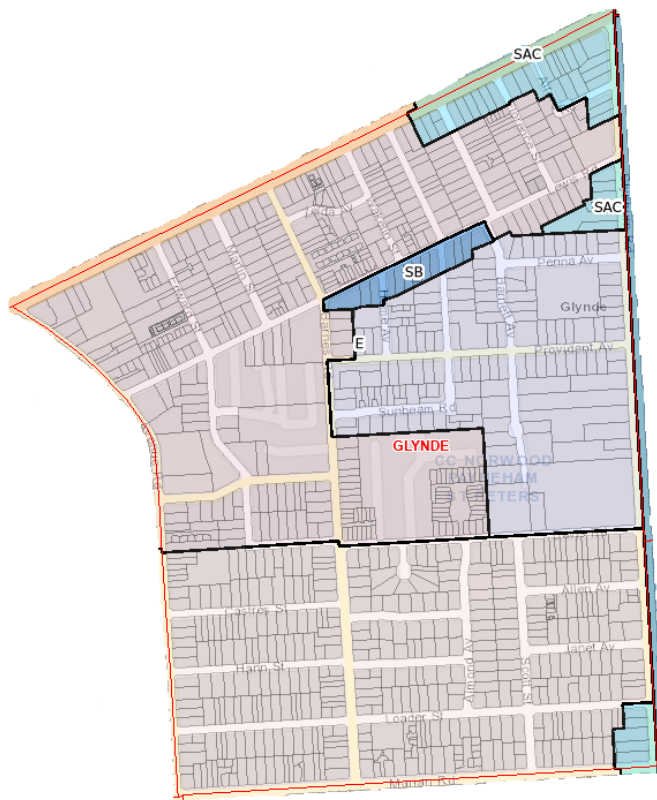
There are currently two sub-zones within the Employment Zone namely the:

- Retail Activity Centre Sub-zone – which applies to specialist activity centres that comprise large format retail and commercial activities which complement the principal land uses desired in the zone and the role of other zones accommodating significant shopping, business and commercial activities; and
- Roadside Service Centre Subzone – which seeks provision of services and facilities to cater for the needs of road users, particularly on long journeys.

The general approach from the State Government has been to limit the creation of Sub-Zones unless they are clearly justifiable, so further analysis would be needed to better understand the likelihood of such a sub-zone being supported and what type of unique policies might be included to distinguish it from the rest of the Employment Zone.

In order to commence discussions with the State Government regarding amending the zoning to provide greater certainty for the envisaged land uses within the Glynde and Stepney, a letter has been sent to the State Planning Commission, seeking early advice from the Commission as to how it thinks the Planning and Design Code may be used to increase certainty and long-term investment for a particular industry sector, in this instance, the food and beverage manufacturing sector. A copy of the letter is contained in **Attachment A**.

FIGURE 4: ZONING IN GLYNDE



Land Use

In order to understand the existing business mix within the Employment Zone in Glynde, a land use survey has been undertaken. The results of the land use survey are outlined below in **Tables 1, 2 and 3**. In summary, there are twelve (12) food and beverage manufacturing businesses within the Glynde Precinct, representing 10.8% of all businesses. In comparison there are 15 car related businesses within the same Precinct.

TABLE 1: GLYNDE BUSINESS MIX ANALYSIS (111 Total Businesses)

Category	Number	%
Professional	48	43.2
Retail	47	42.3
Medical, Health & Wellbeing	6	5.4
Dining & Entertainment	6	5.4
Community	2	1.8
Hair/Beauty	2	1.8
Training/Employment	0	-

TABLE 2: GLYNDE BUSINESS MIX ANALYSIS – BREAKDOWN OF PROFESSIONAL & RETAIL CATEGORIES

Sub-Category	Number	%
Professional – Technical	48	100
Retail - Product	47	97.9
Retail - Clothing	1	2.1

TABLE 3: GLYNDE FOOD, BEVERAGE & CAR RELATED BUSINESS BREAKDOWN

Category	Number	% of total businesses in Glynde
Food or Beverage Manufacturer	12	10.8
Food or Beverage Retail (with no manufacturing in NPSP)	5	4.5
Car	15	13.5

Notes:

Food or Beverage Manufacturer - A business that actively produces a product that is either sold on-site or via another method. Food or Beverage manufacturing businesses are generally identified as a Retail – Product business (i.e. Menz), however some are identified as a Dining & Entertainment business as well (i.e. Pasta Deli).

Food or Beverage Retail (with no manufacturing in NPSP) - These businesses are generally food or beverage related businesses such as cafes and hotels for example where manufacturing does not occur at all or on-site within the City of Norwood Payneham & St Peters, however food and/or beverage is their primary offering (i.e. Glynde Hotel, Provident Snack Bar).

Car - This refers to any business that deals with vehicles, whether it is repairs, car detailing, tuning or retrofitting.

**Note: The reference to Glynde does not refer to the whole suburb, instead it refers to the business precinct as identified by the zoning.*

Outlined below in **Table 4**, is a snapshot of some of historical Development Applications relating to some of the current crash repairers in Glynde. The age of some of these businesses will make it difficult to address some of the ongoing issues.

TABLE 4: HISTORICAL DEVELOPMENT APPLICATIONS FOR CURRENT SITES OF SOME CRASH REPAIRERS IN GLYNDE

Location	Description	Outcome
39 Provident Avenue, Glynde	N/A	Refused 2001
14 Penna Avenue, Glynde	Carport Extension	Approved 2005
14 Penna Avenue, Glynde	Carport	Approved 1993
14 Penna Avenue, Glynde	Factory Extension	Approved 1971
27-29 Barnett Avenue, Glynde	Workshop Extensions	Approved 1980
27-29 Barnett Avenue, Glynde	Industrial Factory	Approved 1970
27-29 Barnett Avenue, Glynde	Workshop	Approved 1974

Infrastructure

One of the Council's asset-related objectives is to replace all asphalt footpaths within the City with brick-paved footpaths. Over the years, the Council has introduced a rolling program of asset renewal to replace asphalt footpath across the City. Due to the existing challenges in the industrial area of Glynde, this area has been excluded from this asset renewal program. In respect to Glynde, a decision has been made to defer the asset renewal program until the on-street parking issue in this Precinct is resolved. Consequently, minimal renewal work has occurred in this Precinct and any civil works has been based on ad-hoc maintenance works rather than renewal works. Failure to address the on-street parking issue has meant that any potential streetscape upgrade projects, where invariably multiple asset classes (road, kerb, footpath, street lights, traffic control devices, stormwater) are renewed/upgraded in a consolidated project has not been able to occur.

Not addressing the compounding issues that are present in Glynde, together with a reluctance to upgrade and invest in infrastructure, will result in a significant amount of work and investment required by the Council to bring the Precinct to an acceptable standard and one that can accommodate a greater number of larger scale businesses.

Streetscape

There is a wide variation in tree canopy cover from suburb to suburb, ranging from as low as 12.35% in Glynde, 20.1% in Stepney to 35.2% in College Park. This distribution of tree coverage across the City is useful for identifying priority areas for future tree plantings and streetscape upgrade projects. The Council's objective is to increase canopy cover across the whole City.

Since the endorsement of the Council's *Tree Strategy*, the Council has prioritised tree planting in suburbs with low levels of canopy cover by filling in the gaps along each street, where possible. Whilst Glynde is recognised as an area with significant opportunity for tree planting and greening generally, the high concentration of commercial and light industrial land uses with warehousing and car parking covering large proportions of the area, means that any impact will need to be focussed on Council owned land. However, the biggest challenge for the Council in Glynde is that there are very few footpaths currently able to accommodate tree planting or any landscaping. Therefore increasing canopy cover in this area will be difficult without major modifications to the road design or significant changes to the land uses.

Traffic

The Glynde precinct is at the interface of residential and light industrial land uses and as a result, concerns are raised regarding heavy vehicles travelling through the residential streets.

Due to the distance from shops, services, bus routes, facilities and the Adelaide CBD, residents who live in and employees that work in Glynde, tend to rely on their private motor vehicle as their transport choice. It is likely that traffic in the streets of Glynde will be compounded, with future developments along Glynburn Road, such as Aldi and Bunnings.

In 2022, the Council engaged Stantec to undertake a Traffic Study within the suburbs of Glynde, Payneham, Firle, Trinity Gardens and St Morris. The findings and recommendations in relation to the Glynde industrial precinct are outlined below:

Findings:

- Barnes Road carries high traffic volumes, high percentages of heavy vehicles and is a main collector street;
- Davis Road and Lewis Road carry relatively high traffic volumes;
- it is likely that traffic in the streets of Glynde will increase further, with future developments along Glynburn Road, such as Aldi and Bunnings; and
- the Glynde precinct is at the interface of residential and light industrial land uses and as a result, residents are concerned about the high percentage of heavy vehicles through the residential streets.

Recommendations:

- implement 40km/h speed limit (currently underway);
- traffic calming measures a priority along Barnes Road (designs to be undertaken this financial year); and
- investigate traffic calming measures in the streets in the Glynde light industrial area (Lewis Road, Penna Ave, Bartlett Ave), in coordination with future developments such as Aldi and Bunnings.

Parking

Many of the existing businesses in Glynde do not provide sufficient off-street parking to cater for their needs, which means that a large portion of their parking needs, as well as their operating needs, are transferred onto the streets of Glynde. This has resulted in not only a lack of on-street parking availability during business hours, but a lack of permeability through the industrial precinct, safety issues for pedestrians and drivers and a reluctance from the Council to undertake enforcement due to the historical operation of many of these businesses, many of which predate the current planning system.

The biggest challenge for the Council is that many of these businesses' pre-date a full planning assessment and have no approval or no conditions requiring carparking. In order to address this historical problem, intervention will be required to make this Precinct customer and business friendly. The appropriate course of action to rectify this issue will be dependent on the Council's endorsed vision for the Precinct.

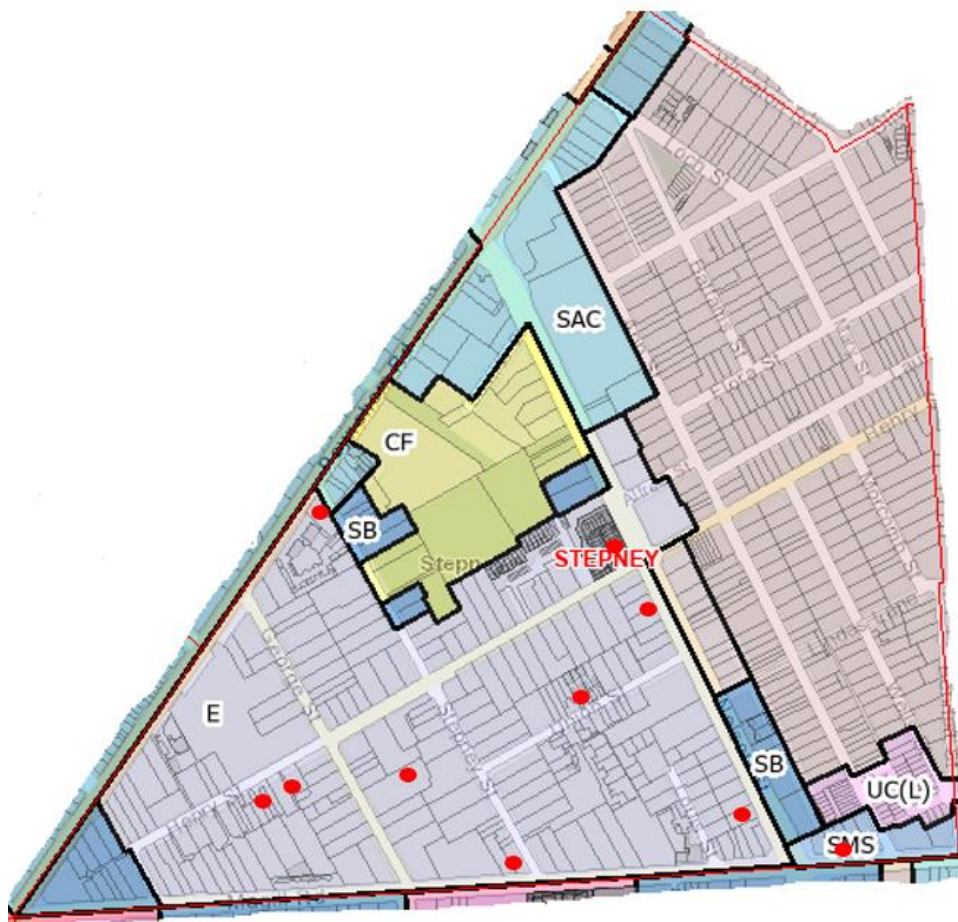
- **STEPNEY**

The Stepney Triangle is located approximately two (2) kilometres from the Adelaide Central Business District and is bounded by Magill Road on the southern side, Nelson Street on the eastern side and Payneham Road along the north western side.

The business mix in Stepney comprises of Rental, Hiring & Real Estate Services, Construction and Professional, Scientific & Technical Services, with Food and beverage manufacturing accounting for 1.22% of the total 5.04% of manufacturing in Stepney

For the purposes of these investigations, the Stepney triangle included the businesses on both sides of Nelson Street. **Figure 5** shows the location of the food and beverage manufacturing businesses.

FIGURE 5: LOCATION OF FOOD & BEVERAGE BUSINESSES IN STEPNEY

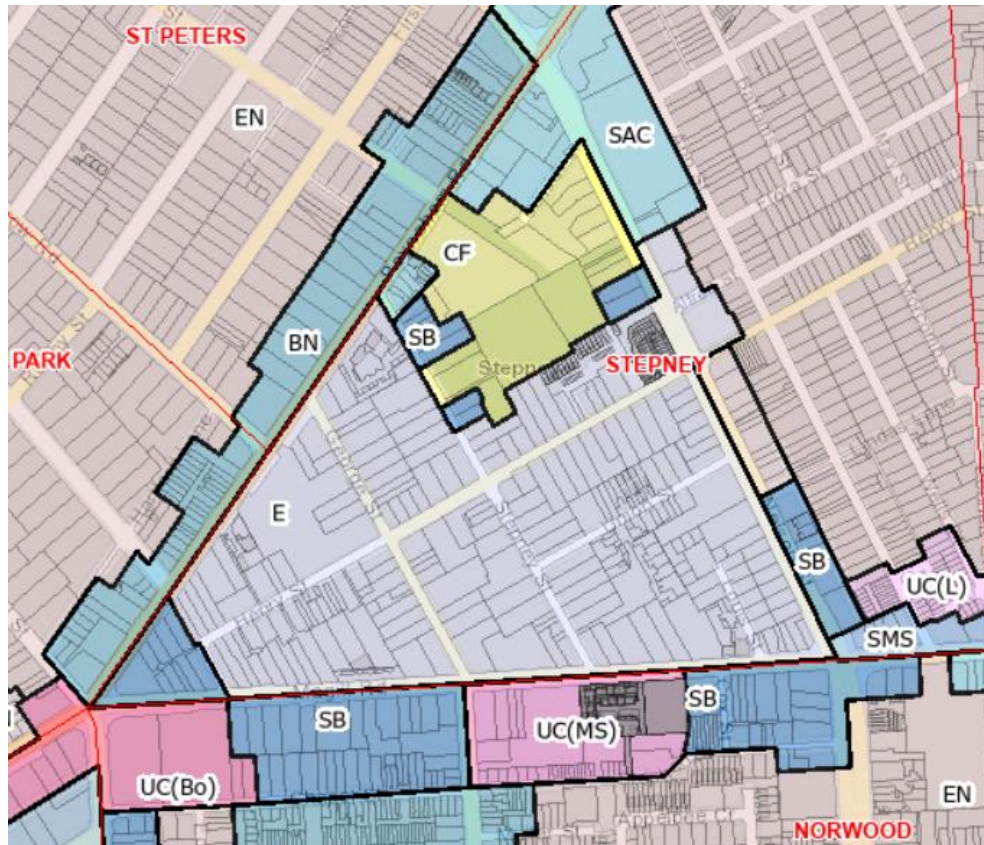


Zoning

Similarly to Glynde, the Stepney Precinct is also predominately zoned Employment Lands to reflect the range of uses in the Precinct.

A map illustrating the zoning within the Stepney triangle is contained in **Figure 6** below.

FIGURE 6: STEPNEY ZONING MAP



Land Use

Similarly to Glynde, a land use survey of the Employment Zone and neighbouring zones has been undertaken. A summary of the results are contained in **Table 5, 7** and **7** below. Of the 2023 businesses in the Stepney precinct, 4.4% or nine (9) businesses are food and beverage manufacturing businesses.

TABLE 5: STEPNEY BUSINESS MIX ANALYSIS (203 Total Businesses)		
Category	Number	%
Professional	77	37.9
Retail	71	35
Medical, Health & Wellbeing	21	10.3
Dining & Entertainment	18	8.9
Community	9	4.4
Hair/Beauty	7	3.4
Training/Employment	0	-

TABLE 6: STEPNEY BUSINESS MIX ANALYSIS – BREAKDOWN OF PROFESSIONAL & RETAIL CATEGORIES

Sub-Category	Number	%
Professional – Technical	67	87
Professional – Financial	8	10.4
Professional – Real Estate	2	2.6
Retail - Product	66	93
Retail - Clothing	5	7

TABLE 7: STEPNEY FOOD, BEVERAGE & CAR RELATED BUSINESS BREAKDOWN

Category	Number	% of total businesses in Stepney
Food or Beverage Manufacturer	9	4.4
Food or Beverage Retail (with no manufacturing in NPSP)	20	9.9
Car	10	4.9

Notes:

Food or Beverage Manufacturer - A business that actively produces a product that is either sold on-site or via another method. Food manufacturing businesses are generally identified as a Retail – Product business (i.e. Quinzi's), however some are identified as a Dining & Entertainment business as well (i.e. Little Bang).

Food or Beverage Retail (with no manufacturing in NPSP) - These businesses are generally food or beverage related businesses such as cafes and hotels for example where manufacturing doesn't occur at all or on-site within the City, however food and/or beverage is their primary offering (i.e. Maid Hotel, Cibo).

Car - This refers to any business that deals with vehicles, whether it is repairs, car detailing, tuning or retrofitting.

**Note: The analysis of Stepney refers to all businesses within suburb of Stepney.*

Outlined below in **Table 8**, is a snapshot of some of historical Development Applications relating to some of the current crash repairers in Stepney.

TABLE 8: HISTORICAL DEVELOPMENT APPLICATIONS FOR CURRENT SITES OF SOME CRASH REPAIRERS IN STEPNEY

Location	Description	Outcome
27 George Street, Stepney	To erect a carport at the front of the existing workshop	Approved 1998
27 George Street, Stepney	Erect carport	Approved 1995
27 George Street, Stepney	Additions to the office and amenities area	Approved 1986
27 George Street, Stepney	Alterations and additions to workshop	Approved 1985
17 Magill Road, Stepney	Freestanding carport	Approved 2005
17 Magill Road, Stepney	To erect a spray-painting booth in association with an existing crash repairer	Approved 1995
17 Magill Road, Stepney	Crash repair business	Approved 1976

Infrastructure

Unlike Glynde, the condition of the infrastructure in Stepney is quite good with regular maintenance and upgrades undertaken.

There are no infrastructure assets scheduled for renewal in Stepney in the Council's 2023-2024 Capital Works Program.

Streetscape

Unlike Glynde, there are pockets within Stepney where the streetscape is more aesthetically pleasing, however the tree canopy cover is still quite low. While the Council has intentions to increase the tree canopy cover, it is not always possible. It is worth noting that a significant portion of the land consists of properties tightly packed with buildings, expansive car parks, narrow streets, and pockets/sections of residential areas. This urban layout will be challenging in achieving a canopy cover exceeding 20% in Stepney. Like Glynde, during the structure planning and masterplanning stage for Stepney, the Council could develop strategies on where to focus tree planting and enhance the overall quality of the urban environment.

Traffic

Stepney, west of Nelson Street is bound by busy arterial roads on all three sides. Its close proximity to the Adelaide CBD, numerous public transport routes, a variety of employment opportunities, shops, services and entertainment, as well as Linde Reserve means that people tend to rely less on private motor vehicles and more on walking, cycling and public transport. Similarly to Glynde, the width of the streets do in some cases cause some issues, particularly for larger vehicles. Overall the permeability through Stepney is far greater than in Glynde.

In 2019, the Council appointed Tonkin (Consultants) to develop a Local Area Traffic Management (LATM) Plan for the suburbs of Stepney, Maylands and Evandale. The findings and the recommendations in relation to the Stepney Triangle (ie the south western quadrant bound by Nelson, Payneham & Magill Roads) are outlined below.

Findings:

- concern with lack of capacity in the arterial roads and therefore 'through' traffic using local streets;
- characterised by narrow streets, narrow footpaths and largely commercial/industrial land uses;
- traffic volumes and speeds were not considered excessive;
- high percentage of 'through traffic' in the AM and PM peaks along Henry Street;
- high percentage of commercial vehicles;
- 40km/h speed limit; and
- citizens raised concerns regarding vehicle speed along Henry Street at the interface between vehicles and pedestrians at the St Peters Child Care Centre & Preschool. However this claim has not been backed up by data.

Recommendations:

Several options for improvement in Henry Street (near St Peters Child Care Centre & Preschool) were considered but found to be not feasible due to the constraints of the narrow road width, narrow footpath, stormwater concerns and limited parking.

Parking

As a result of the greater range of land uses in Stepney and the fact that many sites do have some degree of on-site parking, there is less pressure placed on the streets of Stepney than Glynde.

• Combined Glynde & Stepney Business Analysis

Tables 9, 10 and 11 provide a summary of the combined business mix on both Glynde and Stepney.

Summary of key findings:

- Food manufacturing businesses account for a very small percentage of total businesses, both within each individual suburb and combined.
- Knowledge based businesses dominate (design, engineering, building/construction etc).
- Stepney has more businesses associated with food and beverage than Glynde, although a lot of these businesses are not directly associated with manufacturing.

- Both Glynde and Stepney have more businesses associated with vehicles and everyday population serving uses than the number of food and beverage manufacturers.
- Stepney has a more diverse business tenancy mix although both precincts rely heavily on the top 2 industries of Professional and Retail.

TABLE 9: COMBINED GLYNDE & STEPNEY BUSINESS MIX ANALYSIS (314 Total Businesses)

Category	Number	%
Professional	125	39.8
Retail	118	37.5
Medical, Health & Wellbeing	27	8.6
Dining & Entertainment	24	7.6
Community	11	3.5
Hair/Beauty	9	2.8
Training/Employment	0	-

TABLE 10: COMBINED GLYNDE & STEPNEY BUSINESS MIX ANALYSIS – BREAKDOWN OF PROFESSIONAL & RETAIL INDUSTRIES

Sub-Category	Number	%
Professional – Technical	115	92
Professional – Financial	8	6.4
Professional – Real Estate	2	1.6
Retail - Product	112	94.9
Retail - Clothing	6	5.1

TABLE 11: COMBINED GLYNDE & STEPNEY FOOD, BEVERAGE & CAR RELATED BUSINESS BREAKDOWN

Category	Number	% of total businesses in Stepney
Food or Beverage Manufacturer	21	6.7
Food or Beverage Retail (with no manufacturing in NPSP)	25	7.9
Car	25	7.9

• Comparison With Other Precincts

In order to better understand food and beverage manufacturing precincts, some analysis of existing precincts located through Australia and investigated some of the existing precincts within the Greater Adelaide Region, as Glynde and Stepney's potential competition has been undertaken. This information will hopefully provide some guidance to the Committee and the Council, on what level of commitment (in terms of resources, time and budget) will be required should the Council resolve to progress this initiative.

Central Coast Food Manufacturing Precinct

In 2018, a Memorandum of Understanding (MOU) was established between Regional Development Australia Central Coast (RDACC), Central Coast Industry Connect (CCIC) and the University of Newcastle (including the Newcastle Institute for Energy and Resources), to build the Central Coast's reputation as an internationally renowned centre of excellence in food innovation. Food and beverage manufacturing in the Central Coast currently contributes approximately \$1.4B in output to the region.

One of the key deliverables of this project, is the construction of a purpose-built facility to house scale up food businesses, a range of pilot facilities and a skills hub servicing the local food and beverage manufacturing sector. This facility is designed to grow the local food sector and attract food manufacturers from outside the region.

To deliver its overall objective of becoming a major contributor to the national food processing industry by becoming a competitive food manufacturing and innovation destination, the CCIC is also working with Star Scientific on hydrogen to produce heat for food processing and undertaking investigations on the industry's food and trade waste.

In order to enable the project, which has been five (5) years in the making, a strategic business case for the hub was developed by CCIC late last year with the assistance of Food Innovation Australia Limited and major industry partner TrendPac. The business case received support from regional stakeholders including Regional Development Australia Central Coast, the University of Newcastle and major food manufacturing companies Sara Lee, Mars Food, Sanitarium and Agrana Australia.

In October 2022, as part of its Budget, the Federal Government announced an allocation of \$17.2 M for the establishment of a Food Manufacturing and Innovation Hub at Lisarow. The Federal funding was a result of extensive lobbying of all levels of government, with support finally being obtained from the Local Member for Dobell and then Shadow Minister for Industry and Innovation.

Latrobe City Food Manufacturing Precinct

As part of its 2021-2022 Budget, the Victorian State Government announced \$10 million to fast track the Latrobe City Food Manufacturing Precinct in Morwell. The \$10m will be used to upgrade the infrastructure required to service the delivery of the precinct.

The funding is a result of a comprehensive budget submission and many years of advocacy from the Council, to enable the development of a number of priority precincts.

In this example, the Council had the foresight to designate the 89-hectare precinct for future food manufacturing adjacent to the existing Bega Cheese manufacturing plant. As a result the precinct has the capacity to accommodate up to 44 prime industrial lots and provides a high quality 'modern' industrial development. It has the potential to support 1700 ongoing manufacturing jobs once up and running.

Once established, the Council will work with Food and Fibre Gippsland to deliver the precinct and secure appropriate tenants to assist with the growth and diversification of the Latrobe City economy.

Food Innovation Precinct Western Australia (FIPWA)

At the 2023 National Economic Development Conference (NEDC), the Shire of Murray received the national award for Excellence in Economic Development Through Partnerships & Collaboration for establishing the Food Innovation Precinct Western Australia (FIPWA).

The FIPWA, which was launched in early 2023, is a state-of-the-art facility fostering industry innovation to drive business growth, develop new products and exports, and transform Western Australia's food and beverage manufacturing industry. The precinct includes a food and beverage production centre with a food technology facility, an innovation centre and a research and development centre.

The FIPWA is Western Australia's only centre for agri-food innovation excellence and offers businesses opportunities to network, support in expanding into domestic and international markets, access to food researchers and product development experts, connections to tertiary learning facilities, product development, as well as a host of other services.

It has been described by the Shire of Murray as a "game changer" for the Peel region, as its intent is to further enhance the agricultural food sector through economic value addition and also as a mechanism to grow the much-needed human capital. One of the Shire of Murray's key goals is to delivery industry diversification in the hope that it will drive long term opportunities for the Shire. It is expected to bring a billion-dollar boost to Western Australia by enabling up to \$330 million in the food and beverage sector, and another \$737 million into the wider economy over the next five (5) years.

The FIPWA was only possible through the multiple partnerships and collaborations, which included \$21.75 million from the Australian Government and \$45 million from the Western Australian Government. Following the success of working with partners and collaborators to develop and deliver on FIPWA, the Council is now focusing on the next stage of growth and innovation, which includes exploring the feasibility of creating a commercial scale Murray Future Foods Facility.

Edinburgh Parks – Northern Adelaide Food Park

The Northern Adelaide Food Park is located in the City of Salisbury and is a State Government initiative to establish the State's premium food processing and precinct in Edinburgh Parks.

Edinburgh Parks is considered to be one of Australia's largest and most advanced industrial precincts, with approximately 600 hectares of fully develop land available. It is home to a range of industry sectors including food, logistics, manufacturing, resource services and defence. Edinburgh Park offers fully developed commercial and industrial sites with access to recycled water and all essential services.

The primary objective behind the establishment of the Northern Adelaide Food Park, is to grow the food industry in South Australia and maximise the advantages of South Australia's reputation for premium food and wine. The State Government has established Food Park to create opportunities for businesses to co-locate and enable both new and existing food and beverage processors, manufacturers, food packaging specialists, cold-chain suppliers and logistic and transport companies to expand and grow.

To put things into perspective, Edinburgh Parks is a \$1.9 Billion investment and comprises of four precincts, designated for aerospace and manufacturing, defence technology, logistics support and automotive industries. The industrial blocks are considered to be some of the best value industrial land in Australia. The allotments range from 2,500 square metres to 10 hectares and greater. All allotments are fully serviced with industrial grade roads, three-phase power, potable and non-potable water, sewerage and communications provided to the boundary. To further encourage investment, the City of Salisbury confidently promotes its commitment to work with Renewal SA to provide practical and timely development approvals.

Examples of some of the businesses that have invested in Edinburgh Parks include La Casa Del Formaggio, which has only recently relocated from Glynde – investing \$35m for its new facility and Ingham, which has invested \$100 million in its new food processing facility.

The establishment of Edinburgh Park, has taken the City of Salisbury and the City of Playford working with the State Government, close to 15 years to get the project to this stage, with one of its clear advantages being that it is a "greenfield" site.

Edwardstown Employment Precinct

The Edwardstown Employment Precinct is the economic engine room of the City of Marion economy. It is host to over 4,500 jobs over 1,800 businesses and generates \$1B into the City's economy.

Following the closure of Mitsubishi Motors, the region was left with a large vacant footprint as well as a range of diverse small-scale manufacturers with unique capabilities that were not leveraging on emerging and innovative technology, or collaborating with other businesses to respond to the challenges.

The City of Marion recognised that the future of manufacturing was a major concern for business, employment and the local economy, which led to a four-year commitment by the Council to deliver the Revitalisation of the Edwardstown Employment Precinct. This project commenced in 2018 and formed part of the City of Marion's four-year Business Plan. Each year a twelve (12) month action plan was created to revitalise the precinct in relation to access, amenity and activation.

The project's objectives included: to foster local commercial activity and business prosperity, improve visual amenity of the precinct, present increasing employment opportunities in the area and support economic growth.

To support the delivery of this project, several studies were undertaken, some of which include; identifying and understanding the manufacturing ecosystem, capability mapping of the Edwardstown and Tonsley Precincts, followed by a strategic recommendations report and an Economic Activation of Precincts Report, prepared by Flinders University's Australian Industrial Transformation Institute. The Council's commitment, which was displayed through significant budget allocation and dedicated resources, assisted the Council to receive State Government funding to enable these initiatives to occur.

To support and showcase the efforts of this project and to continue to promote business, an Edwardstown brand and website has been developed. The website includes information about the project, business information, the local economy, zoning and investment opportunities, as well as recognition initiatives such as the Business Awards.

Seaford Industrial Park

The 30-hectare Seaford Industrial Park, which was originally established in 2004, is located on the southern side of Seaford Road. The Industrial Park, which was established with the assistance of a \$10 million investment from Renewal SA was originally created to provide industrial land to support the food and wine businesses with links to the McLaren Vale.

The vision for the Seaford Industrial Park was to provide serviced industrial land for small to medium sized businesses, with most sites averaging approximately 2,000sqm in size. Since its establishment some of the sites have been subdivided into smaller strata title units to cater for a range of different uses.

In reality, very few businesses within the Seaford Industrial Park are related to the food and wine industry, with many of these types of businesses preferring to locate adjacent to the winery or within McLaren Vale. Interestingly the current primary uses of the Seaford Industrial Park are motor vehicle repairs, small manufacturers, primarily related to the domestic building industry, trade and storage premises, generally catering for the local population the expanding southern suburbs within the City of Onkaparinga. Which is also how it has been classified in the *Greater Adelaide Regional Plan – Discussion Paper*.

An Employment Lands Analysis that was produced by JLL for the City of Onkaparinga in 2015, showed that larger businesses with links to the food and wine industries have tended to gravitate towards the Barossa Valley rather than the southern region of Adelaide.

The Seaford Industrial Park is an example of where a fit for purpose precinct does not always attract the businesses it was designed for.

- **Changing Landscape of Glynde and Stepney**

The Council's *Food Secrets* initiative was originally launched in 2015, with the *Food Secrets of Glynde* publication and associated events and initiatives. The objective behind the initiative was to showcase the food manufacturing businesses in the Glynde precinct. This was subsequently followed by the release of the *Food Secrets of Stepney* publication in 2018, which included the food manufacturing businesses in Stepney. Over the last eight (8) years, these precincts have seen a change in the number of businesses with a general decline in the number of food manufacturing businesses and an increase in the number of beverage manufacturing businesses. **Table 12** compares the food manufacturing businesses in 2023 with those in 2015.

TABLE 12: COMPARISON OF GLYNDE & STEPNEY FOOD MANUFACTURING BUSINESSES IN 2017 AND 2023

2015	2023
1645 Coffee Roasters	1645 Coffee Roasters
AR Premium Foods	Doughnut World
Avanti Pasticceria	L'Abruzzese Pasta
Bread Garden Bakery	Kimchi Club
Flashengeist	Menz
Gelato Bello	Pasta Deli
International Tastes	Moo Premium Foods
Komplete Food Services	Avanti Pasticceria
L'Abruzzese Pasta	Gelato Bello
La Casa Del Formaggio	Quinzi's Confectionery
Moo Premium Foods	Heidelberg Cakes
Nuts About Food	Rio Coffee
Quinzi's	
Heidelberg Cakes	
Rio Coffee	
Robern Menz	
Pasta Deli	
TOTAL 17	TOTAL: 12

Note: red text indicates the business that have left the Council area between 2017 and 2023 and green text identifying the new food manufacturing businesses

La Casa Del Formaggio

Output data represents the gross revenue generated by businesses and organisations. The total output estimate for Norwood Payneham & St Peters is \$7,409.170 million. Of this, the manufacturing sector contributes \$799,553 million (10.8%) of total output, with food product manufacturing and beverage product manufacturing making up \$304,048 and \$91,033 respectively.

Within the food manufacturing sector, dairy product manufacturing is the largest contributor, accounting for \$116,206 million or 1.6%, followed by sugar and confectionery manufacturing (\$109.334 million or 1.5%), which aligns with the three (3) largest food manufacturing businesses in the Glynde precinct, namely *La Casa Del Formaggio*, *Moo Premium Foods* and *Robern Menz*.

However, after 35 years and three (3) expansions, *La Casa Del Formaggio*, finally moved all of its business operations from Glynde to Edinburgh Parks in July 2023. The new site is ten (10) times larger than the Glynde facility and the state-of-the-art automation is expected to further enhance product consistency, quality and food safety.

In turn, this will result in a significant loss of approximately two thirds of the total output generated by the dairy product manufacturing sector in Glynde and will make a significant dent in the business mix within the Glynde precinct.

Prior to La Casa's departure, the food manufacturing sector with the City of Norwood Payneham & St Peters contributed 3.91% to the State's economy.

Little Bang Brewing Site in Tonsley Innovation Precinct

In pursuit of becoming the most sustainable craft beer producer in Australia, Little Bang Brewing Co are expanding their operations into the Tonsley Innovation Precinct to capitalise on the technology available. Whilst they will continue to remain in Henry Street, Stepney and produce the bulk of their products there, they will be opening a small tap house and micro-brewery in 2024 in Tonsley. With the space and technology to push the boundaries of craft beer brewing, Tonsley was identified as the perfect site for Little Bang Brewing Co to expand their operations.

Aldi and Bunnings

The evolution of the Glynde food and beverage manufacturing precinct will be heavily influenced by two major land uses in the form of an Aldi Supermarket and Bunnings Warehouse that have been approved for sites located respectively at 19-29 and 39-43 Glynburn Road, Glynde.

The Aldi Supermarket development proposed on the corner of Lewis Road and Glynburn Road, is located within the Suburban Activity Centre Zone, immediately adjacent to the Employment Zone. The supermarket comprises a Gross Leasable Floor Area of 1860 metres squared and a car park for 105 vehicles. It is envisaged that the land use will significantly increase traffic volumes along Lewis Road (during peak times); which may lead to difficulty turning right onto Glynburn Road from both the primary access point and Lewis Road access point during peak times. This will more than likely exacerbate traffic egress from Lewis Road, given its limited width.

The Bunnings Warehouse (bulky goods outlet) has been granted conditional planning consent for the property located at 39 - 43 Glynburn Road, between Provident Avenue and Penna Avenue with minor frontage to Barnett Avenue to the west. The subject land is located within the *Employment Zone*. The ground floor level of the building is proposed to comprise a car parking area, accommodating 294 car parking spaces. The level of the car parking area is approximately 1.3m below the level of Glynburn Road. Access to the basement car parking area is proposed via Penna Avenue only. Trade sales are to be accessed via Penna Avenue at the western end of the building. Deliveries of goods to the subject land is proposed via Glynburn Road, with vehicles circulating around the building, unloading and exiting via Penna Avenue.

The large scale of the Bunnings development will have significant impacts on traffic volume and traffic flow throughout the Glynde *Employment Zone*. It may also result in significant traffic congestion in Penna Avenue. It is anticipated that there will be additional non-local traffic accessing the site via the local street network to avoid delays on the arterial road network, which will subsequently require the Council to address the issue in the broader, long-term context.

The Bunnings proposal includes the widening of Penna Avenue and the provision of a signalisation of the intersection of Glynburn Road and Penna Avenue. The implementation of large-scale developments that require modifications to the local street network to facilitate safe and convenient vehicular access arrangements, can only be undertaken with the consent of the Council.

The proposed widening of Penna Avenue and signalisation of the intersection of Glynburn Road and Penna Avenue, will result in the loss of twenty six (26) on-street car parking spaces, comprising seven (7) spaces on Glynburn Road and nineteen (19) spaces on Penna Avenue. To offset this loss, the Bunnings proposal includes a surplus of approximately twenty-two (22) car parking spaces on the development site at peak times. However, whilst Bunnings Group Limited has stated that the Bunnings car park will not be policed, such that anyone accessing other local businesses and services in the locality can park in the Bunnings car park, this has not been formalised in any way and in any event, it may be counter intuitive for most drivers to park in the Bunnings car park to access other local businesses and services.

At the time of writing this report, the Bunnings Group has not obtained the necessary approval from Council to modify Penna Avenue. The Council has advised the Applicant that in the event that the Council receives a request from Bunnings for the Council's consent to modify Penna Avenue, the Council will, as part of its consideration of the request, engage the services of an independent traffic engineer to assess the traffic impact of the Bunnings Development on the local amenity of the adjoining nearby light industrial and residential land uses.

If the Bunnings development is implemented, its large scale will have a significant impact on traffic volumes in the local street network and will significantly alter access and egress arrangements via Penna Avenue as well as resulting in changes to the public realm along Penna Avenue, removing existing on-street car parking spaces.

Notwithstanding this, given that both the Aldi and Bunnings developments will have direct and main road frontages to Glynburn Road and are typical of land uses that the general public would anticipate to be located on an arterial road, they will not necessarily have a significant or negative aesthetic impact on the Glynde precinct. Rather, the most likely impacts that will result from these developments is the loss of designated industrial land, the likely increase in traffic flows and volumes in the precinct as well as potentially increased demand for on-street parking, in what is already a 'parked out' area during day time working hours and a tight road network given the on-street parking that exists and the relatively narrow width of the roads.

If both developments proceed, the Council will need to monitor the traffic and parking impacts and possibly implement traffic calming measures and review on-street parking arrangements to address the impacts referred to above.

- **Feedback from Glynde & Stepney Businesses**

In order to obtain a solid foundation for any future decision making, in early August 2023 Council Staff contacted all of the food and beverage manufacturing businesses within the Glynde and Stepney precincts to gain an understanding across a range of areas including:

- what attracted them to the area;
- if their site meets their current and future needs;
- what their business goals are;
- if they are looking to grow their business;
- if there is an appetite or ability to export;
- their efforts around marketing and collaboration; and
- key challenges and opportunities.

Approximately half of the businesses responded, with the key findings summarised below:

- the majority of the businesses are happy with the location of their business and sites are sufficient in size, albeit one (1) is looking to reduce floorspace due to rental costs and La Casa De Formaggio has relocated to expand its business;
- the area is favourable due to its central location and close to the CBD. None specified that it was due to being located around other food or beverage manufacturers and did not consider that to be an advantage;
- all products, services and wage costs have increased in the past twelve (12) months, making it challenging to sustain the same level of profit;
- most businesses are struggling with skills / labour shortages;
- several businesses have explored cross brand / product collaborations;
- a couple of businesses that currently export on a small scale have lost international distributors due to the costs associated with importing their products into the foreign countries; and
- none of the businesses that responded have a desire to grow, look at new technologies or have any long-term goals.

It is noted that La Casa Del Formaggio did contribute to the survey, a description as to why they have decided to relocate is included under the heading of the Changing Face of Glynde and Stepney.

Over recent years, the food and beverage manufacturing industry has been extremely quick to respond to consumer demands and trends, which of late has been for more convenient, healthier, fresher, less processed foods, with minimal storage time. This requires the continuous development of new food processing, packaging technologies and innovations. The businesses in the two (2) precincts that have responded to demands and trends have seen the benefits, the concern is that some of the food and beverage manufacturing business have not responded due to a number of reasons, which may in longer term seal their fate. Supporting these businesses by providing an environment that encourages creativity, innovation and collaboration will be crucial to the success of these precincts.

- **Response to the Notice Of Motion**

In recognition that the issues outlined in the Notice of Motion fall into two categories, strategic and operational, the response to each of the issues has been prepared in order of priority (which is why the number is out of sequence). It is recommended that the Council resolve the key strategic issues before it invests heavily in or progresses some of the more minor actions.

g) identify threats and challenges to existing and future land use in Glynde and the Stepney triangle to determine if there is a need for Council to prepare a Code Amendment to provide certainty to existing and potential food and beverage manufacturers regarding long-term planning and investment in the sector.

Identifying threats and challenges to existing and future land uses is a vital component of the Council's long-term planning. If there are uncertainties related to land use regulations and policies, preparing a Code Amendment (i.e. changing the *Planning & Design Code*), may provide clarity and certainty to businesses investing in the sector. While this approach is logical, the Committee and the Council need to be aware that there is likely to be significant opposition by the State Planning Commission to the concept of diverting from the 'one size fits all model' that is the foundation of the *Planning & Design Code*. While in theory (assuming the Council was successful in introducing specific planning policy), this would provide a degree of certainty which would then translate into sustained growth and further investment in the Precincts, in reality, the future of Glynde and Stepney might not be so much about zoning and planning policy (which has been made more flexible under the *Planning & Design Code*) but more about the public realm investment and practical considerations such incompatibility with existing uses, unsafe access, carparking and pedestrian movement throughout the precinct. As well as practical constraints such as land size and the need for business expansion over time. Unfortunately, zoning in isolation cannot overcome these constraints, which suggest that the Council needs to adopt a multi-pronged strategic approach.

In respect to Glynde, one of its greatest challenges will be the incompatible range of land uses, which have been in existence for a number of years. Addressing the historical problems that these businesses create and finding an appropriate resolution, is probably the single most difficult challenge that the Council will face in progressing with its vision for Glynde. The reality is that until this issue is successfully addressed, then any investment in infrastructure and streetscape upgrades (roads, footpaths and landscaping) cannot be successfully undertaken.

The second largest challenge for the Council is the limited land available within each of the precincts and in particular Glynde. Land size and the ability for businesses to expand in the future is a massive constraint for some businesses such as La Ca Del Formaggio, with the limitations of their site forcing them to relocate outside of the Precinct. A similar example is Chefs on Wheels, which quickly outgrew its site and relocated into the City of Campbelltown.

From a marketing and investment perspective, the key challenge for these two (2) precincts is the extent of competition and their offerings. Whilst land values and achievable rental rates in Glynde and Stepney are significantly higher than the outer northern suburbs, the advantages of locations such as Edinburgh Park over Glynde and Stepney are:

- availability of large level sites with state-of-the-art infrastructure to support the intended uses;
- future development potential;
- access to a range of transport modes and transport corridors;
- suitable zoning, less development complications and the absence of residential interface;
- less expensive outgoings and holding costs; and
- no competition for alternative land uses.

In addition to the physical and marketing challenges, the Council has to position Glynde and Stepney in a manner that can compete with the alternative locations for food and manufacturing businesses. Based on size alone, it may be that the best option for the Council (should it resolve to invest further in the food and beverage manufacturing sector) is to focus on small scale businesses and the potential to market Glynde as a start-up location for these types of businesses. Identifying the gap in the market, rather than attempting to compete with the large players will probably result in the greatest advantage for the Council. It also reflects the foundation on which the food and beverage businesses in Glynde has historically been based.

Taking all of the above into consideration, one of the most important strategic and time sensitive decisions that the Council will need to make, is in relation to the strategic vision for each of these two (2) precincts. With the recent release of the *Greater Adelaide Regional Plan – Discussion Paper*, the Council has the opportunity to have its long term vision for both Glynde and Stepney incorporated into this State level strategic planning document. Failure to act in a timely manner could present the Council with future challenges – should the Council wish to deviate from the State's prescribed vision. However, if the Council acts swiftly to determine its vision for the two (2) precincts, it can lobby the State Planning Commission to have the vision accurately reflected in the Greater Adelaide Regional Plan – which could help support any future grant funding applications and/or State Government partnerships.

f) preparing a strategic document/business plan to attract state and/or federal government funding to improve infrastructure and facilitate the expansion of existing business and the overall growth of the food and beverage manufacturing sector

Developing a strategic document and business case are crucial for attracting State and Federal Government funding. These documents should outline the precincts' growth potential, infrastructure needs, job creation prospects, and contribution to the regional economy. Clear goals and performance indicators will demonstrate the precincts' value to potential funders. Complementing the strategic document and the business case is an Investment Prospectus, which will help to showcase the precincts and what they have to offer. To help develop these documents the Council will need to undertake a detailed economic and market analysis to help inform its strategic work.

j) other relevant issues

Additional issues to consider include sustainability practices, waste management solutions, workforce development programs, access to finance for small businesses, and leveraging digital platforms for e-commerce and marketing.

b) a new marketing and promotional campaign, including reviving the Food Secrets Ambassador program

Since the initial launch of the Councils *Food Secrets* initiative, the Council has appointed two (2) ambassadors, Cheong Liew and Salvatore Pepe. Due to a number of reasons the role has been vacant for a few years. At its Special Meeting held on 10 July 2023, the Council endorsed the 2023-2024 Annual Business Plan and Budget, which included a budget of \$40,000 for the Ambassador and associated marketing and event/s.

Reviving the Food Secrets Ambassador program can be a significant step in marketing and promoting these precincts. It is envisaged that the Ambassador will run numerous cooking demonstrations, host some of the bus tours, as well as attend the City's major food event and minor events during the term of their contract and act as the "media face" for the Council.

A comprehensive marketing campaign utilising social media, traditional advertising, and collaborations with tourism agencies will also be implemented to increase the visibility of the precincts, increase brand awareness and attract more visitors.

Appointing a new Ambassador is an opportunity to build on the success of the *Food Secrets* initiative and further promote the cluster of food and beverage manufacturers within the City.

a) potential for a new food and beverage related events and activities

The Glynde and Stepney precincts offer ample opportunities for new food and beverage-related events and activities. These events can showcase local products, attract tourists and create a vibrant atmosphere within the precincts. Possible events include food festivals, cooking competitions, culinary workshops, and farm-to-table experiences. Collaborations with local chefs and food influencers can enhance the attractiveness of these events. These options are all currently being investigated by staff.

c) opportunities for collaboration between food and beverage businesses within and across both precincts

Encouraging collaboration between food and beverage businesses within and across both precincts, can lead to shared knowledge, resources, innovation and mutual growth. It can also result in effective cross promotional opportunities. Platforms such as networking events, collaborative product launches, and joint marketing efforts can foster these collaborations. Establishing a business incubator or accelerator specific to the food and beverage sector can also nurture innovation and encourage collaboration.

Collaboration between businesses is facilitated and encouraged by Council Staff and is generally received positively. Several Glynde businesses are in discussion to identify how their products can work together to produce a new product. (eg Doughnut World & Menz, Doughnut World & Gelato Bello).

d) legal and regulatory requirements to facilitate exports of local produce to overseas markets

To facilitate exports of local produce to overseas markets, businesses need to comply with international food safety and labelling standards. Collaborating with regulatory agencies to streamline export procedures and ensuring that businesses have access to the resources they require to navigate international regulations can support their expansion to export markets.

However, the export market does come with a significant number of challenges. The following list highlights some of the logistical challenges and basic operational challenges that impact businesses directly wanting to export from South Australia (extracted from the *South Australia Food and Beverage 5 Year Export Strategy 2022*).:

- many small, entrepreneurial businesses with outstanding products need to implement mechanisms to overcome their lack of critical mass;
- food and beverage freight consolidation is underdeveloped and uncompetitive, relative to other states. Exporters often rely on shipping through other states, which impacts on export viability;
- sea and air freight services are uncompetitive from South Australia to priority export markets;
- there is a lack of Unique Value Proposition for South Australia that tells the collective story of South Australian exporters and brings them together when engaging with customers, in-market representatives and for potential online digital collaboration;
- there is a need to expand market access (particularly for core commodities), reduce the cost of compliance, and increasing timely availability of the latest regulatory requirements for priority export markets;
- the training and coaching for food and beverage specific export skills development across the whole value chain is sporadic and lack's integration, resulting in duplication of costs and making it difficult for businesses to assess the best development options for their people;
- there is a need to support industry investment in new technologies and systems that enhance productivity, open pathways for emerging category entry and drive product innovation; and
- establishing environmental sustainability credentials and value chain transparency needs to be of greater priority for exporting businesses individually and collectively for South Australia.

e) increasing the level of engagement between Council and the South Australian Government (Department for Trade and Investment) and other relevant stakeholders

It is recognised that engagement with the State Department for Trade and Investment is essential as a way to tap into government resources, incentives, and initiatives. The first step in the process will be to establish clear lines of communications and organise meetings with relevant State Government representatives to assist in ensuring that the needs of the precincts and challenges are effectively communicated to relevant government bodies.

On 7 July 2023, the State Government officially launched *South Australia's Small Business Strategy 2023 – 2030*. Following the launch, Council Staff met with one of the Department's Business Support Officer's, to discuss the Strategy and the twenty (20) initiatives that will be delivered over the course of the next three (3) years, noting that the twenty (20) initiatives in the Strategy are supported or delivered by a range of Government Departments both at the State and Federal level. Of particular interest is the *Export Ready Support* initiative that has been included in the Small Business Strategy. This initiative is being delivered by the Federal Government. There are several tools, guides and tutorials available to small businesses on the Australian Government site, which assist in identifying if a business has export capability, is export ready and is ready to expand. It is the intention of Council staff to share the export ready support services with the food and beverage businesses that have an interest in considering the option of exporting.

In addition, Council Staff have identified a range of contacts at *TradeStart*, the Department of Trade and Investment and at Wine Export Recovery and Expansion Program, which will be important contacts in progressing this initiative.

Other relevant sources which need to be further investigated and are likely to be useful tools for the businesses in the City of Norwood Payneham & St Peters, include:

- the DTI business missions and events (<https://connectplus.sa.gov.au/business-missions>);
- the export grants for South Australian businesses wanting to grow via a range of marketing channels (<https://export.sa.gov.au/grants>); and
- the 4-year Wine Export Recovery and Expansion Program and its strategy (<https://export.sa.gov.au/wine>).

g) the level of connectivity with the South Australia Food and Beverage Five Year Strategy (2022-2027)

The food and beverage industry is a major economic driver for South Australia and exports of premium food and beverage products make a significant contribution year-on-year to the State's growth. In 2021, \$2.6 billion export revenue was generated by food and beverage products (excluding wine).

The objective of the five-year export strategy is to provide a simple roadmap for exporters and decision makers to determine where to export, why and how, while also recommending the priorities for resourcing and support.

Where practical this document will be used to inform decisions and support businesses.

h) opportunities to partner with South Australia universities for research into food innovation

Partnering with South Australian universities for research into food innovation can drive advancements in the food and beverage sector. Collaborative projects on sustainable practices, new product development, and technology adoption can benefit both academia and businesses. Depending on the outcome of the investigations and the extent of the investment that the Council proposes to make, will determine if there are any opportunities for food innovation partnerships with the universities to occur.

OPTIONS

As the first step in the process, the Council needs to determine what the long term vision for these precincts will be - will Stepney remain as a light industrial precinct, mixed use precinct or will the Council resolve to convert this traditional employment zone to high rise development (ie strategic infill). Given the recent release of the *Greater Adelaide Regional Plan – Discussion Paper* and the identification of Stepney as both an area for Strategic Infill and an area of employment land, it is essential that the Council establishes a clear direction, which is subsequently followed with the relevant strategic documents (ie structure plans, masterplans etc) and any required policy changes through Code Amendments.

In respect to Glynde, there are a number of options ranging from leaving it as it is and allowing the market to dictate its future, pursuing a food manufacturing precinct based on the existing food and beverage manufacturing businesses, focusing on creating an innovative food manufacturing precinct that attracts start-ups and small businesses, with an understanding and acceptance that these businesses will eventually outgrow their sites and will seek to relocate, or alternatively implementing a combination of these options. Regardless of the option that the Council chooses to adopt, there needs to be future investigation to assist the Council in making its decision.

Should the Committee resolve to recommend to the Council that it pursue the option of creating a food and beverage manufacturing precinct, or an innovative food manufacturing precinct, then it is proposed that the following methodology be adopted:

1. undertake detailed investigations including the preparation of an economic and market analysis as the foundation for any decision making;
2. use the information collated through the detailed investigations to determine a clear vision and strategy for both Glynde and Stepney;
3. in the case of Stepney, establish a detailed Structure Plan, identifying the location of particular land uses;

4. in the case of Glynde, develop a detailed Masterplan to be able to deliver the Vision and Strategy;
5. prepare a Business Case that can be used to commence discussions with key stakeholders including the State Government;
6. lobby the State Government for significant zoning changes (if required) to protect the intent of the precincts;
7. rezone the Precincts;
8. develop a detailed investment prospectus;
9. establish partnerships to help promote and achieve the desired outcome;
10. lobby both State and Federal Government for funding to support the upgrade and development of the precinct/s;
11. commence discussions with existing businesses and establish short, medium and long term plans to address non-complying activity and potential long term relocation. Depending on the Council's long term vision, the Council may need to provide an incentive for businesses to relocate out of the two (2) precincts;
12. depending on the Council's vision and the endorsed strategy, the Council may need to develop a strategy for the creation or amalgamation of sites;
13. invest and deliver infrastructure and streetscape upgrades; and
14. promote the Precincts.

Regardless of what the Council decides to do, Glynde has a significant operational issue which needs to be addressed as a priority. The only way that the Precinct can progress and improve, is to address each of the issues identified in this report in a methodical manner, starting with operational requirements of the existing businesses. This in time will address the parking issue, which will then enable the upgrading of infrastructure and the attraction of new businesses.

CONCLUSION

The establishment of a food manufacturing precinct in Glynde & Stepney, presents numerous economic opportunities that encompass job creation, value chain integration, increased economic activity, export opportunities, innovation, investment attraction, and skill development. By capitalising on Glynde and Stepney's strategic locations, these precincts have the potential to become catalysts for sustainable economic growth, benefiting both the local community and the broader region. The creation of such a precinct aligns with the State's economic development goals and could contribute significantly to South Australia's position in the global food industry. However, in order to create such a precinct and seriously position Glynde and Stepney in this competitive sector the Council will need to invest a significant amount of money and undertake a very clear methodical process, recognising that at any stage the results may suggest a change in direction. The Council also needs to realise that this is not a quick fix and it will take a number of years before any significant changes are realised on the ground.

COMMENTS

The Glynde and Stepney Food and Beverage Manufacturing Precincts hold immense potential for growth, innovation, and economic development. However, it will not be an easy task, particularly given that both of these precincts are fully established Employment Zones, which brings an additional set of challenges. Glynde and Stepney do not have the advantages of a greenfield site, which many of the other examples in this report have. Addressing the issues outlined in this report will contribute to the precincts' success and their role in advancing the South Australian food and beverage industry.

However, if the Council is serious about protecting and expanding the food and beverage manufacturing precincts and more generally, its light industrial land in the City of Norwood Payneham & St Peters, it needs to make a number of strategic decisions and it needs to back its decisions with financial investment to enable its vision to come to fruition. The Council needs to recognise that any support from the State or Federal Government will only be possible through the evidence based detailed investigations. By-passing the initial critical investigations could lead to lack of support from the State and Federal Government and more importantly business retention and attraction.

RECOMMENDATION

1. That the Committee recommends to the Council that it allocate a budget of \$50,000 to undertake a detailed economic and market analysis to inform the Council's strategic vision and strategic planning for the *Employment Zones* in Glynde and Stepney.
 2. That the Committee recommends to the Council that it advise the State Planning Commission, through its submission on the *Greater Adelaide Regional Plan – Discussion Paper*, that the Council is undertaking detailed investigations into the Employment Zones in Glynde and Stepney to establish the long term vision for these two (2) precincts.
 3. That the results of the economic and market analysis for the Glynde and Stepney precincts be presented to the Business & Economic Development Committee for its consideration and that the Committee use the results to make a recommendation to the Council.
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Ms Trish Hansen declared a perceived conflict of interest in this matter as she has been engaged by the State Government to undertake consultation with children regarding the Greater Adelaide Regional Plan. Ms Trish Hansen advised that she would remain in the meeting.

Short Term Suspension of Proceedings

At 6.24pm, with the approval of all the Committee Members present, the Chairperson suspended the meeting proceedings pursuant to Regulation 20(1) of the *Local Government (Procedures at Meetings) Regulation 2013*, for up to 60 minutes to enable informal discussion regarding the Glynde and Stepney Food Manufacturing precincts and the results of the staff investigations.

Resumption of Proceedings

The meeting resumed at 7.10pm.

Ms Rebecca Thomas moved:

1. *That the Committee recommends to the Council that it allocates a budget of up to \$50,000 to undertake a detailed economic and strategic options analysis to inform the Council's strategic vision and strategic planning for the Employment Zones in Glynde and Stepney.*
2. *That the Committee recommends to the Council that it advises the State Planning Commission, through its submission on the Greater Adelaide Regional Plan – Discussion Paper, that the Council is committed to the retention of the Employment Zones in Glynde and Stepney and is undertaking its own detailed investigations to form a long term vision for these two (2) precincts.*
3. *That the results of the economic and strategic options analysis for the Glynde and Stepney precincts be presented to the Business & Economic Development Advisory Committee for its consideration and that the Committee use the results to make a recommendation to the Council.*

Seconded by Cr Piggott and carried unanimously.

4. OTHER BUSINESS

Nil

5. NEXT MEETING

Tuesday 28 November 2023

6. CLOSURE

There being no further business the Presiding Member declared the meeting closed at 7.21pm.

Mayor Robert Bria
PRESIDING MEMBER

Minutes Confirmed on _____
(date)